

Invitation to the Annual General Meeting (Virtual General Meeting)

of Vonovia SE, 29 April 2022

VONOVIA

Key Figures

Financial key figures in € million	2020	2021
Total Segment Revenue	4,370	5,179.9
Adjusted EBITDA Total	1,909.8	2,269.3
Adjusted EBITDA Rental	1,554.2	1,648
Adjusted EBITDA Value-add	152.3	148.8
Adjusted EBITDA Recurring Sales	92.4	114
Adjusted EBITDA Development	110.9	187.7
Adjusted EBITDA Deutsche Wohnen	-	170.8
Group FFO	1,348.2	1,672
thereof attributable to Vonovia shareholders	1,292	1,605
thereof attributable to Vonovia hybrid capital investors	40	38.4
thereof attributable to non-controlling investors	16.2	28.6
Group FFO per share in €*	2.23	2.15
Key balance sheet figures in € million	Dec. 31, 2020	Dec. 31, 2021
Fair value of the real estate portfolio	58,910.7	97,845.3
EPRA NTA	35,488.6	51,826.1
EPRA NTA per share in €*	58.78	66.73
LTV in %	39.4	45.3
Non-financial key figures	2020	2021
Own apartments	415,688	565,334
Vacancy rate in %	2.4	2.2
Monthly in-place rent in €/m ²	7.16	7.33
Organic rent increase in %	3.1	3.8
Number of employees (as of Dec. 31)	10,622	15,871

* Based on the shares carrying dividend rights on the reporting date, prior-year TERP-adjusted values (1.067).

Vonovia SE
Bochum
ISIN DE000A1ML7J1
WKN A1ML7J

Invitation to the 2022 Annual General Meeting (virtual Annual General Meeting)

The shareholders in our Company are cordially invited to the

virtual Annual General Meeting

being held without the physical presence of shareholders and their proxies
at the business premises of Vonovia SE, Universitätsstraße 133, 44803 Bochum,

on **Friday, 29 April 2022**
at **10:00 hours**

at the business premises of Vonovia SE, Universitätsstraße 133, 44803 Bochum,
without the physical presence of shareholders and their proxies.

The entire meeting will be broadcast in sound and vision on the password-protected InvestorPortal, which can be accessed via the Company's website at <https://investors.vonovia.de/agm> (see the more detailed notes under III.).

I. Agenda

1. Presentation of the adopted annual financial statements of Vonovia SE and the approved consolidated financial statements as at 31 December 2021, of the combined management report for Vonovia SE and the Group, including the explanatory report on disclosures pursuant to section 289a and section 315a of the German Commercial Code (HGB), and of the report of the Supervisory Board for the 2021 financial year

The Supervisory Board has approved the annual financial statements and the consolidated financial statements prepared by the Management Board; the annual financial statements are thus adopted. A resolution of the Annual General Meeting regarding this Agenda Item 1 is therefore neither envisaged nor necessary.

The specified documents are available from the time the Annual General Meeting is called via the Vonovia SE website at <https://investors.vonovia.de/agm> and at the Annual General Meeting, and will be explained by the Management Board or – in the case of the Supervisory Board report – by the chairman of the Supervisory Board during the Annual General Meeting. As part of their right to information, shareholders will have the opportunity to ask questions about the documents submitted.

2. Allocation of net profit of Vonovia SE for the 2021 financial year

The Management Board and the Supervisory Board propose that the net profit of EUR 1,325,000,000.00 as presented in the adopted annual financial statements as of 31 December 2021 be appropriated as follows:

A dividend of EUR 1.66 shall be paid per no-par-value share of the Company which is entitled to a dividend for the 2021 financial year; with currently 776,597,389 no-par-value shares:	EUR	1,289,151,665.74
Einstellung in andere Gewinnrücklagen:	EUR	0.00
Profit carried forward:	EUR	35,848,334.26
Net profit:	EUR	1,325,000,000.00

The dividend shall be payable on 25 May 2022.

The proposal for the appropriation of earnings is based on the number of no-par-value shares entitled to dividend payment for the completed 2021 financial year of which the Company was aware on the day of the invitation to the Annual General Meeting. Should this number of no-par-value shares entitled to dividend payment change up until the Annual General Meeting, a resolution proposal that has been modified accordingly to comprise an unchanged dividend of EUR 1.66 per no-par-value share entitled to dividend payment for the completed 2021 financial year as well as a correspondingly adjusted proposal for the profit carried forward and/or for the allocation to other retained earnings will be put to the vote

at the Annual General Meeting. The sum not relating to no-par-value shares entitled to dividend payment shall be carried forward and/or allocated to other retained earnings.

The dividend shall be paid, at the shareholders' choice, either in cash or in the form of shares in the Company. Further details are set out in a separate document (*prospectus exemption document*) pursuant to Article 1(4)(h) and (5) (1)(g) of the EU Prospectus Regulation (Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017). This document is available via the Vonovia SE website at <https://investors.vonovia.de/agm> and in particular contains information on the number and nature of the shares and the reasons for and details of the share offer.

Provided the resolution proposed by the Management Board and the Supervisory Board is accepted by the Annual General Meeting, the following shall apply to the pay-out of the dividend:

As the dividend for the 2021 financial year is being paid fully from the tax contribution account within the meaning of section 27 of the German Corporation Tax Act (*Körperschaftsteuergesetz*) (contributions not made to the nominal capital), the pay-out shall occur without capital gains tax and solidarity surcharge being deducted. The dividend is not subject to taxation for domestic shareholders. This applies to both the cash distribution and insofar as the dividend is paid in the form of shares. There is no tax refund or tax credit option in relation to the dividend. In the opinion of the German tax authorities, the distribution reduces the tax-related acquisition costs of the shares.

The distribution of the dividend in cash is expected to occur on 25 May 2022. The shareholders that choose the share dividend are expected to receive the new shares in the Company on 1 June 2022.

The Management Board and the Supervisory Board advise that they will only offer and carry out the share dividend if they consider it to be reasonable after due assessment, taking into account the interests of the Company as well as of its shareholders. This decision will be based, in particular, on the performance of the Company's share price in relation to the latest financial key performance indicators. If the Management Board and the Supervisory Board decide not to implement a share dividend, shareholders will not or no longer be able to opt for a share dividend, and the dividend will be paid out in cash only. The payment of the dividend would then be made immediately after such a decision, by 25 May 2022 at the latest.

3. Formal approval of the actions of the members of the Management Board in the 2021 financial year

The Management Board and the Supervisory Board propose that the actions of the incumbent members of the Management Board in the 2021 financial year be approved.

4. Formal approval of the actions of the members of the Supervisory Board in the 2021 financial year

The Management Board and the Supervisory Board propose that the actions of the incumbent members of the Supervisory Board in the 2021 financial year be approved.

5. Election of the auditors of the annual financial statements and the consolidated financial statements for the 2022 financial year and for the potential review of the interim financial reports for the 2022 financial year and the interim financial report for the first quarter of the 2023 financial year

- a) Based on the recommendation of its Audit Committee, the Supervisory Board proposes that KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, be appointed as auditor for the audit of the annual financial statements and the consolidated financial statements for the 2022 financial year and for the potential review of the interim financial reports for the 2022 financial year.
- b) Based on the recommendation of its Audit Committee, the Supervisory Board proposes that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, be appointed as auditor for the potential review of the interim financial reports for the first quarter 2023 financial year.

Prior to the recommendation of the Audit Committee on the proposed resolution according to b), a selection procedure was carried out in accordance with Article 16 of the EU Audit Regulation (Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC) (**EU Auditors Regulation**). Following that procedure, the Audit Committee submitted a reasoned recommendation to the Supervisory Board for the selection of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, or Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, for the audit mandate being tendered, and informed the Supervisory Board about its reasoned preference for PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main.

Pursuant to Article 16(2)(3) of the EU Auditors Regulation, the Audit Committee of the Supervisory Board has explained that its recommendations are free from any undue influence by a third party and that there are no restrictions regarding the choice of a particular auditor or audit firm (Article 16(6) of the EU Auditors Regulation).

6. Approval of the compensation report for the 2021 financial year

Following the amendment to the German Stock Corporation Act (*Aktiengesetz* – **AktG**) by the German Act Implementing the Second Shareholders' Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie* – **ARUG II**), the Management Board and Supervisory Board must now prepare an annual compensation report in accordance with section 162 AktG and submit it to the General Meeting for approval in accordance with section 120a(4) AktG.

To implement the new statutory provisions, the Management Board and Supervisory Board have prepared a report on the compensation granted and owed to the members of the Management Board and Supervisory Board in the 2021 financial year. In accordance with section 162(3) AktG, the compensation report was reviewed by the auditor to determine whether the legally required information pursuant to section 162(1) and (2) AktG had been provided. In addition to the statutory requirements, a substantive audit was also performed by the auditor. The memorandum on the audit of the compensation report is attached to the compensation report.

The compensation report for the 2021 financial year is attached to this invitation to the Annual General Meeting as **Annex (no. 1)**. It is also published at <https://investors.vonovia.de/agm> and will also be accessible there during the Annual General Meeting.

The Management Board and the Supervisory Board propose to approve the compensation report for the 2021 financial year prepared and audited in accordance with section 162 AktG.

7. Amendment of compensation for Supervisory Board members and corresponding amendment of § 13 of the Articles of Association

The current compensation for the members of the Supervisory Board was set by the Annual General Meeting of 9 June 2013 in § 13 of the Articles of Association and confirmed by the Annual General Meeting on 16 April 2021. According to this, the members of the Supervisory Board receive annual fixed compensation and additional compensation for their work on Supervisory Board committees. In general, this compensation structure is still appropriate in the view of the Management Board and Supervisory Board.

However, the level of compensation, which has remained unchanged adjusted since 2013, no longer reflects the increased demands of the work in terms of its content and the time needed to complete it. Both the responsibility and the individual scope of activities of the Supervisory Board members are constantly increasing, also in view of the continuous growth and thus the growing complexity of the Company.

In order to continue to compensate the Supervisory Board members appropriately for the fulfilment of their duties, to remain competitive and to ensure that the company remains

in a position to attract outstandingly qualified candidates for membership of the Supervisory Board, the compensation shall be adjusted in line with the market.

With the involvement of an independent and recognized compensation consultant, the Supervisory Board determined the proposed compensation levels. The adjustments to the fixed compensation are in line with the market. The special responsibility and the growing consulting and coordination effort in the chairmanship of the Supervisory Board and the deputy chairmanship as well as in the chairmanship of the committees have also been reflected and, in comparison with other listed companies, taken into account in the compensation proposal.

Therefore, the Management Board and the Supervisory Board propose to resolve as follows:

§ 13 of the Articles of Association shall be amended as follows:

“§ 13 Compensation of the Supervisory Board

- 13.1 Each Supervisory Board member shall receive annual fixed compensation in the amount of €110,000.00.
- 13.2 The Chairperson of the Supervisory Board shall receive two and a half times this amount, while the Deputy Chairperson shall receive one and a half times this amount. The members of the Audit Committee shall receive additional annual fixed compensation in the amount of €45,000.00; the Chairperson of the Audit Committee shall receive twice this amount.
- 13.3 Supervisory Board members who are members of one or more other Supervisory Board committees that have met at least once in the respective year shall receive additional annual fixed compensation in the amount of €30,000.00 or, in the case of the Chairperson of the committee, €60,000.00 for each such committee.
- 13.4 The total of all compensation in accordance with this § 13 plus any compensation for membership of supervisory boards and similar controlling bodies of Group companies may not exceed €400,000.00 per calendar year for each Supervisory Board member, irrespective of the number of committee memberships and functions.
- 13.5 All of the compensation described above is payable after the end of the relevant financial year. Supervisory Board members who are members of the Supervisory Board or a Supervisory Board committee for only part of a financial year shall receive corresponding pro rata compensation for that financial year, rounded up to whole months.

- 13.6 The Company shall reimburse the Supervisory Board members for appropriate expenses incurred in the exercise of their office. VAT is reimbursed by the Company to the extent that the Supervisory Board members are eligible to separately invoice VAT in respect of the Company and have exercised this right.
- 13.7 The Company shall conclude D&O liability insurance for the Supervisory Board members with a reasonable maximum liability.
- 13.8 The compensation established in this § 13 shall apply beginning on 1 January 2022.”

The Management Board is authorized to apply for the registration in the commercial register of the approved amendment to § 13 of the Articles of Association, irrespective of the Annual General Meeting's other resolutions.

Description of the compensation of the members of the Supervisory Board:

The members of the Supervisory Board exclusively receive the fixed compensation proposed above. The precise amount of compensation depends on the tasks performed by the relevant Supervisory Board member on the Supervisory Board and its committees. The Company reimburses the Supervisory Board members for VAT incurred on the compensation to the extent that they are eligible to separately invoice VAT in respect of the Company and have exercised this right. The Company also reimburses the Supervisory Board for expenses incurred due to the exercising of their office and concludes a D&O liability insurance for the Supervisory Board members with a reasonable maximum liability.

The Supervisory Board monitors the management activity of the Management Board and assists the Management Board in an advisory capacity. Granting only fixed compensation that is non-performance-based helps to enable the Supervisory Board to perform these activities in the objective interest of the Company. In this respect, the established compensation system for the Supervisory Board supports the business strategy with its long-term focus and the Company's long-term development.

The compensation proposed is appropriate, including when compared with supervisory board compensation at other major listed companies in Germany. This ensures that the Company remains in a position to attract candidates to the Supervisory Board that meet the requirements of a qualified and independent Supervisory Board.

In accordance with the statutory provision set out in section 113(3) sentence 1 AktG, the compensation of the Supervisory Board members must be reviewed at least every four years and a resolution on the compensation must be passed by the Annual General Meeting. Section 113(3) sentence 2 clause 1 AktG states that this can also be a confirma-

tory resolution. The review is performed on the basis of a comparison with other large, listed companies. An external compensation consultant who is independent of the Management Board and the Supervisory Board may be consulted in preparing the comparison as required. Proposals for the adjustment or confirmation of the compensation paid to the Supervisory Board members are submitted jointly by the Management Board and the Supervisory Board, with the Supervisory Board being supported by its Executive and Nomination Committee.

8. Election of members of the Supervisory Board

Two members of the Supervisory Board, Mr Burkhard Ulrich Drescher and Prof Dr Klaus Rauscher, have declared to resign from office with effect from the end of the Annual General Meeting 2022 on 29 April 2022. The General Meeting shall therefore resolve on the election of two members of the Supervisory Board.

Pursuant to Articles 40(2) and (3) and 9(1)(c) of the SE Regulation in conjunction with section 17 of the SE Implementation Act and pursuant to § 11.1 of the Articles of Association of Vonovia SE, the Supervisory Board is composed of twelve members, all of whom are elected by the General Meeting. The General Meeting is not bound by election proposals. The following election proposals are in line with the competence profile of the Supervisory Board and the objectives the Supervisory Board has set for its composition as well as the requirements of the German Corporate Governance Code. Elections to the Supervisory Board are held on an individual basis.

The Supervisory Board proposes, upon recommendation of its Executive and Nomination Committee, that the following persons be elected as members of the Supervisory Board with effect from the end of this Annual General Meeting until the end of the Annual General Meeting resolving on the ratification of actions for the Company's 2025 financial year:

- a) Mr Matthias Hünlein, Managing Director of Tishman Speyer Properties Deutschland GmbH, resident of Oberursel;
- b) Mr Jürgen Fenk, CEO of Primonial REIM, Paris, resident of Berlin.

The curricula vitae of the candidates (including the information pursuant to section 125(1) sentence 5 AktG) are attached to this invitation to the Annual General Meeting in the **Annex (no. 2)** and are available on the Company's website at <https://investors.vonovia.de/agm>.

9. Renewal of the authorized capital and amendment of § 5 of the Articles of Association

With the approval of the Supervisory Board, the Management Board made partial use of the authorization granted by the Annual General Meeting on 16 April 2021 to increase the Company's share capital by up to EUR 282,943,649.00 in the period ending on 15 April 2026 by issuing up to 282,943,649 new no-par-value registered shares against cash and/or in kind contributions on one or several occasions (**Authorized Capital 2021**), increasing the share capital by a total of EUR 201,340,062.00 by means of the rights issue capital increase at the end of 2021.

§ 5 of the Articles of Association therefore currently contains an Authorized Capital 2021 that authorizes the Management Board to increase the Company's share capital by up to a total of EUR 81,603,587.00 with the approval of the Supervisory Board by issuing up to 81,603,587 new, no-par-value registered shares against contributions in cash and/or in kind on one or several occasions.

The Management Board and the Supervisory Board plan to use up to EUR 30,000,000.00 of the Authorized Capital 2021 to create new shares intended to be offered to the shareholders in the context of the scrip dividend announced in Agenda Item 2.

A new authorized capital (**Authorized Capital 2022**) shall allow the Company in the future to comprehensively strengthen its capital resources in a flexible manner as and when necessary. To achieve these objectives, a corresponding resolution on the Authorized Capital 2022 shall be adopted by amending the Articles of Association accordingly. In this context, the intention is to cancel the Authorized Capital 2021. However, the cancellation of the Authorized Capital 2021 and the creation of the Authorized Capital 2022 are intended to become effective only after the use of the Authorized Capital 2021 for the share dividend.

Therefore, the Management Board and the Supervisory Board propose to resolve as follows:

a) Cancellation of the existing Authorized Capital 2021

The current authorization to increase the share capital pursuant to § 5 of the Articles of Association (Authorized Capital 2021) as granted by the Annual General Meeting on 16 April 2021, and valid until 25 May 2026, and § 5 of the Articles of Association, shall be cancelled.

b) Creation of Authorized Capital 2022 with the option to exclude shareholder subscription rights

A new authorized capital in the amount of EUR 233,000,000.00 will be created with the option to exclude shareholder subscription rights (**Authorized Capital 2022**).

§ 5 of the Articles of Association shall be reworded as follows:

“§ 5 Authorized Capital

- 5.1 The Management Board is authorized to increase the Company's share capital by up to EUR 233,000,000.00 in the period up to 28 April 2027 with the consent of the Supervisory Board by issuing up to 233,000,000 new, no-par-value registered shares against cash and/or in kind contributions on one or several occasions (“**Authorized Capital 2022**”).
- 5.2 The Management Board shall only be entitled to use the Authorized Capital 2022 in an amount of no more than 30% of the share capital at the time said authorization comes into effect or – if such amount is lower – at the time it is exercised. Any shares already issued or to be issued to satisfy bonds with conversion or option rights or obligations from a conditional capital are to be included in this 30% cap on the share capital, provided these bonds were issued during the term of this authorization. The cap, decreased under the preceding sentences of this paragraph, shall be increased again when a new authorization pursuant to section 202 or section 221 (in conjunction with a conditional capital pursuant to section 192 AktG) approved by the Annual General Meeting after the decrease becomes effective, to the extent of the reach of the new authorization, but up to a maximum of 30% of the share capital in accordance with the stipulations of sentence 1 of this paragraph.
- 5.3 The shareholders must in principle be granted subscription rights. As part of this, the shares pursuant to section 186(5) AktG may also be acquired by one or several credit institution(s) or one or several enterprise(s) operating pursuant to section 53(1) sentence 1 or section 53b(1) sentence 1 or (7) of the German Banking Act (*Kreditwesengesetz*) with the obligation to offer them to the shareholders of the Company for subscription (known as an indirect subscription right).
- 5.4 The Management Board is, however, authorized, with the approval of the Supervisory Board, to exclude shareholder subscription rights for one or several capital increases relating to the authorized capital:
- (i) to exclude fractional amounts from the subscription right;
 - (ii) insofar as is necessary to grant the holders/creditors of convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations thereof) (hereinafter collectively “**bonds**”) that come with conversion or option rights or obligations, and that were or shall be issued by the Company or companies dependent on or in the direct or indirect majority ownership of the Company, a subscription right for new, no-par-value registered shares in the Company in the same volume as said holders/creditors would be entitled to upon exercising their option or conversion rights or fulfilling their conversion or option obligations as shareholders;
 - (iii) to issue shares against cash contributions insofar as the issue amount of the new shares does not significantly undercut the stock market price of the shares of the same class and with equal rights already listed on the stock exchange within the meaning of sections 203(1) and (2), section 186(3) sentence 4 AktG and the proportion of the share capital attributable to the new shares issued subject to the exclusion of subscription rights in line with section 186(3) sentence 4 AktG is in total no more than 10% of the share capital, either at the time at which this authorization becomes effective or – in the event that this amount is lower – at the time at which it is exercised. This cap of 10% of the share capital is to include (i) any shares issued or disposed during the term of this authorization without subscription rights in direct or analogous application of section 186(3) sentence 4 AktG and (ii) any shares issued or to be issued to satisfy bonds with conversion or option rights or obligations, provided these bonds were issued during the term of this authorization without subscription rights pursuant to section 186(3) sentence 4 AktG. The cap, decreased under the preceding sentences of this paragraph, shall be increased again when a new authorization to exclude shareholder subscription rights in line with section 186(3) sentence 4 AktG approved by the Annual General Meeting after the

decrease becomes effective, to the extent of the reach of the new authorization, but up to a maximum of 10% of the share capital in accordance with the stipulations of sentence 1 of this paragraph;

- (iv) to issue shares against contributions in kind in particular – but not solely – for the purpose of the acquisition (including the indirect acquisition) of companies, parts of companies, shareholdings in companies and other assets relating to an intended acquisition (including receivables), properties and property portfolios, or to satisfy bonds referred to in § 5.4(ii) issued against contributions in kind;
- (v) to issue a share dividend under which shares of the Company are issued (including partially and/or optionally) against contribution of shareholder dividend claims (*scrip dividend*); and
- (vi) restricted to the issue of up to 2,500,000 new no-par-value registered shares against a contribution in cash insofar as this is necessary in order to issue shares to the employees of the Company or of affiliated companies within the meaning of section 15 AktG to the exclusion of the members of the Company's Management Board and Supervisory Board and the members of the management boards, supervisory boards and other bodies of affiliated companies (employee shares).

Insofar as is legally permissible, the employee shares may also be issued such that the corresponding contributions are covered by the portion of the net profit that the Management Board and Supervisory Board are authorized to transfer to other retained earnings pursuant to section 58(2) AktG.

The new shares may additionally be subscribed by a bank against cash contributions, such that the Company is able to buy back the subscribed shares in order to issue them to the employees of the Company or of affiliated companies within the meaning of section 15 AktG to the exclusion of the members of the Company's Management Board and Supervisory Board and the members of the management boards, supervisory boards and other bodies of affiliated companies.

- 5.5 The authorizations to exclude subscription rights in the event of capital increases against cash and/or in kind contributions as mentioned in the paragraphs above are limited in total to an amount not exceeding 10% of the share capital, either at the time at which this authorization becomes effective or – in the event that this amount is lower – at the time at which it is exercised. This cap of 10% of the share capital is to include (i) any shares issued during the term of this authorization from other authorizations without subscription rights and (ii) any shares issued or to be issued to satisfy bonds, provided the bonds were also issued without subscription rights during the term of this authorization. The cap, decreased under the preceding sentences of this paragraph, shall be increased again when a new authorization to exclude shareholder subscription rights approved by the Annual General Meeting after the decrease becomes effective, to the extent of the reach of the new authorization, but up to a maximum of 10% of the share capital in accordance with the stipulations of sentence 1 of this paragraph.
- 5.6 The new shares created on the basis of the Authorized Capital 2022 shall bear dividend rights from the beginning of the financial year in which they come into existence and continue to do so in the financial years that follow; by way of derogation, subject to the approval of the Supervisory Board and insofar as is legally permissible, the Management Board may stipulate that the new shares shall bear dividend rights from the beginning of the financial year for which no resolution of the Annual General Meeting regarding the appropriation of the net profit had been passed at the time of the capital increase.
- 5.7 The Management Board is furthermore authorized, with the approval of the Supervisory Board, to stipulate the further details of the rights and the conditions of the share issuance.
- 5.8 The Supervisory Board shall be authorized to amend § 4.1 and § 5 of the Articles of Association to reflect the utilization of the Authorized Capital 2022 and once the authorization period has expired."

c) Application for registration in the commercial register

The Management Board is instructed to apply for the registration of cancellation of the Authorized Capital 2021 and the creation of the Authorized Capital 2022, including the amendment of § 9 of the Articles of Association in the commercial register only on 1 June 2022 or immediately thereafter. The time schedule fixed for the registration shall allow the Company to effect the capital increase required for the share dividend announced in Item 2 from the existing Authorized Capital 2021. The application for registration shall be made subject to the requirement that the cancellation of the Authorized Capital 2021 shall be registered first, albeit only if the registration of the new Authorized Capital 2022 follows immediately.

Subject to the preceding paragraph, the Management Board is authorized to apply for the registration in the commercial register of the approved cancellation of the Authorized Capital 2021 and the approved creation of the Authorized Capital 2022, including the amendment to § 5 of the Articles of Association, irrespective of the Annual General Meeting's other resolutions.

Should the Company's share capital change up until the date of the Annual General Meeting, the Management Board and Supervisory Board reserve the right to submit an appropriately adapted resolution proposal to the Annual General Meeting that provides for a nominal amount for the Authorized Capital 2022 which will correspond to 30% of the share capital of the Company (rounded down) on the day of the Annual General Meeting.

The Management Board has prepared a report on the reasons for the authorization to exclude subscription rights. This report is attached to this invitation to the Annual General Meeting as **Annex (no. 3)**.

10. Renewal of the authorization for the Company to acquire and use its own shares

The authorization for the Company granted by the Annual General Meeting on 9 May 2018 to acquire its own shares will expire on 8 May 2023. In order to keep the Company in a position to acquire and then use its own shares at any time and without any time gap, the existing authorization shall be replaced by a new authorization.

Therefore, the Management Board and the Supervisory Board propose to resolve as follows:

a) The Company is authorized pursuant to section 71(1) no. 8 AktG to acquire shares of the Company in an amount of up to 10% of the Company's share capital at the time of the resolution or at the time when this authorization is exercised, if the latter value is lower, until 28 April 2027. Together with any other shares of the Company already acquired for other reasons, which are either held by the Company or are attributable to the Company pursuant to sections 71a et seqq. AktG, the shares acquired under this authorization must at no time exceed 10% of the Company's share capital.

At the discretion of the Management Board, the acquisition may be carried out (1) via the stock exchange, (2) through a purchase offer made to all shareholders, (3) through an exchange offer made to all shareholders, (4) through a public invitation to submit a sale offer, or (5) by issuing tender rights to the shareholders.

(1) If the acquisition is carried out via the stock exchange, the purchase price per share paid by the Company (excluding incidental acquisition costs) may not be more than 10% above or 20% below the arithmetic average closing price for shares of the same class in the Xetra trading (or a functionally comparable successor system replacing the Xetra trading system) of the Frankfurt Stock Exchange during the last three trading days prior to the date of the obligation to purchase.

(2) If the acquisition is carried out through a purchase offer made to all shareholders, the purchase price per share offered and paid by the Company (excluding incidental acquisition costs) may not be more than 10% above or 20% below the arithmetic average closing price for shares of the same class in the Xetra trading (or a functionally comparable successor system replacing the Xetra system) of the Frankfurt Stock Exchange during the last three trading days prior to the date of the publication of the offer. If after publication of the offer, the market price of the shares has deviated significantly, the offer may be adjusted; in this case, the relevant reference period shall be the three trading days prior to the date of the publication of the adjustment. If the purchase offer is oversubscribed, the acquisition is based on the proportion of shares held by the tendering shareholders. Furthermore, commercial rounding can be carried out to avoid allocation of fraction of shares. Preferential acceptance of a smaller number of shares (up to 100 tendered shares per shareholder) is permissible.

- (3) If the acquisition is carried out through a public offer to all shareholders to exchange the Company's shares for shares in another listed company ("**exchange shares**") as defined in section 3(2) AktG, a certain exchange ratio may be specified or also determined by way of an auction procedure. A cash benefit may also be provided for as an additional payment to the exchange offered or as compensation for any fractional shares. In each of these procedures for the exchange of shares, the exchange price or the applicable upper and lower limits of the price range in the form of one or more exchange shares and calculated fractional amounts, including any cash or fractional amounts (excluding incidental acquisition costs), according to the following paragraph, may not exceed by more than 10% or undercut by more than 20% the relevant value of the Company's shares.

The relevant value of the Company's shares and of the exchange shares shall be determined based on the arithmetic average closing price of the shares of the Company or the exchange shares in the Xetra trading (or a functionally comparable successor system replacing the Xetra trading system or, if the shares are not traded in the Xetra system, the trading system used in the particular market segment that is most similar to Xetra) of the Frankfurt Stock Exchange on the three trading days prior to the public announcement of the exchange offer. If after the publication of a public exchange offer, there are significant deviations in the relevant market price of the shares, the offer may be adjusted. In this case, the arithmetic average closing price on each of the three trading days prior to the public announcement of a possible adjustment is to be applied. If the offer is oversubscribed, the acquisition will be based on the proportion of shares held by the tendering shareholders. Furthermore, commercial rounding can be carried out to avoid allocation of fraction of shares. Preferential acceptance of a smaller number of shares (up to 100 tendered shares per shareholder) is permissible.

- (4) If the acquisition is carried out through a public invitation to all shareholders to submit a sale offer, the Company will determine a price range per share within which the sales offers can be submitted. The purchase price per share offered and paid by the Company (excluding incidental acquisition costs) may not be more than 10% above or 20% below the arithmetic average

closing price for shares of the same class in the Xetra trading (or a functionally comparable successor system replacing the Xetra trading system) of the Frankfurt Stock Exchange during the last three trading days prior to the date of the public invitation to submit a sale offer. If, after the publication of the invitation to submit a sale offer, there are significant deviations in the relevant share price, the invitation to submit a sale offer may be adjusted; in this case, the relevant reference period shall be the three trading days prior to the date of the publication of the adjustment. In the event that not all of several sales offers of an equal value can be accepted due to the volume limitation, the acquisition shall be based on the proportion of shares held by the tendering shareholders. Furthermore, commercial rounding can be carried out to avoid allocation of fraction of shares. Preferential acceptance of a smaller number of shares (up to 100 tendered shares per shareholder) is permissible.

- (5) If the acquisition is carried out through issuing tender rights to the shareholders, these shares can be allocated per share held in the Company. In accordance with the ratio of the Company's share capital to the volume of shares to be repurchased by the Company, a correspondingly fixed number of tender rights entitles the holder to sell one of the Company's shares to the Company. Tender rights may also be issued in such manner that one tender right is issued for a number of shares determined on the ratio of the Company's share capital to the buyback volume. Fractions of tender rights shall not be issued; in this case, the corresponding fractional tender rights shall be excluded. The price or the limit values of the offered purchase price range (each without incidental acquisition costs) at which a share can be sold to the Company upon exercising the tender right is determined in accordance with the provisions of paragraph (4) above, with the relevant determination date being that of the publication of the repurchase offer granting tender rights, and be adjusted as necessary, with the relevant adjustment date being that of the publication of the adjustment. The Management Board shall determine the details of the tender rights, in particular their content, term, and, if applicable, tradability.

- b) The Company is authorized to use the shares that have been or will be acquired as a result of this authorization or for any other reasons, in addition to selling them on the stock exchange or by means of an offer to all shareholders in proportion to their participation quota, also for all other legally permissible purposes, in particular for the following purposes:
- (1) The shares may be sold against cash at a price that is not significantly below the market price of the Company's shares of the same class at the time of the sale.
 - (2) The shares may be sold against contributions in kind, in particular - but not solely - for the purpose of the acquisition (including indirectly) of companies, parts of companies, shareholdings in companies and other assets relating to an intended acquisition (including receivables), properties and property portfolios.
 - (3) The shares may be used to fulfil obligations and to secure obligations or rights to acquire shares in the Company, in particular under convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations thereof) issued by the Company or its affiliates within the meaning of sections 15 et seqq. AktG.
 - (4) The shares may be offered to all shareholders, so that they may acquire shares of the Company in exchange for the assignment or partial assignment of their claim to the payment of the dividend, which comes into existence with the resolution of the Annual General Meeting on the appropriation of profits (scrip dividend).
 - (5) The shares may be redeemed without a further resolution of the General Meeting being required. The redemption may also be effected without a capital decrease by increasing the pro rata amount of the remaining no par value shares in the Company's capital stock. In such cases, the Management Board is authorized to adjust the number of shares set out in the Articles of Association.
- c) The shareholders' right to subscribe for shares acquired by the Company is excluded to the extent these shares are used within the scope of the authorizations pursuant to b) (1) through (3). If the shares are used for the purpose specified under b) (4), the Management Board shall be authorized to exclude the subscription right. Moreover, the Management Board is authorized to exclude subscription rights in order to grant subscription rights to holders/creditors of conversion or option rights for shares of the Company or corresponding conversion or option obligations to

compensate for dilution to the extent they would be entitled to subscription rights after exercising these rights or fulfilling these obligations. Finally, the Management Board may exclude shareholder subscription rights for fractional amounts.

The portion of the share capital mathematically attributable to shares used in accordance with the authorization under b) (1) may not in total exceed 10% of the share capital either at the time this authorization becomes effective or at the time of the authorization being exercised, if the latter is lower. This cap of 10% of the share capital is to include (i) any shares issued or disposed during the term of this authorization without subscription rights in direct or analogous application of section 186(3) sentence 4 AktG and (ii) any shares issued or to be issued to satisfy bonds with conversion or option rights or obligations, provided these bonds were issued during the term of this authorization without subscription rights pursuant to section 186(3) sentence 4 AktG. The cap, decreased under the preceding sentences of this paragraph, shall be increased again when a new authorization to exclude shareholder subscription rights in line with section 186(3) sentence 4 AktG approved by the Annual General Meeting after the decrease becomes effective, to the extent of the reach of the new authorization, but up to a maximum of 10% of the share capital in accordance with the stipulations of sentence 1 of this paragraph.

The total amount of shares sold under exclusion of the subscription right against cash and/or in kind contributions must not exceed a pro-rated amount of 10% of the share capital, neither at the time of the resolution nor - if this amount is lower - at the time the authorization is exercised. This cap of 10% of the share capital is to include (i) any shares issued during the term of this authorization from other authorizations without subscription rights and (ii) any shares issued or to be issued to satisfy bonds, provided the bonds were also issued without subscription rights during the term of this authorization. The cap, decreased under the preceding sentences of this paragraph, shall be increased again when a new authorization to exclude shareholder subscription rights approved by the Annual General Meeting after the decrease becomes effective, to the extent of the reach of the new authorization, but up to a maximum of 10% of the share capital in accordance with the stipulations of sentence 1 of this paragraph.

- d) The Management Board may only make use of the authorizations under b) and c) with the approval of the Supervisory Board.

- e) All of the above authorizations for the Company for the purchase and use of its own shares on the basis of this or an earlier authorization may be exercised, in full or in part, on one or several occasions, individually or collectively, by the Company or its affiliates within the meaning of sections 15 et seqq. AktG or by third parties for the Company's or its affiliates' account. Furthermore, a subsidiary of the Company may purchase the Company's own shares while excluding shareholder subscription rights if – prior to becoming an affiliate of the Company within the meaning of sections 15 et seqq. AktG – it tenders its own shares (in exchange for the Company's shares) within the scope of a public exchange offer by the Company regarding the acquisition of shares in the subsidiary, only becomes a subsidiary of the Company as a result of the execution of the acquisition of the subsidiary's shares by the Company, and the Company's shares are only transferred to it after execution of the acquisition. In this context, the Company or the subsidiary, with the approval of the Company's Supervisory Board, may exclude shareholder tender and subscription rights when fulfilling the obligations assumed under the exchange offer. With regard to the lowest and highest counter-value for this type of acquisition, the provisions set out in a)(3) apply.
- f) The current authorization for the Company to acquire its own shares granted by the Annual General Meeting on 9 May 2018, and expiring on 8 May 2023, shall be revoked as from the time of the aforementioned authorization becoming effective.

The Management Board has prepared a report on the reasons for the authorization to exclude subscription rights. This report is attached to this invitation to the Annual General Meeting as **Annex (no. 4)**.

11. Renewal of authorization for the use of derivatives in the context of acquiring the Company's own shares

In addition to the authorization for the Company proposed for resolution under Agenda Item 10 regarding the acquisition of its own shares pursuant to section 71(1) no. 8 AktG, the Company shall be authorized to also acquire its own shares using derivatives and to enter into corresponding derivative contracts. The total volume of shares that may be acquired is not to be increased as a result thereof; this is only to open up alternative ways of acquiring shares within the scope of the cap under Agenda Item 10, further restricted by a) of the following proposal for resolution, and including such shares in the amount of the cap.

Therefore, the Management Board and the Supervisory Board propose to resolve as follows:

- a) Further to the authorization for the Company to repurchase its own shares pursuant to section 71(1) no. 8 AktG proposed under Agenda Item 10, the acquisition of its own shares may also be carried out, in addition to the ways described there, by using equity derivatives. The Management Board is authorized (i) to sell options that obligate the Company to acquire shares in the Company when the option is exercised ("**Put Options**"), (ii) to acquire options that grant the Company the right to acquire shares in the Company upon exercise of the option ("**Call Options**"), (iii) to enter into forward purchase contracts regarding shares in the Company with more than two trading days between the conclusion of the agreement and the delivery of the shares ("**Forward Purchases**"). Finally (iv) the Company's shares may be acquired using a combination of Put Options, Call Options and/or Forward Purchases (the structures specified under (i) to (iv) of this paragraph are hereinafter referred to as "**Derivatives**").

The authorization may be exercised wholly or in part, on one or more occasions including different or in connection with other legally permissible transactions not covered by this authorization, by the Company or any of its affiliates within the meaning of sections 15 et seqq. AktG, or by third parties acting on behalf of the Company or any of its affiliates.

All share acquisitions by using Derivatives are limited to shares representing no more than 5% of the share capital at the time of the resolution on this authorization by the Annual General Meeting or – if that value is lower – at the time when this authorization is exercised. The term of each Derivative may not exceed 18 months, must end on 28 April 2027 at the latest and must be set such that the acquisition of Company shares by exercising or settling such Derivatives may not take place after 28 April 2027.

- b) The Derivative contracts may be concluded only with one or several credit institution(s) or one or several enterprise(s) operating pursuant to section 53(1) sentence 1 of the German Banking Act or section 53b(1) sentence 1 or (7) of the German Banking Act. The Derivative conditions must ensure that the Derivatives are only based on shares that were acquired under observance of the principle of equal treatment of the shareholders. The acquisition price paid or received by the Company for Derivatives shall not be significantly higher or lower, respectively, than the theoretical market price calculated in accordance with generally accepted actuarial methods. Among other factors, the predetermined exercise price shall be taken into account when determining the theoretical market price.

- c) The purchase price per share of the Company to be paid upon exercising the Put Option and/or upon maturity of future purchase agreements shall not be more than 10% above or 20% below the arithmetical average closing price of shares of the same class in Xetra trading (or a functionally comparable successor system replacing the Xetra trading system) of the Frankfurt Stock Exchange during the last three trading days prior to the date of the conclusion of the relevant transaction, excluding incidental acquisition costs, but taking into account the value of the option upon exercise or maturity. The Call Option may be exercised only if the purchase price to be paid is not more than 10% above and not more than 20% below the arithmetical average closing price of shares of the same class in the Xetra trading (or a functionally comparable successor system replacing the Xetra trading system) of the Frankfurt Stock Exchange during the last three trading days prior to the date of the acquisition of the shares, excluding incidental acquisition costs, but taking into account the value of the option upon exercise.
- d) If shares are acquired using Derivatives and in accordance with the above provisions, any right of the shareholders to enter into such Derivatives with the Company and any tender right of the shareholders are excluded.
- e) The provisions stated in b) through e) of the proposal for resolution under Agenda Item 10 of the Annual General Meeting held on 29 April 2022 apply accordingly to the use of the Company's own shares acquired through Derivatives. Shareholder subscription rights relating to the Company's shares shall be excluded to the extent to which such shares are used in accordance with the authorizations pursuant to b) (1) through (4) and c) of the proposal for resolution under Agenda Item 10 of the Annual General Meeting on 29 April 2022.
- f) The use of Derivatives for acquiring the Company's own shares is subject to the approval of the Supervisory Board. It may be granted on a general basis or for a specific period of time or for a specific volume.

The Management Board has prepared a report on the reasons for the authorization to exclude subscription rights. This report is attached to this invitation to the Annual General Meeting as **Annex (no. 5)**.

II. Company's website and the documents and information accessible there

This invitation to the Annual General Meeting, the documents to be made available to the Annual General Meeting and other information in connection with the Annual General Meeting are available on the Company's website at <https://investors.vonovia.de/agm> from the time the Annual General Meeting is convened.

Any shareholder countermotions, appointment proposals or requests to add Agenda Items subject to mandatory publication and received by the Company shall likewise be published on the above-mentioned website. The InvestorPortal can also be accessed via the website (see III). After the Annual General Meeting the voting results will also be published on this website.

III. Conducting the Annual General Meeting as a virtual Annual General Meeting without physical presence of the shareholders and their appointed representatives, audio and visual broadcast on the InvestorPortal

The German Act on Measures in Corporate, Co-operative, Association, Foundation and Home Ownership Law to Combat the Effects of the COVID-19 Pandemic (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie*) of 27 March 2020 as amended by the German Act on the Further Shortening of Residual Debt Relief Proceedings and on the Adaptation of Pandemic-Related Provisions in Corporate, Co-operative, Association, Foundation and Tenancy and Lease Law (*Gesetz zur weiteren Verkürzung des Restschuldbefreiungsverfahrens und zur Anpassung pandemiebedingter Vorschriften im Gesellschafts-, Genossenschafts-, Vereins- und Stiftungsrecht sowie im Miet- und Pachtrecht*) of 22 December 2020 (**C-19 AuswBekG**), the effectiveness of which was extended by the Reconstruction Aid Act 2021 (*Aufbauhilfegesetz 2021*) of 10 September 2021 enables annual general meetings to be held without the physical presence of shareholders or their proxies until 31 August 2022 (virtual annual general meeting). In view of the ongoing COVID 19 pandemic, the rules of conduct adopted in this respect by the state of North Rhine-Westphalia and the objective of avoiding health risks for shareholders, internal and external employees and the Company's board members, the Management Board has decided, with the approval of the Supervisory Board, to make use of the option of a virtual annual general meeting. The Annual General Meeting on 29 April 2022 will be held on the basis of the C-19 AuswBekG as a virtual annual general meeting without the physical presence of shareholders and their appointed representatives, with the option to follow the virtual Annual General Meeting and exercise voting rights on the InvestorPortal (see below) by means of electronic connection (**Connection**).

Shareholders and their appointed representatives can therefore not physically participate in the Annual General Meeting. For technical reasons, it was also not possible to offer the option provided under C-19 AuswBekG to participate in the Annual General Meeting by means of electronic communication within the meaning of section 118(1) sentence 2 AktG.

Internet-based, password-protected InvestorPortal

The Company will maintain an internet-based, password-protected online portal (**InvestorPortal**) at <https://investors.vonovia.de/agm>. Via this system, duly registered shareholders (and their proxies, if applicable) can, among other things, follow the Annual General Meeting in sound and vision, exercise their voting rights, grant powers of attorney, submit questions and register objections to the minutes as well as issue statements in text, audio or video format. To be able to use the InvestorPortal, shareholders (or their proxies) must log in with the individual access code they either receive with the invitation to the Annual General Meeting or that they have already assigned to themselves after first accessing the InvestorPortal.

Shareholders will receive further details regarding the InvestorPortal and the registration and usage conditions with their invitation to the Annual General Meeting or on the internet at <https://investors.vonovia.de/agm>. Shareholders and their proxies should also note the technical information at the end of this invitation notice.

Voting information

The scheduled votes under Agenda Items 2 to 5 and 7 to 11 are binding. The vote on the approval of the compensation report provided for under Agenda Item 6 is of an advisory nature. For all votes, it is possible to vote "yes" (in favour) or "no" (against) or to abstain, i.e. to refrain from voting.

Information on dates and times in this invitation to the Annual General Meeting

Any date and time specified in this invitation to the Annual General Meeting refers to Central European Summer Time (**CEST**). To determine the relevant dates and times according to coordinated universal time (**UTC**), subtract 2 hours from the CEST value (e.g., 29 April 2022, 10:00 CEST corresponds to 29 April 2022, 08:00 UTC).

IV. Further details on the invitation

The relevant provisions for stock corporations with registered office in Germany, in particular those of the HGB and AktG, apply to Vonovia SE in accordance with the referring statutes of Article 5, Article 9 (1)(c) ii), Article 53 and Article 61 of Regulation (EC) No. 2157/2001 of the Council of 8 October 2001 on the Statute for a European company (SE) (**SE Regulation**), to the extent that the provisions of the SE Regulation do not provide otherwise.

1. Total number of shares and voting rights on the date on which the Annual General Meeting is convened

On the date on which the Annual General Meeting is convened, the Company's share capital totals EUR 776,597,389.00 and is divided into 776,597,389 no-par-value shares. Each no-par-value share corresponds to one vote at the Annual General Meeting. The total number of shares entitled to participate and vote at the time of convening the Annual General Meeting, therefore, is 776,597,389. On the date on which the Annual General Meeting is convened, neither the Company nor persons attributable to it in accordance with sections 71a et seqq. AktG hold any of its own shares.

2. Requirements for connecting to the Annual General Meeting and exercising shareholder rights, in particular voting rights

Only those shareholders – in person or by appointed representatives – who are entered in the share register and have registered with the Company in such good time that the Company receives the registration by **24:00 hours on Friday, 22 April 2022**, at the latest, via the InvestorPortal or at one of the following addresses (the **Registration Addresses**)

unter der Anschrift:
Vonovia SE
c/o Computershare Operations Center
80249 Munich

or

to the email address:
anmeldestelle@computershare.de

in text form (section 126b German Civil Code, **BGB**) in either German or English (**duly registered shareholders**) are entitled to attend the Annual General Meeting.

Pursuant to section 67(2) sentence 1 AktG, in relation to the Company, only a person who has been registered as such in the share register shall be deemed a shareholder. The number of shares entered in the share register at **24:00 hours on Friday, 22 April 2022** (*Technical Record Date*) is decisive for the connection to the Annual General Meeting and the exercise of shareholder rights. Applications for the transfer of ownership in the share register that are received by the Company in

the period from 00:00 hours on Saturday, 23 April 2022 to 24:00 hours on Friday, 29 April 2022 inclusively, shall only be processed and taken into consideration following the Annual General Meeting on Friday, 29 April 2022.

Registration for the Annual General Meeting does not mean that trading in the shares is blocked. Shareholders may dispose of their shares at their discretion also after registration for the Annual General Meeting.

The convening of the Annual General Meeting including the Agenda along with the documents concerning registration and/or granting of proxy will be transmitted by the Company unsolicited to all shareholders who are listed in the share register at the latest at the beginning of the 21st day prior to the day of the Annual General Meeting as well as to the shareholders and intermediaries who requested the notification and the shareholder associations who requested the notification or who exercised voting rights at the last Annual General Meeting.

Intermediaries (in particular credit institutions), shareholder associations, voting rights advisors and persons who offering to exercise voting rights in the Annual General Meeting for shareholders on a professional basis must have the authorization of the shareholder to exercise voting rights for shares which do not belong to them, but for which they are entered in the share register as the bearer. Details on these authorizations can be found in section 135 AktG.

Further details regarding the registration process can be found in the registration documents sent to the shareholders and on the Company's website at <https://investors.vonovia.de/agm>.

3. Authorization of third parties to exercise voting and other rights

Duly registered shareholders, after granting a corresponding power of attorney, may also appoint a proxy such as a bank, a shareholder association or some other third party to exercise their voting and other rights at the Annual General Meeting. Authorized third parties may in turn exercise the voting right by postal vote or by granting power of attorney and instructions to the proxy representative of the Company (see below). If a shareholder appoints more than one person as proxy, the Company may reject one or more of said persons.

Conferment and revocation of authority and evidence of such authorization to the Company must be made in text form (as defined by section 126b BGB) unless a power of attorney is conferred under section 135 AktG. When authorizing the exercise of voting rights in accordance with section 135 AktG (granting of power of attorney to intermediaries (in particular credit institutions), shareholder associations, voting rights advisors or persons who offer to exercise voting rights at the Annual General Meeting for shareholders on a professional basis), special features must generally be taken into account. Shareholders who wish to grant a power of attorney to

exercise voting rights in accordance with section 135 AktG are requested to enquire with the relevant person to be appointed as proxy and to coordinate with them about any special features of the granting of a power of attorney.

Intermediaries (in particular credit institutions), shareholder associations, voting rights advisors and persons who offer to exercise voting rights in the Annual General Meeting for shareholders on a professional basis are advised, if they represent several shareholders, to contact the following email address in advance of the Annual General Meeting with regard to the exercise of voting rights: anmeldestelle@computershare.de.

If neither an intermediary (in particular a credit institution), nor a shareholder association, a voting rights advisor or a person offering to exercise voting rights in the Annual General Meeting for shareholders on a professional basis is authorized pursuant to section 135 AktG, the power of attorney may be granted either to the Company or directly to the proxy (in this case, evidence of the authorization granted to the Company in text form is required).

The authorization granted to the Company or evidence of the authorization granted to the Company must be sent to the Company via the InvestorPortal or one of the Registration Addresses listed under section 2 above. The same applies to revocation of the power of attorney.

If the granting or proof of a power of attorney or its revocation is made by means of a declaration to the Company by post or email, for organizational reasons this must be received by the Company by no later than **24:00 hours on Thursday, 28 April 2022**. Proof of power of attorney granted in this way may be furnished by sending the proof (e.g. copy or scan of the power of attorney) to the address or email address stated above.

Duly registered shareholders may use the registration form sent to them with the letter of invitation to the Annual General Meeting in order to grant a power of attorney. However, it is also possible for shareholders to issue a separate power of attorney. In addition to this, a proxy form can also be downloaded from the Company's website at <https://investors.vonovia.de/agm>.

Irrespective of any other method of transmitting the power of attorney or proof of the appointment of a proxy to the Company permitted by law, registered shareholders who wish to authorize a representative may also authorize the proxy electronically via the password-protected InvestorPortal until the day of the Annual General Meeting (including) until the start of voting. For the proxy to connect via the InvestorPortal requires that the proxy receives the access data sent to the proxy by the person granting the power of attorney upon registration in good time. If the authorization is granted via the InvestorPortal, confirmation of registration with new access data will be

generated and the shareholder can decide whether these are to be sent to the proxy by post or email or whether the shareholder should hand them over to the proxy. Proof of authorization granted to the Company is required in this case as well. Proof of proxy authorization must be submitted to the Company in the manner described above.

Further information about granting power of attorney to third parties is included in the invitation to the General Meeting sent to all shareholders.

Process of voting by proxies designated by the Company

In addition, as a service to its shareholders, the Company has appointed Company proxies to whom duly registered shareholders can likewise grant authority to exercise their voting rights.

The Company proxies are obliged to vote in accordance with their instructions; they may not exercise the voting rights at their own discretion. The Company proxies may only exercise voting rights with regard to Agenda Items for which the shareholders issue clear instructions and the Company proxies may neither receive instructions for motions before nor during the Annual General Meeting. The Company proxies may likewise not be requested to speak, to lodge objections to Annual General Meeting resolutions or to raise questions or file motions.

The Company proxies can only vote on motions for which there are proposals for resolutions by the Management Board and/or Supervisory Board in accordance with section 124(3) AktG or by shareholders in accordance with section 124(1) AktG, or which are made accessible in accordance with sections 126 and 127 AktG, either in this invitation or announced later.

It is possible to grant such power of attorney with instructions to the Company proxies prior to the Annual General Meeting using the power of attorney and instructions form provided on the "registration form" sent with the invitation letter to the Annual General Meeting. The form should be sent to one of the Registration Addresses mentioned in section 2 above. In addition, a power of attorney form is available for download on the Company website at <https://investors.vonovia.de/agm>.

The power of attorney to the Company proxies and the instructions to them must be submitted in text form (section 126b BGB) via the above-mentioned means of transmission so that they are received by the Company by **24:00 hours on Thursday, 28 April 2022**. The same applies to changes and the revocation of the power of attorney or instructions. The date of receipt of the power of attorney or instruction by the Company is decisive for the granting, amendment and revocation of the power of attorney or instruction.

Before and during the Annual General Meeting, duly registered shareholders can also use the InvestorPortal to exercise their voting rights by granting power of attorney to the Company proxies. Authorization via the InvestorPortal will be possible until the commencement of voting on the day of the Annual General Meeting. Via the InvestorPortal, shareholders can also change or revoke any authorization or instruction issued during the Annual General Meeting until the commencement of voting.

If an individual vote is taken on an Agenda Item without any notification of such vote prior to the Annual General Meeting, the instruction granted in relation to said Agenda Item shall apply accordingly to each Item of the individual vote. Instructions to the proxies appointed by the Company shall also apply to any adjustments to the proposed resolutions that are indicated in the invitation to the Annual General Meeting.

Further information on granting power of attorney and issuing instructions to the proxy appointed by the Company will be sent out with the letter of invitation to the Annual General Meeting.

4. Voting by postal vote

Duly registered shareholders may cast their votes in text form (section 126b BGB) or by means of electronic communication (postal vote). Prior to the Annual General Meeting, the registration form sent with the letter of invitation to the Annual General Meeting is available to duly registered shareholders. In addition, a form for postal voting can also be downloaded from the Company's website at <https://investors.vonovia.de/agm>.

When exercising voting rights by postal vote, the following conditions must be observed:

Postal votes can be submitted, changed or revoked by informing the Company in text form (section 126b BGB) using one of the Registration Addresses listed under section 2 above until **24:00 hours on Thursday, 28 April 2022**. In all these cases, the time of receipt of the postal vote by the Company is decisive. Postal votes that cannot be unequivocally assigned to a proper registration will not be taken into account.

Before and during the Annual General Meeting, the InvestorPortal is also available for duly registered shareholders for exercising voting rights by means of electronic postal vote. Electronic postal voting via the InvestorPortal will be possible until the commencement of voting on the day of the Annual General Meeting. Via the InvestorPortal, shareholders can also change or revoke any votes previously cast by means of postal vote during the Annual General Meeting until the commencement of voting.

Postal voting may only be used to vote on motions in relation to which resolution proposals from the Management Board and/or Supervisory Board pursuant to section 124(3) AktG or from shareholders pursuant to section 124(1) AktG are published together with this Invitation or later, or which are made public in accordance with sections 126 and 127 AktG.

Intermediaries (in particular credit institutions), shareholder associations, voting rights advisors and persons who offer to exercise voting rights at the Annual General Meeting for shareholders on a professional basis may also use postal voting.

If an individual vote is taken on an agenda item without any notification of such vote prior to the Annual General Meeting, the postal vote cast in relation to said agenda item shall apply accordingly to each item of the individual vote. Postal votes shall also apply to any adjustments to the proposed resolutions that are indicated in the invitation to the Annual General Meeting.

Further information about postal voting is included in the invitation to the Annual General Meeting sent to all shareholders.

Additional information on exercising voting rights

If voting rights are exercised or a power of attorney and, if applicable, instructions are issued within the deadline by several means (e.g. both by letter, by email, electronically via the InvestorPortal or in accordance with section 67c(1) and (2) sentence 3 AktG in conjunction with Article 2(1) and (3) and Article 9(4) of the Implementing Regulation ((EU) 2018/1212)) and it is not clear which was done last, they will be considered in the following order:

1. via the internet (InvestorPortal), 2. in accordance with section 67c(1) and (2) sentence 3 AktG in conjunction with Article 2(1) and (3) and Article 9(4) of the Implementing Regulation (EU) 2018/1212, 3. by email, and 4. by letter, and 5. by other means specified in the invitation.

Should different declarations (e.g. power of attorney and postal voting) be received via the same channel, the following shall apply:

Postal votes take precedence over issuing power of attorney and instructions to the Company proxies; to this extent, the Company proxies will not make use of a power of attorney issued to them and will not represent the shares concerned. Powers of attorney and instructions to the Company proxies shall in turn take precedence over the granting of proxy authorizations and instructions to an intermediary, a shareholder association, a voting rights advisor pursuant to section 134a AktG and a person equivalent to these pursuant to section 135(8) AktG.

If an intermediary, a shareholder association, a voting rights advisor pursuant to section 134a AktG or a person equivalent to these pursuant to section 135(8) AktG nominated by the shareholder is not willing to act as proxy, the Company proxies shall be authorized to represent the shareholder in accordance with their instructions.

The last time a declaration is revoked within the deadline shall be decisive.

5. Other shareholder rights

a) Shareholder motions to add Agenda Items pursuant to Article 56 SE Regulation, section 50(2) of the German SE Implementation Act (SEAG) and section 122(2) AktG

One or more shareholders whose shares jointly equate to five per cent of the share capital or to the sum of EUR 500,000.00 (this being equivalent to 500,000 shares) may demand that Agenda Items be added and made public. This quorum is required for requests to add Agenda Items made by shareholders of a European company (SE) pursuant to Article 56 sentence 3 SE Regulation in conjunction with section 50(2) SEAG; section 50(2) SEAG corresponds to the rules stipulated in section 122(2) AktG.

Each new item must be accompanied by a justification or a resolution proposal.

Such requests to add Agenda Items must be addressed to the Management Board in writing (section 126 BGB) or electronically (section 126a BGB) and must be received by the Company at least 30 days in advance of the meeting; the date of receipt and the date of the Annual General Meeting are not to be included in this calculation. The last possible date of receipt is therefore **24:00 hours on Tuesday, 29 March 2022**. Any requests to add Agenda Items which are received after such date will not be taken into account.

Any requests to add Agenda Items are to be submitted to the following address:

Vonovia SE
– Management Board –
Universitätsstraße 133
44803 Bochum

Electronic submissions (section 126a BGB) of requests to add Agenda Items are to be made by email to hauptversammlung@vonovia.de.

Additions to the Agenda that are to be published shall be published in the Federal Gazette immediately after receipt of the request. They shall also be published on the Company's website at <https://investors.vonovia.de/agm> and the shareholders shall be notified of them in accordance with section 125(1) sentence 3, (2) AktG.

b) Shareholder countermotions and appointment proposals pursuant to section 126 and section 127 AktG

Every shareholder has the right to file a countermotion in relation to specific Agenda Items to contest proposals made by the Management Board and/or Supervisory Board and to make proposals for the election of the auditors (Agenda Item 5) as well as the elections of Supervisory Board members (Agenda Item 8).

Counter motions and proposals for the election received by the Company at the address below at least 14 days prior to the Annual General Meeting, with the day of receipt and the date of the meeting not being included in this calculation, in other words by **24:00 hours on Thursday, 14 April 2022**, at the latest, shall be immediately published in accordance with sections 126, 127 AktG on the Company's website at <https://investors.vonovia.de/agm> together with the shareholder's name, any justification and any statement made by the management.

The reasons named in accordance to sections 126, 127 AktG for a counter motion or election proposal or any justification not being published on the Company's website, are outlined on the Company's website at <https://investors.vonovia.de/agm>. A justification is, in particular, not required to be published if its total length exceeds 5,000 characters.

Counter motions and election proposals must be submitted to the following address only:

Vonovia SE
- Legal Department -
Universitätsstraße 133
44803 Bochum
Email: hauptversammlung@vonovia.de

Counter motions or election proposals addressed otherwise do not have to be made available.

Counter motions and election proposals to be made available in accordance with sections 126 and 127 AktG are considered to have been made at the virtual Annual General Meeting if the shareholder making the counter motion or election proposal is duly legitimized and registered for the Annual General Meeting.

c) Shareholder right to ask questions

Pursuant to section 131(1) AktG, the Management Board must, upon request, provide each shareholder with information regarding the Company's affairs insofar as such information is necessary for the proper assessment of an item of the Agenda. This obligation to provide information on the part of the Management Board applies equally to the Company's legal and business relations with an affiliated company, the Group's situation and the companies included in the consolidated financial statements. Under certain circumstances outlined in section 131(3) AktG, the Management Board may refuse to disclose information. A detailed description of the conditions under which the Management Board may refuse to provide information can be found on the Company's website at <https://investors.vonovia.de/agm>.

The Management Board and the Supervisory Board have decided to hold this Annual General Meeting in accordance with the C-19 AuswBekG and to grant shareholders who have duly registered the right to ask questions by electronic means (section 1(2) sentence 1 no. 3 C-19 AuswBekG), with the questions to be submitted no later than until one day before the Annual General Meeting. Any questions must therefore be submitted by **24:00 hours on Wednesday, 27 April 2022** via the InvestorPortal.

Pursuant to section 1(2), sentence 2 C-19 AuswBekG, the Management Board will decide in its dutiful free discretion how to answer questions. Except for the additional option described in section d) to submit questions by means of an audio or video message transmitted in good time, questions may not be submitted by any means of transmission other than those specified in this section c).

d) Option to submit written statements, or statements and/or questions via audio or video messages for publication prior to and/or during the Annual General Meeting

Due to the virtual Annual General Meeting concept that only allows for votes being cast by postal vote or authorized proxies based on the instructions they received and without shareholders electronically participating in the meeting, shareholders will not be given the option to speak on the Agenda Items during the Annual General Meeting.

However - going beyond section 1(2) C-19 AuswBekG - shareholders will be given the opportunity prior to the Annual General Meeting to submit

- written statements relating to the Agenda for publication by the Company on its InvestorPortal or
- audio or video messages and/or questions relating to the agenda for publication by the Company on its InvestorPortal and potentially during the virtual Annual General Meeting.

Thus, duly registered shareholders will have the opportunity to submit written statements or statements and/or questions as audio or video messages no later than **18:00 hours on Monday, 25 April 2022** via the InvestorPortal. Further information on the technical requirements to be met for submitting audio or video messages will be published on the InvestorPortal.

Written statements may not exceed 10,000 characters, and the maximum length of an audio or video message should be two minutes. Only video messages in which the shareholder and/or their proxy are making a personal appearance to deliver the message will be eligible.

When published, a written statement or audio or video message will always reveal the name of the shareholder and/or their proxy.

Shareholders have no legal right to assert the publication of a written statement or an audio or video message prior to or during the Annual General Meeting. In particular, the Company reserves the right to refrain from publishing statements or audio or video messages that are abusive or criminally relevant, obviously false or misleading or not pertinent to the agenda of the Annual General Meeting, as well as statements or audio or video messages that exceed 10,000 characters and/or a length of two minutes or have not been submitted by the above deadline. Furthermore, only one written statement or audio or video message is permitted per shareholder. The Company also reserves the right to publish no more than one written statement or one audio or video message per person. In order to ensure that the Annual General Meeting proceeds in an orderly manner, the Company reserves the right, if necessary, to make an appropriate selection for publication at the Annual General Meeting. Further information and conditions can be found on the InvestorPortal.

Motions on individual Agenda Items and proposals of candidates pursuant to sections 126(1), 127 AktG which are made in written statements or in audio or video messages will be disregarded; in this respect, only the procedure set out in section b) will be applicable.

The following additional provisions apply to written statements: Questions included in written statements under this section d) will be disregarded. Written questions may only be submitted as outlined in section c).

The following additional provisions apply to audio and video messages: Questions in audio or video messages received in a timely manner and published in accordance with the above provisions will be considered as having been asked, provided that it is indicated during transmission via the InvestorPortal that the audio or video messages contain questions. In this context, the questions asked may be played or shown at the Annual General Meeting (as excerpts, where appropriate).

e) **Lodging objections with the records**

Duly registered shareholders who have exercised their voting rights may lodge objections with the records of the notary to resolutions of the Annual General Meeting by electronic means via the InvestorPortal as of the time of the start of the Annual General Meeting until its end.

f) **Further explanations**

Further explanations of the rights of shareholders pursuant to Article 56 SE Regulation, section 50(2) SEAG, section 122(2) AktG, section 126(1) AktG, section 127 AktG, section 131 AktG, section 1(2) sentence 1 no. 3, no. 4 and (3) C-19 AuswBekG are available on the Company's website at <https://investors.vonovia.de/agm>.

6. **Additional information on rights in connection with the exercise of voting rights**

Pursuant to section 118(1) sentence 3, (2) sentence 2 AktG, if voting rights are exercised electronically (by granting power of attorney and issuing instructions to the proxies of the Company or by issuing postal votes), the person casting the vote must receive electronic confirmation from the Company of the receipt of the vote cast in accordance with the requirements set out in Article 7(1) and Article 9(5) (1) of the Implementing Regulation (EU) 2018/1212. If the confirmation is issued to an intermediary, the intermediary shall send the confirmation to the shareholder without undue delay pursuant to section 118(1) sentence 4 AktG. Furthermore, pursuant to section 129(5) sentence 1 AktG, the person voting may request confirmation from the Company within one month of the day of the Annual General Meeting as to whether and how their vote was counted. The Company shall issue the confirmation in accordance with the requirements of Article 7(2) and Article 9(5)(2) of Implementing Regulation (EU) 2018/1212. If the confirmation is issued to an intermediary, the intermediary shall send the confirmation to the shareholder without undue delay pursuant to section 129(5) sentence 3 AktG.

7. **Information on data protection**

When you or your proxy register for the virtual Annual General Meeting, grant a proxy, exercise your shareholder rights, use the InvestorPortal or connect to the virtual Annual General Meeting, we collect personal data (e.g., name, address, email address, number of shares, class of shares, shareholder number, individual access data for the InvestorPortal; when submitting a video/audio message, particularly your video image and/or your voice and statement) about you and/or your proxy. We process this personal data to enable you to connect to and exercise your rights at the virtual Annual General Meeting. We also process your personal data to maintain the share register and to fulfil our legal obligations in connection with conducting the virtual Annual General Meeting. The processing of personal data is always based on the applicable data protection laws.

The data controller for the processing is Vonovia SE, Universitätsstraße 133, 44803 Bochum, email: hauptversammlung@vonovia.de.

If we use service providers to conduct the Annual General Meeting, they will only process personal data on our behalf and are otherwise obliged to maintain confidentiality.

If the legal requirements are met, every data subject has the right of access, the right to rectification, restriction, erasure and, if applicable, objection regarding the processing of their personal data at any time, as well as the right to data transmission and to lodge a complaint with a competent supervisory authority.

Further information on the processing of personal data as well as on the rights you are entitled to under the EU General Data Protection Regulation can be accessed at any time on our website at <https://investors.vonovia.de/agm> or requested at the following address: Vonovia SE, Legal Department, Universitätsstraße 133, 44803 Bochum, email: hauptversammlung@vonovia.de.

8. Technical instructions for the virtual Annual General Meeting

a) Technical instructions

To follow the virtual Annual General Meeting and to use the InvestorPortal and exercise shareholder rights, shareholders and/or proxies (**Users**) need an internet connection and an internet-capable terminal. In order to be able to render the video and audio broadcast of the Annual General Meeting optimally, a stable internet connection with a sufficient transfer rate is recommended.

If Users use a computer to receive the video and audio broadcast of the virtual Annual General Meeting, they will need a browser and speakers or headphones.

To access the Company's password-protected InvestorPortal, Users need their individual access data, which they received with the Invitation to the General Meeting or which they have already assigned to themselves after initial access. Users can register at the InvestorPortal with this access data.

In order to avoid the risk of restrictions in the exercise of shareholder rights due to technical problems during the virtual Annual General Meeting, it is recommended that shareholder rights (in particular voting rights) be exercised before the start of the General Meeting wherever possible.

Shareholders will find further details on the InvestorPortal and the registration and usage conditions in the registration documents sent to them or on the internet at <https://investors.vonovia.de/agm>.

If Users have any technical questions regarding the InvestorPortal or their participation by Connection to the virtual Annual General Meeting, the employees of the Company's Annual General Meeting service provider will be happy to assist before and during the Annual General Meeting at following telephone number.

Shareholder hotline: +49 890 30903-6357

The shareholder hotline is available Monday to Friday, from 9:00 hours to 17:00 hours and from 9:00 hours on 29 April 2022, the day of the Annual General Meeting. Excluded from this are public holidays in the Free State of Bavaria, Germany.

If Users have any technical questions before the start of the virtual Annual General Meeting, they can also contact the Company's Annual General Meeting service provider by email at aktionaersportal@computershare.de.

b) Broadcast of the Chairman's speech

All interested parties can follow the speech by the Chairman of the Management Board live on the internet at <https://investors.vonovia.de/agm>. The speech will be available as a recording after the Annual General Meeting.

c) Information on the availability of the broadcast

Shareholders can follow the entire Annual General Meeting via the InvestorPortal. The video and audio broadcast of the virtual Annual General Meeting and the availability of the InvestorPortal may be subject to fluctuations in accordance with the current state of the art due to restrictions on the availability of the telecommunications network and limitations on third-party internet services, on which the Company has no influence. The Company can therefore not assume any guarantees or liability for the functionality and constant availability of the internet services used, the third-party network elements used, the video and audio broadcast or access to the InvestorPortal and its general availability. The Company also assumes no responsibility for errors and defects in the hardware and software used for the online service, including those of the service providers used, unless caused intentionally. For this reason, the Company recommends that the above-mentioned options for exercising rights, in particular voting rights, be exercised at an early stage. The chairman of the Annual General Meeting must reserve the right to interrupt or completely discontinue the virtual Annual General Meeting if absolutely necessary for data protection or security considerations.

d) Submitting statements, suggestions or criticisms concerning the Annual General Meeting

The Company intends to enable shareholders to submit their statements, suggestions or criticisms to the Annual General Meeting via email at investorrelations@vonovia.de from the beginning of the Annual General Meeting until when the submitted questions have been answered. The email address will also be available on the InvestorPortal. Shareholders are asked to not send more than two messages (each preferably less than approx. 1,000 characters). These messages are to be taken up without undue delay so that they can be addressed at the Annual General Meeting where possible. If this is not possible, the Investor Relations department will take up messages in a timely manner, on the same day where possible. Questions, follow-up questions or motions contained in the submissions will not be deemed to have been asked/made at the Annual General Meeting, and there is no entitlement that those are dealt with at the Annual General Meeting.

Please also be advised that the Company's Investor Relations department can be reached by interested investors throughout the year via email at investorrelations@vonovia.de.

Bochum, March 2022

**Vonovia SE
The Management Board**

Annexes

to the Invitation to the Annual General Meeting of Vonovia SE at 10:00 hours on 29 April 2022

Vonovia SE, Bochum
ISIN DE000A1ML7J1
WKN A1ML7J

1. 2021 Fiscal Year Remuneration Report (Agenda item 6)

I. Introduction

The remuneration report describes the principles and structure of the remuneration system for Vonovia SE Management Board and Supervisory Board members while explaining the structure and amount of individual remuneration granted and owed to Management Board and Supervisory Board members for the 2021 fiscal year. This report has been prepared by the Management Board and Supervisory Board in accordance with the requirements of Section 162 of the German Stock Corporation Act (AktG) and complies with the recommendations of the German Corporate Governance Code (GCGC) as amended on December 16, 2019. In addition, the guidelines of the Working Group on Sustainable Management Board Remuneration were taken into account in their current version.

The remuneration report and attached report on the audit of the remuneration report conducted by KPMG AG Wirtschaftsprüfungsgesellschaft in accordance with the requirements of Section 162 (3) AktG both in terms of form and content can be found on the Vonovia SE investor relations website (<https://investoren.vonovia.de/en/corporate-governance/annual-general-meeting/>).

II. Review of the 2021 Fiscal Year from a Remuneration Perspective

The following review of the 2021 fiscal year gives context to the remuneration decisions made and enables them to be analyzed comprehensively.

Approval of the new remuneration system by the 2021 Annual General Meeting

The Vonovia SE Supervisory Board has adopted a revised remuneration system for Management Board members that implements the requirements of the German Stock Corporation Act (AktG) introduced with the ARUG II, taking into account the recommendations of the GCGC, and which was approved by the Annual General Meeting on April 16, 2021 with a vote of 87.75%.

The new remuneration system has applied to all members of the Management Board of Vonovia SE since January 1, 2021. Remuneration entitlements – including those arising from the previously relevant provisions on variable remuneration for periods prior to January 1, 2021 – continue to be based on the respective underlying contractual provisions.

Changed regulatory framework in remuneration reporting

As a result of the entry into force of the Act Implementing the Second Shareholders' Rights Directive (ARUG II) on January 1, 2020, the remuneration report for the 2021 fiscal year will for the first time be prepared on the basis of the new regulatory requirements of Section 162 AktG.

With the following presentation, Vonovia SE aims to provide clear and comprehensive reporting that is intended to lay the groundwork for broad acceptance by all stakeholders of the remuneration paid to executive bodies. When preparing the remuneration report, Vonovia SE therefore followed national and international best practice benchmarks in order to meet the capital market's expectations of a high level of transparency and comprehensibility when it comes to remuneration decisions.

Vonovia SE's remuneration reporting therefore far exceeds the new regulatory requirements.

The 2021 Remuneration Report will be submitted to the 2022 Annual General Meeting for approval by means of a consultative vote in accordance with Section 120a (4) AktG.

Business development and target achievement in the 2021 fiscal year

For the Vonovia SE Supervisory Board, the clear link between its overarching corporate strategy and how Management Board members' remuneration is structured is of key importance. Only with an appropriately designed remuneration system can strategy and corporate success as well as remuneration for the Management Board's performance be clearly linked (pay-for-performance). For this reason, a high proportion of the Vonovia SE Management Board's remuneration consists of performance-related remuneration components. Due to this strong dependence on performance and the consideration of strategically relevant key figures for corporate management as performance criteria, Management Board remuneration is closely linked to business development.

In another year dominated by the coronavirus pandemic, Vonovia closed the 2021 fiscal year successfully in both economic and operational terms.

One of the focal points of the Management Board's work was the successful takeover of Deutsche Wohnen SE and the associated financing. Acquiring a majority stake of 87.6% in Deutsche Wohnen allowed Vonovia to further strengthen its positioning as a leading property enterprise in Europe with around 565,334 apartments and a fair value of € 97.8 billion.

The company implemented (bridge) financing arrangements and capital increases in the fiscal year under review. One significant measure in terms of its scale was the capital increase with subscription rights totaling around € 8.1 billion in the context of financing the takeover of Deutsche Wohnen. The key financial ratings remained stable as against the December level (Moody's) or were lifted (S&P).

The company continued to invest heavily in its own portfolio: it invested € 1.4 billion for new construction and modernization measures (incl. Deutsche Wohnen) (2020: € 1.3 billion). € 0.8 billion was invested in maintenance (2020: € 0.6 billion). 1,373 apartments (2020: 1,442) are part of our new construction measures. Vonovia also completed 827 apartments that are intended for sale (2020: 646).

Vonovia has made a commitment to achieving a virtually climate-neutral housing stock by 2045. The company continued and initiated a whole number of projects aimed at achieving this objective in 2021. The Sustainability Performance Index (SPI) rose to 109% by the end of 2021. This was helped along in particular by the reduction of CO₂ intensity, the development of the average primary energy requirements of new construction, and the positive development of the customer satisfaction index.

Vonovia also set numerous examples in terms of its social commitment. They include the decision to waive potential claims for rental back payments arising from the ruling of the German Federal Constitutional Court on the Berlin rent freeze. In concert with Deutsche Wohnen, Vonovia also went a step further with the "Future and Social Pact for Housing" and sold 14,750 apartments to public housing companies. Vonovia has made the voluntary decision not to increase rents in Berlin over the next five years and will be building 13,000 new apartments in order to send a clear signal in the effort to combat the housing shortage.

The central key reporting figures developed as follows in a year-on-year comparison:

	Actual 2020	Forecast 2021 (March 2021)	Actual 2021 excl. Deutsche Wohnen	Actual 2021
Total segment revenue	€ 4.4 billion	€ 4.9-5.1 billion	€ 4.9 billion	€ 5.2 billion
Adjusted EBITDA total	€ 1,909.8 million	Upper end of range of € 2,055-2,105 million	€ 2,098.5 million	€ 2,269.3 million
Group FFO	€ 1,348.2 million	€ 1,520-1,540 million	€ 1,534.5 million	€ 1,672.0 million
Group FFO per share*	€ 2.23	suspended	€ 1.98	€ 2.15
EPRA NTA per share*	€ 58.78	suspended	-	€ 66.73
SPI	-	-	109%	-

* Based on the shares carrying dividend rights on the reporting date, prior-year TERP-adjusted values (1.067).

In the 2021 fiscal year, total segment revenue rose by 18.5% to € 5,179 million. Key factors influencing this development were the income from successful disposal of properties (development), the additional rental income from Deutsche Wohnen in the fourth quarter, and organic growth thanks to new construction and modernization.

The Adjusted EBITDA Total increased by 18.8% to € 2,269.3 million. The Adjusted EBITDA Rental increased by 6.0%. The Adjusted EBITDA Value-add fell by 2.3% due to construction delays on some modernization measures related to the coronavirus. The Adjusted EBITDA Recurring Sales increased by 23.4%. The Adjusted EBITDA Development also increased by 69.3%, primarily due to the global exit of a "Development to sell" project.

Group FFO increased by 24.0% to € 1,672.0 million, with Deutsche Wohnen contributing € 137.5 million.

The EPRA NTA per share came in at € 66.73 in 2021, up by 13.5% on the TERP-adjusted prior-year value. This increase in the net asset value figure was due primarily to the net income from fair value adjustments of investment properties of € 7,393.8 million (2020: € 3,719.8 million).

As a result of the successful business development, the Management Board and the Supervisory Board proposed increasing the dividend to € 1.69 at the 2021 Annual General Meeting (2020: € 1.57).

III. Management Board Remuneration for the 2021 Fiscal Year

1. Principles of Management Board Remuneration

As a residential real estate company, Vonovia SE is a corporate citizen. This explains why the activities of Vonovia SE are never focused exclusively on financial aspects, but also take social factors into account. Vonovia SE is aware of its special role and responsibility: As a service provider and the provider of homes for around one million people, its focus is on its customers and their needs. This is why it strives to maintain its building stock and make an active contribution to shaping neighborhoods. Vonovia SE offers its customers modern apartments that meet their needs while at the same time developing services for higher quality of living. Its focus on its customers is also the reason why it is addressing a social issue that is particularly important at the moment: the construction of new housing. Vonovia SE is committed to the principles of the social market economy and profitability and accepts a level of responsibility for safe, decent and affordable housing.

The Vonovia SE Management Board remuneration system is an effective instrument for ensuring that Vonovia fulfills this role and at the same time successfully implements its corporate strategy. In addition to the Group's key financial performance indicators, Management Board remuneration also takes into account environmental, social, governance (ESG) and sustainability performance aspects.

The performance criteria used to measure Management Board remuneration reflect the corporate strategy and in particular provide incentives for long-term, sustainable corporate growth. The Management Board remuneration system reflects the Management System's key figures in line with the corporate strategy. Through these, incentives are determined to align the interests of the Management Board with those of shareholders and other stakeholders such as customers and employees. In addition to considering sustainability performance targets, comparison with relevant market participants in relative terms also has a role to play here.

The aim of the remuneration system is to compensate Management Board members appropriately in line with their performance, sphere of activity and level of responsibility, and to allow them to participate in Vonovia's success thereby ensuring its successful development.

The remuneration system forms the basis for determining the remuneration of Vonovia SE Management Board members. The Supervisory Board is guided by the following principles:

Principles of Management Board Remuneration

The remuneration system contributes significantly to the company's success by promoting the implementation of the corporate strategy through performance criteria related to the company's success and by setting challenging annual and multi-year targets.

The remuneration system makes a key contribution to aligning the interests of the Management Board with those of the shareholders. The majority of variable remuneration for the Management Board is granted on the basis of shares. In addition, share-holding requirements stipulate that members of the Management Board acquire shares in Vonovia and hold them for the duration of their appointment.

The majority of variable remuneration for the Management Board is measured on a multi-year assessment basis. Non-financial targets and Vonovia's sustainability strategy are also taken into account for Management Board remuneration. This promotes the long-term, sustainable development of Vonovia through the remuneration system.

The performance of Management Board members is appropriately considered in variable remuneration through adequate and ambitious performance criteria (pay-for-performance). The short-term incentive (STI) also includes individual performance criteria. Variable remuneration is capped and can be waived completely.

Remuneration for Management Board members is commensurate with their duties and performance as well as the situation of the company. Attention is also paid to the going rates of remuneration of other comparable companies, as well as to the vertical appropriateness compared to the remuneration of senior management and the entire workforce.

The Supervisory Board ensures the consistency of the remuneration systems of the Management Board and senior management. The collective pursuit of the long-term corporate strategy is secured through equitable incentives and uniform targets.

Incentives are set to achieve long-term outperformance on the capital market by using a relative performance measurement compared to relevant market participants for long-term variable remuneration.

1.1. Procedures for Establishing, Implementing and Reviewing the Remuneration System

In accordance with the requirements of Sections 87 (1) and 87a (1) AktG, the Supervisory Board adopts a remuneration system for Vonovia SE Management Board members. The Supervisory Board is supported by the Executive and Nomination Committee ("Executive Committee"), which develops recommendations relating to the Management Board remuneration system. The Supervisory Board discusses and then rules on these recommendations. It submits the remuneration system to the Annual General Meeting for approval.

The regular review of the Management Board remuneration system by the Supervisory Board is also prepared by the Executive Committee. The latter recommends to the Supervisory Board any changes to the system if necessary. If significant changes are made to the remuneration system, they are submitted to the Annual General Meeting for approval once again. The same occurs at least every four years, even without significant changes.

1.2. Appropriate Management Board Remuneration

In accordance with the requirements of the German Stock Corporation Act and the GCGC, when determining the target total remuneration of Management Board members, the Supervisory Board ensures that it is commensurate with the tasks and performance of the relevant member and the company's financial situation, is aligned with the long-term, sustainable development of Vonovia SE, and does not exceed the usual remuneration without special justification. For this purpose, both external and internal comparisons are made.

When assessing the appropriateness of remuneration, Vonovia SE looks at its peer group (horizontal comparison) and the remuneration structure that applies in the rest of the company (vertical comparison).

In the horizontal – external – comparison, a suitable group of companies (peer group) is used to assess whether the amount and structure of the target total remuneration is appropriate and customary in view of the market position of Vonovia SE (in particular in terms of industry, size and country). These companies are DAX-listed, in order to reflect the criteria of country and size, and a peer group consisting of listed national and international companies from the real estate sector and from industries with comparable business models in order to meet the industry criterion in particular.

In addition to the horizontal comparison, a vertical – internal – comparison of Management Board remuneration is also drawn up. In accordance with the recommendation of the GCGC, this involves looking at the ratio of the remuneration of the Management Board to that of senior management (below Board level) and other senior executives, and taking into account the total workforce of other Vonovia employees in the real estate industry (Group-wide). In addition to the current remuneration ratios of various levels of management, the Supervisory Board also takes into account how their remuneration has evolved over time.

The Supervisory Board takes the results of this review into account when determining the target total remuneration of Management Board members and uses them to ensure it is appropriate. The last appropriateness and customariness test was carried out at the end of the 2021 fiscal year through a comparison with the DAX-listed companies. In this regard, the Supervisory Board was assisted by an external independent consultant and confirmed the Management Board's remuneration was appropriate.

1.3. Target Remuneration

The Vonovia SE remuneration system allows the Supervisory Board to take into account the function and area of responsibility of the individual Management Board member when determining the target total remuneration. At the discretion of the Supervisory Board, function-specific distinctions are therefore permissible, taking into account criteria such as customary market practice, experience of the relevant Management Board member, length of service on the Board and the department for which he or she is responsible.

The target total remuneration of Management Board members in office in the reporting year was set for the 2021 fiscal year as follows:

Target remuneration

in € k	Rolf Buch (CEO) since April 1, 2013		Arnd Fittkau (CRO) since May 16, 2019	
	2020	2021	2020	2021
Basic remuneration	1,200.0	1,250.0	700.0	750.0
Fringe benefits	30.3	31.1	30.8	31.6
Pension remuneration	-	-	-	-
Short-term variable remuneration	794.0	700.0	440.0	374.0
STI 2020	794.0	-	440.0	-
STI 2021	-	700.0	-	374.0
Long-term variable remuneration	2,175.0	2,375.0	800.0	900.0
LTI 2020-2023	2,175.0	-	800.0	-
LTI 2021-2024	-	2,375.0	-	900.0
Pension service cost	1,052.2	1,205.0	597.0	675.0
Total	5,251.5	5,561.1	2,567.8	2,730.6

Target remuneration

in € k	Daniel Riedl (CDO) since May 9, 2018		Helene von Roeder (CFO) since May 9, 2018	
	2020	2021	2020	2021
Basic remuneration	700.0	750.0	700.0	750.0
Fringe benefits	16.0	27.4	25.0	29.4
Pension remuneration	500.0	500.0	-	-
Short-term variable remuneration	440.0	374.0	440.0	374.0
STI 2020	440.0	-	440.0	-
STI 2021	-	374.0	-	374.0
Long-term variable remuneration	800.0	900.0	800.0	900.0
LTI 2020-2023	800.0	-	800.0	-
LTI 2021-2024	-	900.0	-	900.0
Pension service cost	-	-	542.5	564.0
Total	2,456.0	2,551.4	2,507.5	2,617.4

1.4. Compliance with Maximum Remuneration

In accordance with the first point of the second sentence of Section 87a (1) AktG, the Supervisory Board has set an upper limit for the total amount of all remuneration elements for one year, i.e., fixed remuneration, fringe benefits, the annual pension contribution in accordance with IAS 19 (or the annual pension payment), short-term variable and long-term variable remuneration components (maximum remuneration). The maximum remuneration further limits the maximum achievable total remuneration (sum of the individual components with maximum target achievement). It amounts to € 11 million gross per annum for the Chair of the Management Board and € 5.5 million gross per annum for each of the other Management Board members (including remuneration for other mandates in Group companies).

This cap relates to the total benefits promised to a Management Board member for Board-related activities for the relevant fiscal year. Payments of the long-term variable remuneration component under the applicable LTIP are attributed to the year the underlying LTIP tranche is awarded.

Compliance with the maximum remuneration for the 2021 fiscal year can therefore only be reported after payment of the LTIP tranche awarded in 2021. If the total benefits for a fiscal year exceed the defined maximum remuneration, the payout determined from the LTIP awarded for the fiscal year is reduced by the excess amount. Taking into account the remuneration already granted/owed for the 2021 fiscal year (i.e. basic remuneration, fringe benefits, pension payment and STI 2021, see table under 8.1) and the service cost for 2021 for pension entitlements (see supplementary disclosure in the table under 8.1) as well as the payment cap for the LTIP 2021 (LTI cap, see 3.2.2 a.), the total remuneration for the 2021 fiscal year cannot exceed the stipulated maximum remuneration.

2. Overview of Management Board Members' Remuneration System

The remuneration system is made up of fixed and variable components, the sum of which constitutes the total remuneration of each Management Board member.

Fixed remuneration components are paid irrespective of the Company's performance and consist of fixed remuneration, benefits in kind, other fringe benefits, and an annual pension allowance or contribution.

To ensure that Management Board remuneration is pay-for-performance, the variable remuneration components are linked to the achievement of predefined performance criteria and consist of a short-term variable component in the form of a STI and a long-term variable component, the so-called long-term incentive, in accordance with the details of an LTIP.

In addition, share ownership guidelines apply, which oblige Management Board members to acquire a certain number of shares in Vonovia SE and to hold them for the duration of their term of office.

Basis of assessment/Parameter				
Basic salary ("fixed salary")	<ul style="list-style-type: none"> Contractually agreed fixed compensation paid in twelve monthly instalments 			
Fixed compensation	<p style="text-align: center;">Pension provision</p>			
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%; vertical-align: top;"> Management Board members appointed prior to 2021 </td> <td> <ul style="list-style-type: none"> Option of paying the annual pension contribution received in addition to the fixed salary into the existing deferred compensation model with guaranteed interest, which is also available for other employees; alternatively: payment of a defined fixed amount as additional cash compensation (pension payment) Possibility to switch to system for Management Board members appointed One Management Board member who is additionally employed by a foreign Group subsidiary receives a pension commitment (premium payments to a pension fund and additional pension payment) from that Group subsidiary </td> </tr> <tr> <td style="vertical-align: top;"> Management Board members appointed from 2021 onwards </td> <td> <ul style="list-style-type: none"> No option of participating in the existing deferred compensation model Granting of an annual pension compensation (pension payment) in addition to the fixed salary in cash Option of contributing the pension payment to investment funds managed by an external service provider (no regular company pension scheme) Accumulated capital plus income paid out when benefits fall due </td> </tr> </table>	Management Board members appointed prior to 2021	<ul style="list-style-type: none"> Option of paying the annual pension contribution received in addition to the fixed salary into the existing deferred compensation model with guaranteed interest, which is also available for other employees; alternatively: payment of a defined fixed amount as additional cash compensation (pension payment) Possibility to switch to system for Management Board members appointed One Management Board member who is additionally employed by a foreign Group subsidiary receives a pension commitment (premium payments to a pension fund and additional pension payment) from that Group subsidiary 	Management Board members appointed from 2021 onwards
Management Board members appointed prior to 2021	<ul style="list-style-type: none"> Option of paying the annual pension contribution received in addition to the fixed salary into the existing deferred compensation model with guaranteed interest, which is also available for other employees; alternatively: payment of a defined fixed amount as additional cash compensation (pension payment) Possibility to switch to system for Management Board members appointed One Management Board member who is additionally employed by a foreign Group subsidiary receives a pension commitment (premium payments to a pension fund and additional pension payment) from that Group subsidiary 			
Management Board members appointed from 2021 onwards	<ul style="list-style-type: none"> No option of participating in the existing deferred compensation model Granting of an annual pension compensation (pension payment) in addition to the fixed salary in cash Option of contributing the pension payment to investment funds managed by an external service provider (no regular company pension scheme) Accumulated capital plus income paid out when benefits fall due 			

		Basis of assessment/Parameter
Fixed compensation	Benefits in kind and other ancillary benefits	<ul style="list-style-type: none"> Private use of a company car or payment of a company car allowance and provision of equipment (especially communication equipment) 50% of the contributions to private health and long-term care insurance, limited to the maximum employer contribution to statutory health and long-term care insurance D&O insurance including legal protection Term life insurance in individual cases
	Short-term incentive (STI)	Type: <ul style="list-style-type: none"> Target STI Limit I cap: <ul style="list-style-type: none"> 125% of target STI Performance criteria: <ul style="list-style-type: none"> Group FFO Adjusted EBITDA Individual performance factor (0.8-1.2) Payout: <ul style="list-style-type: none"> Due one month after the Company's annual financial statements are adopted Paid in cash
Variable compensation	Long-term incentive plan (LTIP)	Plan type: <ul style="list-style-type: none"> Performance share plan Limit I cap: <ul style="list-style-type: none"> 250% of the award value Performance criteria: <ul style="list-style-type: none"> Relative total shareholder return (relative TSR) NTA per share Group FFO per share Sustainability Performance Index (SPI) Payout: <ul style="list-style-type: none"> As part of the next salary payment after the Company's annual financial statements are adopted following the end of the four-year performance period Paid in cash

		Basis of assessment/Parameter
Additional compensation conditions	Maximum total compensation	<ul style="list-style-type: none"> The maximum total compensation is EUR 11 million p.a. (gross) for the Chairman of the Management Board and EUR 5.5 million p.a. (gross) for each of the other Management Board members.
	Malus/Clawback	<ul style="list-style-type: none"> Partial or full reduction in payment/ demand for repayment of variable compensation May apply in the event of significant breaches of duty (for the year in which the breach occurs) and payments based on incorrect data Clawback period of one year after payout
	Change of control	<ul style="list-style-type: none"> Special right of termination of the Management Board member in the event of a change of control, upon exercise triggering compensation typically amounting to two years (in individual cases: three years) total annual compensation calculated on the basis of the total compensation of the last financial year, if applicable, of the current financial year less compensation during the notice period, but in any case limited to a maximum of the compensation for the remaining term of the respective service contract
	Provisions on shareholding	<ul style="list-style-type: none"> Obligation for the members of the Management Board to purchase shares of Vonovia SE with a value equivalent to 100% of their fixed salary, or 150% of their fixed salary in the case of the Chairman of the Management Board (shareholding to be built up within the first four financial years after appointment); on reappointment, the shareholding obligation increases to a value equivalent to 150% of the fixed salary, or 200% in the case of the Chairman Obligation to hold the purchased shares for the duration of the Management Board activity
	Benefits on early termination of contract	<ul style="list-style-type: none"> In case of revocation of appointment severance pay amounting to two years total annual compensation calculated on the basis of the total compensation of the last financial year, if applicable, of the current financial year less compensation during the notice period, but in any case limited to a maximum of the compensation for the remaining term of the respective service contract; no severance pay in the event of extraordinary termination of the service contract by the Company for good cause In the event of death, continued payment of the fixed salary to surviving dependents for the month of death and the six following months as well as the STI on a pro rata basis until the end of the month of death

3. Application of the Remuneration System in the 2021 Fiscal Year

The Management Board remuneration system presented to the Annual General Meeting in 2021 was applied in the 2021 fiscal year to the remuneration of all Management Board members in office in the reporting year. There was no deviation from the Management Board remuneration system in the 2021 fiscal year.

3.1. Non-performance-related Remuneration Components

3.1.1. Basic Remuneration

Each Management Board member receives an annual base salary ("fixed remuneration") for his or her work on the Board, which also generally covers all activities at Vonovia Group companies, subsidiaries and affiliated companies and is paid in twelve equal monthly installments. This fixed remuneration generally also covers any other activities within the Group. As an exception, Daniel Riedl – in line with the most recently presented remuneration system – receives remuneration benefits from BUWOG – Bauen und Wohnen GmbH (subsequently "BUWOG") on the basis of an additional employment relationship for his management activities at this company, a Vonovia SE Group subsidiary, which are recognized in the target and maximum total remuneration in accordance with the remuneration system.

3.1.2. Fringe Benefits

Each Management Board member also receives non-cash and fringe benefits that can vary depending on their personal situation and the utilization of these benefits and, in Daniel Riedl's case, are partly paid by BUWOG.

The usual non-cash and fringe benefits include the private use of a company car or – at the discretion of the Management Board member – a company car allowance as well as the provision of communication means for the performance of duties. Private use of a company car is taxed as a non-cash benefit, and the Management Board member bears the tax. The costs associated with running a company car are borne by Vonovia SE. Vonovia SE also pays 50% of the contributions to private health and long-term care insurance, but no more than the maximum employer's contribution to statutory health and long-term care insurance. In addition, term life insurance policies were taken out in favor of two members of the Management Board. Business-related and travel expenses are reimbursed based on the valid reimbursement policies. The Supervisory Board can also grant other or additional fringe benefits that are standard market practice.

Management Board members are covered by a standard D&O insurance policy and criminal law protection. In accordance with the third sentence of Section 93 (2) AktG, the Management Board members' deductible under the D&O liability insurance is 10% of the damage or one and a half times the fixed annual remuneration.

3.1.3. Retirement and Risk Protection

Retirement benefit (legacy provision for first-time appointments before January 1, 2021)

January 1, 2021 may participate in a Vonovia company retirement benefit plan provided that no pension entitlement exists on the basis of another employment relationship within the Group. The retirement benefit plan includes the option of making an annual pension contribution to the "pension benefits in lieu of cash benefits" deferred compensation scheme as amended from time to time. Other company employees also participate in this retirement benefit plan. Management Board members receive the pension contribution from the company in addition to their respective basic salaries. The pension contributions made are converted into a pension entitlement with a fixed interest rate and annuitized in accordance with actuarial principles depending on the age of the individual. From the point in time at which the total pension modules financed by deferred compensation exceeds the applicable contribution limits of the Pensionsversicherungsvereins (pension protection scheme) under Section 7 (3) of the German Occupational Pensions Improvement Act (BetrAVG), additional insolvency protection is provided. As an alternative to the deferred compensation scheme, Management Board members can have a fixed amount paid out to them as a cash bonus. The latest remuneration system gives Management Board members the option of claiming a higher pension allowance instead of the pension contribution in accordance with the arrangement outlined below for newly appointed members from January 1, 2021. The option of participating in the existing deferred compensation scheme with effect for the future (one-time option) ceases to apply when the pension payment is claimed.

Pension payment (regulation for first-time appointments after January 1, 2021)

Management Board members appointed for the first time as of January 1, 2021 may no longer participate in the "pension benefits in lieu of cash benefits" deferred compensation scheme. In addition to their basic salary, they receive a non-performance-related lump sum (pension) in cash. They have the option of investing this pension income in selected investment funds through an external service provider and having the accumulated capital plus income paid out as a one-off payment when they retire. The benefits under the new scheme do not constitute a company retirement benefit plan within the meaning of the BetrAVG and are accordingly not recognized as such in the balance sheet.

Retirement benefits for Management Board members in office in the reporting year

In 2021, Rolf Buch, Arnd Fittkau, and Helene von Roeder continued to make use of the “pension benefits in lieu of cash benefits” deferred compensation scheme option. Daniel Riedl receives his retirement benefits from a Group subsidiary based on another employment relationship for his BUWOG management activities in the form of contributions to a foreign pension fund and a pension payment as additional fixed remuneration; this can also be paid into the pension fund under certain circumstances at the discretion of the Management Board. In 2021, in accordance with this agreement, Mr. Riedl received € 200,000 from BUWOG as an annual pension contribution as well as an additional pension payment of € 300,000 – all paid into an external pension fund.

Pension entitlements

in € k	IAS 19			
	Service cost		Present value of pension obligations	
	2020	2021	2020	2021
Rolf Buch	1,052.2	1,204.8	7,378.8	7,874.5
Arnd Fittkau	597.0	675.2	1,123.1	1,765.4
Helene von Roeder	542.5	563.9	1,580.2	2,044.3
Total	2,191.7	2,443.9	10,082.1	11,684.2

3.2. Performance-related Remuneration Components

The performance-related, variable remuneration components account for most of the remuneration paid to Management Board members and are aligned with both the achievement of annual operational targets and the long-term, sustainable development of Vonovia SE.

The performance-related variable remuneration is divided into a short-term variable remuneration component (STI) and a long-term remuneration component (LTIP). The LTIP is share-based, aligning the interests of the Management Board and the shareholders. The STI is the only short-term element of performance-related variable remuneration.

The two components incentivize Management Board members' performance from different perspectives and over different periods (performance periods). In particular, they differ in the performance criteria used to measure the payout. When selecting the performance criteria, the focus is on implementing the strategy, i.e., the performance criteria support the growth strategy of Vonovia SE in particular while at the same time incentivizing an increase in profitability and competitiveness. By considering various transparent performance criteria, it is possible to depict the success of Vonovia SE in an integrated and multifaceted manner.

The performance criteria are both financial and non-financial. In order to consistently pursue the pay-for-performance concept, performance criteria tend to be ambitious.

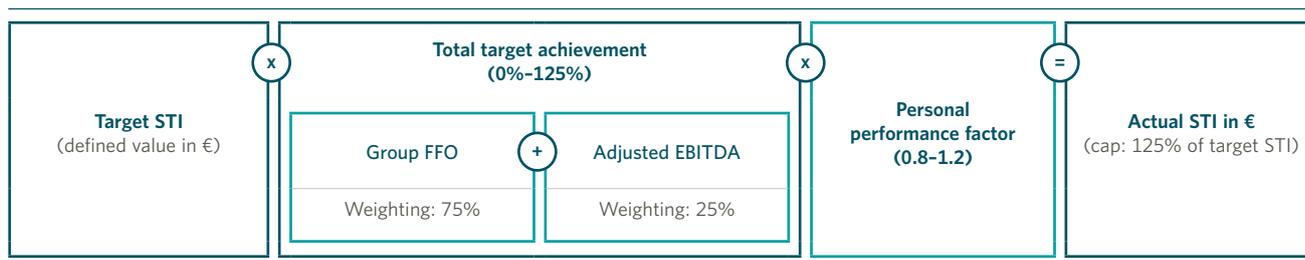
3.2.1. Short-Term Incentive Plan (STI)

a. STI Framework for the 2021 Fiscal Year

The Management Board members are entitled to annual short-term variable remuneration in the form of an STI. The amount of the STI depends on the extent to which defined corporate targets are achieved. In addition, the Supervisory Board may define performance targets with individual or all Management Board members before the start of the fiscal year, which are included in the target achievement level in the form of a personal performance factor (PLF) as a multiplier with a value of 0.8 to 1.2. The target achievement level for the payout of the STI is determined on the basis of the following performance criteria:

- Group Funds from Operations (Group FFO) with a weighting of 75%
- Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) with a weighting of 25%
- Any individual performance targets (for determining the PLF)

The STI is structured in the form of a target bonus system. The target STI is set out in the employment contract for each Management Board member. Depending on the achievement of the financial performance criteria described in detail below, which are aggregated, and any defined individual performance targets, an individual actual STI is calculated at the end of the fiscal year. This may be between 0% and 125% of the target STI. Thus, a complete loss of the STI is also possible and the payout amount is limited to 125% of the original target STI. If the employment contract does not cover the entire fiscal year, the STI is generally paid and pro-rated for the term of the employment contract in the relevant fiscal year.



On a case-by-case basis, Management Board members may, due to another employment relationship with a Group subsidiary, receive variable remuneration from the Group subsidiary in the form of an annual bonus, the amount of which is contingent on achieving defined qualitative and quantitative targets for the subsidiary's business. Such variable remuneration paid by a Group subsidiary is included in the target total remuneration and the maximum remuneration provided for in the remuneration system. This was duly implemented in the reporting year in the case of Mr. Riedl, with a third of his annual bonus contingent on the performance criteria defined by Vonovia SE and two thirds of it contingent on financial performance criteria defined by BUWOG (75% EBITDA Rental and 25% EBITDA Development).

b. STI Performance Criteria for the 2021 Fiscal Year

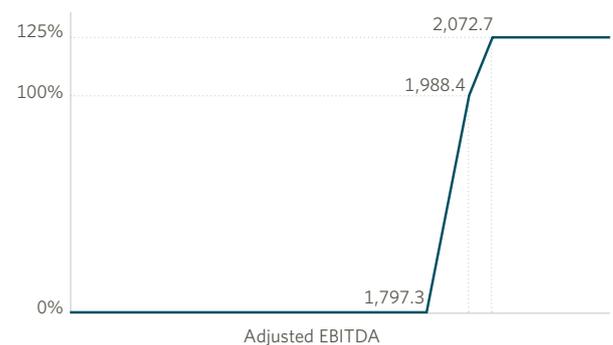
The two financial performance criteria Group FFO and Adjusted EBITDA relate to material operational corporate targets that reflect the financial success of Vonovia. The Group FFO considers the earnings contributions of all four segments (Rental, Value-add, Recurring Sales and Development) and, together with Adjusted EBITDA, is one of the most important key figures at Group level. In the STI, the Group FFO represents the performance criterion for the ability to pay dividends. Adjusted EBITDA consists of EBITDA after adjustments to reflect effects that do not relate to the period, recur irregularly or are atypical for business operation. A distinction is made here between the Adjusted EBITDA of the four segments and the Adjusted EBITDA Total, which results from the total of the Adjusted EBITDA for the four segments. The Adjusted EBITDA reflects the overall performance of the sustained operating business of Vonovia SE before interest, taxes, depreciation and amortization. Either the Adjusted EBITDA Total or the Adjusted EBITDA for the segments managed in each case by the Management Board members is used to calculate the overall target achievement level of the STI.

By adjusting the Adjusted EBITDA Total for the current interest expense and deducting for special circumstances, current income taxes and consolidation effects, we arrive at the Group FFO, which describes the sustained operating earnings power of Vonovia SE. The Group FFO is a key indicator not least because financing is a fundamental component for the success of Vonovia SE's business activities. Creating incentives for the Group FFO and the Adjusted EBITDA are therefore key to the success of Vonovia SE.

Besides the two financial performance criteria Group FFO and Adjusted EBITDA (and EBITDA Rental and EBITDA Development in relation to BUWOG for Daniel Riedl), no individual performance targets and/or expectations of Management Board members were used as additional performance criteria in 2021.

Target Achievement Group FFO and Adjusted EBITDA

The two financial performance criteria Adjusted EBITDA and Group FFO are underpinned by an ambitious target achievement curve. For both performance criteria, the Supervisory Board determines a target value as well as a minimum and maximum value annually on the basis of the business plan. If the performance criterion is entirely consistent with the predetermined target value, this is equivalent to a target achievement level of 100%. If the value actually reached is equal to or below the minimum value, the target achievement level is 0%. If the value actually reached is equal to or above the maximum value, the target achievement level is 125%. The target achievement level is always interpolated on a straight-line basis between the above-mentioned values.

Group FFO target achievement curve**Adjusted EBITDA target achievement curve**

The target achievement curve reflects the rigorous pay-for-performance concept inherent to the Management Board remuneration system of Vonovia SE.

The following table shows the minimum (lower limit), target, maximum (upper limit) and the actual values of the performance criteria reached in the 2021 reporting year as well as the resulting target achievement levels of the STI for the 2021 fiscal year. The indicated values relating to Vonovia apply equally to all Management Board members in office in the 2021 reporting year, while the values for BUWOG only represent the application of the performance criteria for Mr. Riedl.

STI 2021 target achievement – Vonovia

	Lower limit	Target value	Upper limit	Actual value	Target achievement
	in € million	in € million	in € million	in € million	in %
Group FFO	1,302.9	1,441.5	1,502.6	1,537.0	125.0
Adjusted EBITDA	1,797.3	1,988.4	2,072.7	2,100.9	125.0

STI 2021 target achievement – BUWOG

	Lower limit	Target value	Upper limit	Actual value	Target achievement
	in € million	in € million	in € million	in € million	in %
EBITDA Rental	68.0	75.2	78.4	77.7	119.4
EBITDA Development	71.8	79.5	82.8	89.7	125.0

Achievement of Individual Targets

The individual performance of a Management Board member is assessed on the basis of the individual performance criteria. Since the Supervisory Board has not defined individual performance targets for the fiscal year, the personal performance factor is 1.0.

c. Overall Target Achievement and Payout from the STI for the 2021 Fiscal Year

The amount resulting from the overall target achievement level of the STI is paid out in cash.

The following tables summarize the target achievement levels and the payout amounts per Management Board member:

STI 2021 summary – Vonovia

	Target amount	Minimum amount	Maximum amount (cap)	Group FFO target achievement (75% weighting)	Adjusted EBITDA target achievement (25% weighting)	Personal performance factor	Total target achievement	Payout amount
	in € k	in € k	in € k	in %	in %		in %	in € k
Rolf Buch	700.0	0.0	875.0	125.0	125.0	1.0	125.0	875.0
Arnd Fittkau	374.0	0.0	467.5	125.0	125.0	1.0	125.0	467.5
Daniel Riedl	124.0	0.0	155.0	125.0	125.0	1.0	125.0	155.0
Helene von Roeder	374.0	0.0	467.5	125.0	125.0	1.0	125.0	467.5

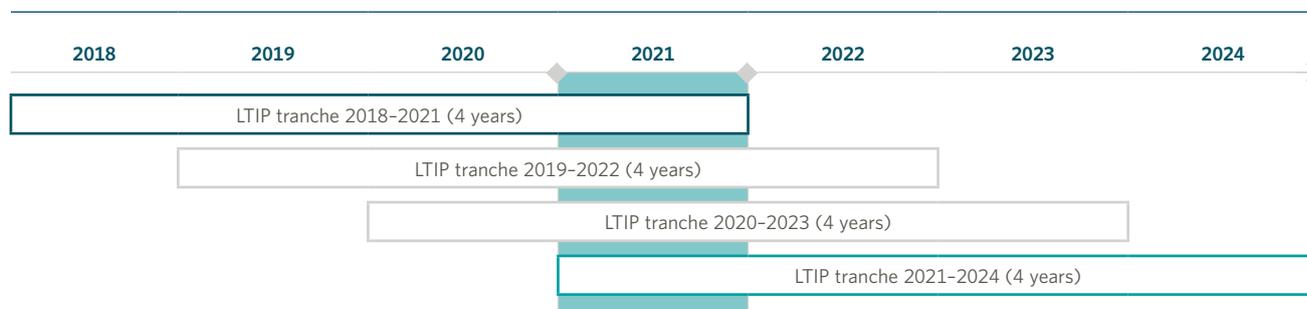
STI 2021 summary – BUWOG

	Target amount	Minimum amount	Maximum amount (cap)	Group FFO target achievement (75% weighting)	Adjusted EBITDA target achievement (25% weighting)	Personal performance factor	Total target achievement	Payout amount
	in € k	in € k	in € k	in %	in %		in %	in € k
Daniel Riedl	250.0	0.0	312.5	119.4	125.0	1.0	120.8	302.0

3.2.2. Long-Term Incentive Plan (LTIP)

In addition to the STI, the members of the Management Board are granted an annual remuneration component with a long-term incentive effect and a balanced risk-return profile in the form of notional shares (“performance shares”) in line with the provisions of the relevant applicable LTIP.

The share-based model ensures that the performance shares of the Management Board members over the performance period of four years are subject to the performance of the share price and are therefore contingent on it.



- Performance period ending in fiscal year 2021
- Performance period beginning in fiscal year 2021

The 2021 fiscal year is therefore included in the performance measurement of four LTIP tranches.

In the 2021 fiscal year, the 2021 LTIP tranche was granted to the Management Board members for the first time. In addition, the four-year performance period of the 2018 LTIP tranche ended on December 31, 2021.

a. Framework for the 2021 LTIP Tranche

In order to approximate as closely as possible a strictly share-based system, a contractually agreed grant value is converted at the start of any given year based on the current share price and converted into an initial number of virtual shares ("performance shares").



The initial number of performance shares corresponds to the grant value divided by the average closing price on the last 60 trading days before the beginning of the performance period ("initial share price"), rounded up to the next full share. The final number of performance shares is determined at the end of the 2024 fiscal year. It is contingent on the achieve-

ment of the financial and non-financial performance criteria set out below.

The grant values, the initial share price, the number of performance shares granted as well as the maximum possible number of performance shares in the event of a maximum target achievement level are summarized in the following table:

LTIP tranche 2021 – allocation

	Allocation value	Minimum value	Maximum value (cap)	Initial share price	Number of performance shares allocated	Minimum number of possible performance shares (0% target achievement)	Maximum number of possible performance shares (200% target achievement)
	in € k	in € k	in € k	in €			
Rolf Buch	2,375	0	5,938	57.33	41,427	0	82,854
Arnd Fittkau	900	0	2,250	57.33	15,699	0	31,398
Daniel Riedl	900	0	2,250	57.33	15,699	0	31,398
Helene von Roeder	900	0	2,250	57.33	15,699	0	31,398

The actual payout amount, which is determined at the end of the 2024 fiscal year, is calculated based on the number of performance shares initially granted, the target achievement level during the performance period and the performance of Vonovia SE's shares, including dividends paid during the performance period. The target achievement level is determined based on the following performance criteria:

- Relative Total Shareholder Return (relative TSR)
- NTA (Net Tangible Assets) per share
- Group FFO (Funds from Operations) per share
- Sustainability Performance Index (SPI)

These performance criteria are added up and each have a 25% weighting. All four performance criteria are equally underpinned by ambitious target achievement curves, whose possible target achievement levels cover a range of between 0% to 200%. The Supervisory Board defined a target value for each performance criterion at the start of the performance period, where the target achievement level comes to 100%. In addition, a minimum and maximum value were defined. If the value actually achieved is equal to the minimum value, the target achievement level comes to 50% and if it is below it, the target achievement level comes to 0%. Where the value is equal to the maximum value, the target achievement level is limited to 200%. The target achievement level is interpolated on a straight-line basis between the above-mentioned values.

At the end of the performance period, the initial number of performance shares is multiplied by the overall target achievement level and rounded up to the next full share. This multiplication produces the final number of performance shares.

The final number of performance shares is multiplied by the average closing price on the last 60 trading days before December 31, 2024 (end of the performance period, "final share price") which includes the total dividends paid per share during the performance period in relation to the final number of performance shares. This multiplication produces the gross cash payout amount.

The payout amount for each tranche of performance shares under the LTIP cannot come to more than 250% of the grant value of the relevant LTIP tranche at the start of the performance period applicable to the LTIP tranche (cap).

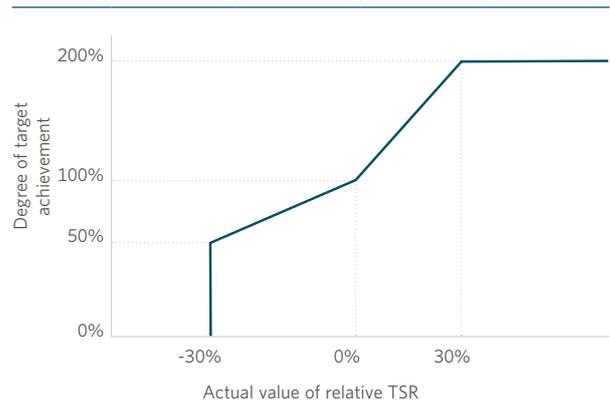
If the contract of employment of a Management Board member ends due to the passage of time, death or revocation of the appointment, the initial number of performance shares in the tranche, which were granted for the year in which the contract of employment of a Management Board member ends, will be reduced on a pro rata temporis basis by 1/12 for each month that the employment ends before the end of the relevant calendar year. The other tranches are not reduced.

b. 2021 LTIP Tranche Performance Criteria

Relative Total Shareholder Return

The Total Shareholder Return (TSR) refers to Vonovia SE's share price performance during the performance period in addition to the gross dividends per share paid out during this period and deemed reinvested. To reduce effects related to the reporting date, the closing price on the last 60 trading days before the start and end of the performance period is used to calculate the TSR. The increase in value of the company in the capital market is best shown by taking into account the share price and the dividend. To create additional incentives for the outperformance of relevant market participants, the LTIP includes the relative TSR with a weighting of 25% as a performance criterion. Here the TSR of Vonovia SE is compared with that of relevant market participants. The comparison is made using the outperformance method. Accordingly, the relative TSR is calculated from the difference between the TSR of Vonovia SE and the TSR of the benchmark index in percentage points. Given the size, industry and portfolio of Vonovia SE, the peer group comprises the companies in the FTSE EPRA/NAREIT Germany Index.

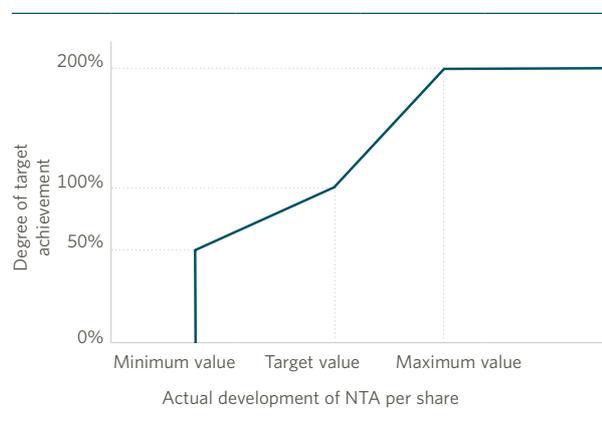
The target achievement curve of the relative TSR for the 2021 LTIP is as follows:



NTA per Share

The second financial performance criterion, NTA per share, is another of the key performance indicators of Vonovia SE and accounts for 25% of the overall target achievement level. It reflects the value of the property assets and the modernization and new construction measures and is therefore a decisive factor in the company's performance. The derivation of the NTA in line with the Best Practice Recommendations of the EPRA is generally used to calculate the NTA per share. The NTA calculated in accordance with this criteria is divided by the number of shares as of the reporting date (reporting date value NTA to reporting date value shares - non-diluted).

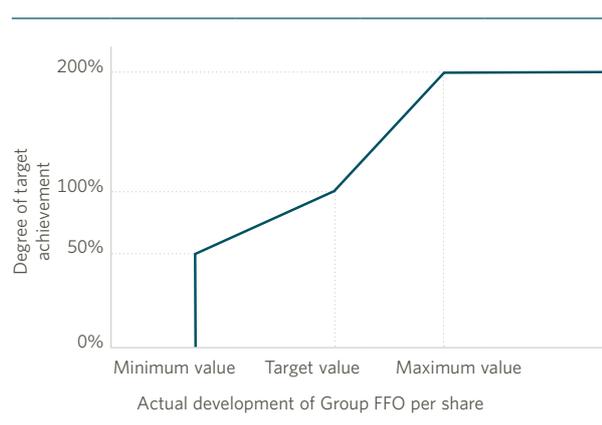
The development of the NTA per share is measured on the basis of the annual growth rate (Compound Annual Growth Rate, CAGR). The target achievement curve for the development of the NTA per share for the 2021 LTIP is as follows:



Group FFO per Share

Like the other performance criteria, the Group FFO is also highly relevant to the management of Vonovia SE (see 3.2.1.b.) Apart from the importance of strong annual operational earnings power, creating incentives for a sustained and long-term increase in income is impactful. Therefore, the performance criterion Group FFO per share was also included in the LTIP. The focus in the four-year performance considerations is on the long-term development of the Group FFO.

The development of the Group FFO per share is assessed on the basis of the annual growth rate (Compound Annual Growth Rate, CAGR) and accounts for 25% of the overall target achievement level. The target achievement curve for the development of the Group FFO per share for the 2021 LTIP is as follows:



Sustainability Performance Index (SPI)

In addition to the three financial targets, 25% of the payout from the LTIP is calculated on the basis of non-financial performance criteria. The performance criterion “customer satisfaction” in place as part of the LTI under the previous remuneration system has been replaced since 2021 by the introduction of the Sustainability Performance Index (SPI) as the key performance indicator, taking account of the requirements of the shareholders and stakeholders of Vonovia SE. The SPI covers the main Environmental, Social, Governance (ESG) sustainability topics. These aspects include the CO₂ intensity of the existing portfolio, (partial) modernization measures to make apartments fully accessible, energy-efficient new construction, increased customer and employee satisfaction, and diversity within the management ranks. At the start of the 2021 performance period, the targets used in the calculation of the SPI, were defined by the Supervisory Board. Particular attention was paid to strategy relevance, transparency and measurability of the targets. These are:

- the Customer Satisfaction Index (CSI) (AktivBo),
- the CO₂ intensity of the portfolio,
- the average primary energy requirements of new construction,
- partial modernization measures to make apartments more accessible,
- employee satisfaction, and
- the proportion of women in management.

The individual target achievement curves, actual values and resulting target achievement levels are published at the end of the performance period of the 2021 LTIP tranche as of December 31, 2024 in the remuneration report for 2024.

c. Overall Target Achievement and Payout From the 2018 LTIP Tranche

The performance period of the 2018 LTIP tranche granted to current and former Management Board members in 2018 ended at the end of December 31, 2021. The target achievement level for the 2018 LTIP tranche was therefore deter-

mined after the end of the reporting year. The targets, target achievement curves and target achievement levels of the four performance criteria in the 2018 tranche are as follows:

LTIP tranche 2018 – target achievement

	Lower limit (50% target achievement)	Target value (100% target achievement)	Upper limit (200% target achievement)	Actual	Target achievement
Relative Total Shareholder Return ¹ (25 % weighting)	-30 %	0 %	+30 %	12.93 %	143.10 %
Development of NAV per share ² (25 % weighting)	0% growth p.a.	3 % growth p. a.	5% growth p.a.	13.70 %	200.00 %
Development of FFO 1 per share ³ (25 % weighting)	0.5% growth p.a.	4.5 % growth p. a.	6.5 % growth p. a.	9.44 %	200.00 %
Customer satisfaction (CSI) ⁴ (25 % weighting)	+2 points	+4 points	+6 points	+1.07	0.00 %
Total target achievement					135.775 %

1 Difference between the TSR of Vonovia and the development of the FTSE EPRA/NAREIT Germany Index.

2 Relative change in the ratio of NAV at the end of the performance period by the number of ordinary shares and the same ratio before the start of the performance period.

3 Relative change in the ratio of FFO1 at the end of the performance period by the average number of ordinary shares and of the same ratio at the last day before the beginning of the performance period.

4 Difference in the Customer Satisfaction Index (CSI) at the end of the performance period compared with the CSI at the beginning of the performance period.

For the calculation of the payout amount, the initial number of performance shares is multiplied by the overall target achievement level and rounded up to the next full share.

The final number of performance shares is multiplied by the average closing price on the last 60 trading days before

January 1, 2022 ("final share price") which includes the total dividends paid per share during the performance period in relation to the final number of performance shares. This results in the following payout amounts that will be paid out in the 2022 fiscal year.

LTIP tranche 2018 – summary

	Allocation value	Minimum value	Maximum value (cap)	Allocation price*	Number of performan- ce shares allocated*	Total target achieve- ment	Final number of performan- ce shares	Final price	Accu- mulated dividends	Payout amount
	in € k	in € k	in € k	in €		in %		in €	in €	in €
Rolf Buch	1,900,000	0	4,750,000	36.59	51,927	135.78	70,504	49.68	5.64	3,900,281
Daniel Riedl (since May 9, 2018)	515,942	0	1,289,855	36.59	14,101	135.78	19,146	49.68	5.64	1,059,157
Helene von Roeder (since May 9, 2018)	515,942	0	1,289,855	36.59	14,101	135.78	19,146	49.68	5.64	1,059,157
Total	2,931,884	0	7,329,710	36.59	80,129		108,796			6,018,595

* Adjusted by TERP factor of 1.067 (division).

4. Obligation to Hold Shares

To further reconcile the interests of the Management Board and shareholders and to strengthen sustainable development, the remuneration system stipulates share purchase and holding obligations for the Management Board members. Under this system, each Management Board member is required to purchase shares of Vonovia SE before the end of the first four years of their Management Board activities and to hold them until the end of their appointment. The number of shares to be held is generally calculated from the amount of the annual gross fixed remuneration divided by the arithmetic mean of the closing prices for the company's shares over the last 60 trading days before the date of appointment as a Management Board member. Existing holdings of Vonovia SE shares are taken into account in calculating the number of shares to be held. In the event of changes to the annual fixed remuneration and a share split, the number of shares subject to holding is to be redefined in the same proportion.

With the first re-appointment of a Management Board member, the minimum amount of shares to be held will be increased to 150% of the annual fixed remuneration. The increased number of shares must be held at the latest after a total of eight years of service.

The Chairman of the Management Board is obligated to purchase shares equivalent to 200% of the annual gross fixed remuneration according to the above formula.

The following table shows the required extent of the obligation to hold shares for all Management Board members, the current level of compliance (status quo) and the end of each set-up phase.

Shareholding obligation

	Required			Status quo		End of set-up phase
	in % of basic remuneration	in € k ⁴	Units ⁵	in € k ⁶	Units ⁷	Date
Rolf Buch	200	2,600	52,335	13,277	267,250	. / .
Arnd Fittkau ¹	100	775	15,600	516	10,395	May 16, 2023
Daniel Riedl ²	100	775	15,600	1,241	24,975	May 9, 2022
Helene von Roeder ³	100	1,031	20,753	1,027	20,669	May 9, 2022

1 On reappointment, 150% of annual fixed remuneration until May 31, 2027.

2 On reappointment, 150% of annual fixed remuneration until May 31, 2026.

3 On reappointment, 150% of annual fixed remuneration until May 9, 2026.

4 Based on the most recent increase in fixed remuneration as of January 1, 2022.

5 Based on the average share price over the last 60 stock market trading days prior to January 1, 2022 (€ 49.68); subject to any future adjustments to the fixed remuneration or any stock split.

6 Based on the average share price over the last 60 trading days prior to January 1, 2022 (€ 49.68) and number of shares as of December 31, 2021.

7 As of December 31, 2021.

5. Reclaim (Clawback) and Reduction (Malus) of Performance-related Remuneration

The contracts of employment of Management Board members of Vonovia SE include malus and clawback provisions that provide for a reduction (malus) or reclaim (clawback) of variable remuneration components at the reasonable discretion of the Supervisory Board. This option exists if a Management Board member demonstrably breaches his or her duties to an extent that is conducive to a legally binding termination for cause or demonstrably breaches his or her material due diligence requirements under Section 93 of the German Stock Corporation Act (AktG) either intentionally or through gross negligence (compliance malus and compliance clawback).

If variable remuneration components are determined or paid out based on erroneous data, e.g., erroneous consolidated financial statements, the Supervisory Board may correct the determined variable remuneration components and/or claw back remuneration components already paid out (performance clawback).

A clawback or reduction is possible in the abovementioned cases before the end of a year after payout of the variable remuneration component. The reduction or clawback is generally implemented for the year in which the breach of duty was committed.

Any and all liability for damages on the part of the Management Board member vis-a-vis the company remains unaffected by the malus and clawback provisions.

Equivalent malus and clawback provisions also apply to variable remuneration paid by BUWOG for the management activities carried out by Mr. Riedl at BUWOG, which BUWOG remunerated separately.

In the 2021 fiscal year, neither the Supervisory Board nor BUWOG identified information or evidence liable to result in an application of the malus and clawback provisions. Due to this, there was no clawback or reduction in performance-related remuneration for the Management Board members in office by the Supervisory Board or BUWOG in the 2021 fiscal year; no malus and clawback provisions were contractually agreed with former Management Board members, who were still entitled to remuneration in the reporting year.

6. Information About Payments in the Event of Withdrawal From the Management Board

6.1. Incapacity for Work/Surviving Dependent's Pension

In the event of a temporary or permanent incapacity for work on the part of a Management Board member due to illness, the company will continue to pay the fixed remuneration for up to twelve months after the start of the incapacity for work; but in any case at the longest until the end of the employment relationship. The STI can be reduced and pro-rated by the Supervisory Board if the Management Board member is unable to work for more than six months in one entire fiscal year, though these months do not necessarily need to be consecutive.

If the Management Board member dies, the surviving dependents are entitled to a continuation of the fixed remuneration for the month in which death occurs and for the six calendar months following the month in which death occurs. The STI is to be paid and pro-rated until the end of the month in which death occurs, with the anticipated achievement of the company-related targets to be determined by the Supervisory Board at its reasonable discretion taking into account the past and expected business development in the relevant calendar year.

6.2. Early Termination of Management Board Duties Without Good Cause

In the event of revocation of an appointment and a resultant early termination of the Management Board member's contract of employment, the Management Board member's contracts of employment provide for a right on the part of Management Board members to severance pay. In line with the recommendations set out in the German Corporate Governance Code (GCGC), this is limited in terms of amount to two annual total compensation payments (i.e., fixed remuneration, fringe benefits, pension contribution/payment, STI and LTIP) (severance pay cap), less the payments for a termination period and never exceeds the remuneration for the remaining term of the contract of employment. The severance pay provided for in the contract of employment and the severance pay cap provided for in the contract of employment are calculated on the basis of the total remuneration for the last fiscal year that precedes the early termination of the Management Board activities, and also on the basis of the expected total remuneration for the current fiscal year, if applicable.

In the case of Daniel Riedl, his additional contract of employment with BUWOG regarding management activities separately remunerated by the latter provides for severance pay in case of the early removal from the office of Managing Director (without good cause). In line with the recommendations set out in the German Corporate Governance Code (GCGC), this is limited in terms of amount to two annual total compensation payments (severance pay cap), less the payments for a termination period and never exceeds the remuneration for the remaining term of the contract of employment. There is no entitlement to any severance pay, however, if the contract of employment continues to exist with Vonovia (amended).

6.3. Early Termination of Management Board Duties for Good Cause

In case of termination of the Management Board member's contract of employment by Vonovia SE for cause, no severance pay is paid. Similarly, BUWOG does not pay any severance pay in case of removal from the office of Managing Director for good cause.

If a Management Board member's contract of employment is terminated for cause by Vonovia SE pursuant to Section 626 (1) of the German Civil Code before the end of the performance period or if the Management Board member resigns without the company having determined good cause for this, all rights and vested rights in respect of the LTIP are forfeited with immediate effect and without compensation. This does not include claims from performance shares that are no longer within the performance period on the date when the Management Board member's contract of employment ends.

6.4. Provisions Due to a Change of Control

In the case of a change of control and certain related encroachments on the independence of the Management Board or material changes to the composition of the Management Board or Supervisory Board, the Management Board members are entitled to resign and terminate their contract of employment. If a Management Board member exercises this right, they are fundamentally entitled to severance pay under the contract of employment in the amount of the severance pay cap described in 6.1, whereby the severance pay must never remunerate more than the remaining term of the contract of employment; severance pay equivalent to 150% of the aforementioned severance pay cap (in other words, up to three annual total compensation payments) applies for the last time in fiscal year 2021 to a Management Board member in accordance with the previously established recommendation in paragraph 4.2.3 (5) GCGC 2017, which in any case must never remunerate more than the remaining term of the contract of employment.

If the contract of employment is continued in case of a change of control, the LTIP is adjusted subject to the value ratios in place at the time of change of control and replaced by a new form of the long-term variable remuneration that is equivalent in value and economic benefit. If the Management Board member's contract of employment ends due to a change of control, all current performance periods will end on the date of termination of the Management Board member's contract of employment. A target achievement level of 100% is assumed for all performance targets and the last offering price at the time of change of control is used as the final share price to calculate the payout amount. The payout is transacted within one month after the end of the contract of employment.

6.5. Post-contractual Non-compete Clause

The Supervisory Board may stipulate a post-contractual non-compete clause for a period of up to 24 months. For this period, adequate compensation to be determined on a case-by-case basis (compensation for non-competition) in accordance with the legal provisions set forth in Sections 74 et seq. of the German Commercial Code (HGB) is granted to employees. The compensation is paid out in installments at the end of the month. The Management Board member will assume statutory charges arising on this amount. Upon conclusion of the non-compete clause, the Supervisory Board makes decisions on a case-by-case basis on the taking into account in the compensation payments of any severance payments due to early termination of the Management Board activities.

As of the reporting date December 31, 2021, post-contractual non-compete clauses for a period of twelve months, following the termination of their contracts of employment, were agreed with Rolf Buch, Arnd Fittkau and Daniel Riedl. The ex gratia payment provided for in the contract corresponds to 75% (Rolf Buch) and 50% (Arnd Fittkau) of the contractual payments most recently received by them (incl. STIP and LTIP), while the ex gratia payment for Daniel Riedl amounts to a gross total of € 2,000,000.

A post-contractual non-compete clause was not agreed with Helene von Roeder.

7. Information on Third-Party Payments

The fixed remuneration fundamentally covers all activities carried out by Management Board members on behalf of the company and its affiliated companies. This includes, more particularly, Group-internal Supervisory Board mandates.

Insofar as claims for remuneration arise against affiliated companies, these are generally offset against the fixed remuneration; in the case of Daniel Riedl, however, remuneration is paid for his management activities at BUWOG from his existing contract of employment in place with BUWOG,

that are not offset against his remuneration from Vonovia SE and are included in the table of granted and owed remuneration (under paragraph 8.1).

The contract of employment may provide that income generated by Management Board members from other activities undertaken in the interests of the company (e.g., income from functions in associations), are to be donated by the Management Board members to the Vonovia Stiftung (subject to any other determination by the Supervisory Board of Vonovia Stiftung).

The Management Board members did not receive payments from third parties for their Management Board activities in the 2021 fiscal year.

8. Information on the Level of Management Board Remuneration in the 2021 Fiscal Year

8.1. Remuneration Granted and Owed

The following tables illustrate the remuneration granted and owed to the individual active members of the Management Board including the relative shares of individual remuneration components in accordance with Section 162 (1) subsection 1 AktG.

The granted and owed remuneration in the 2021 fiscal year is broken down as follows:

- The basic remuneration paid out in the 2021 fiscal year
- The fringe benefits arising in the 2021 fiscal year and, in the case of Mr. Riedl, the pension remuneration arising in the fiscal year
- The STI determined for the 2021 fiscal year
- The inflow of the LTIP tranche granted in the 2018 fiscal year, whose performance period ended at the end of the 2021 fiscal year.

To facilitate transparent reporting in the correct accounting period if possible, the disclosures are made based on a vesting-oriented interpretation. Accordingly, the STI for the 2021 fiscal year is considered granted and owed remuneration, even though it is only due to be paid out in the 2022 fiscal year. The reason for this is that the underlying payment was provided in full by the end of the 2021 fiscal year. The same applies to the LTIP tranche granted in the 2018 fiscal year, as its performance period ended at the end of the 2021 fiscal year and the payment for assessing the relevant payment was provided in full.

Furthermore, the service cost as per IAS 19 of the retirement benefit commitments is additionally presented in the 2021 fiscal year.

Remuneration granted and owed

	Rolf Buch (CEO) since March 1, 2013				Arnd Fittkau (CRO) since May 16, 2019			
	2020		2021		2020		2021	
	in € k	in %	in € k	in %	in € k	in %	in € k	in %
Basic remuneration	1,200.0	18	1,250.0	21	700.0	61	750.0	60
Fringe benefits	30.3	0	31.1	1	30.8	3	31.6	3
Pension remuneration		0	0.0	0		0	0.0	0
Total fixed remuneration	1,230.3	18	1,281.1	21	730.8	63	781.6	63
Short-term variable remuneration	767.1	-	875.0	-	425.1	-	467.5	-
STI 2020	767.1	11	-	-	425.1	37	-	-
STI 2021	-	-	875.0	14	-	-	467.5	37
Long-term variable remuneration	4,750.0	-	3,900.3	-	0.0	-	0.0	-
LTI 2017-2020	4,750.0	70		0	-	-		0
LTI 2018-2021	-	-	3,900.3	64	-	-		0
Total variable remuneration	5,517.1	82	4,775.3	79	425.1	37	467.5	37
Total fixed and variable remuneration (pursuant to Section 162 AktG)	6,747.4	100	6,056.4	100	1,155.9	100	1,249.1	100
Pension service cost	1,052.0		1,205.0		597.0		675.0	
Total	7,799.4		7,261.4		1,752.9		1,924.1	

Remuneration granted and owed

	Daniel Riedl* (CDO) since May 9, 2018				Helene von Roeder (CFO) since May 9, 2018			
	2020		2021		2020		2021	
	in € k	in %	in € k	in %	in € k	in %	in € k	in %
Basic remuneration	700.0	43	750.0	27	700.0	61	750.0	33
Fringe benefits	16.0	1	27.4	1	25.0	2	29.4	1
Pension remuneration	500.0	30	500.0	18		0	0.0	0
Total fixed remuneration	1,216.0	74	1,277.4	46	725.0	63	779.4	34
Short-term variable remuneration	430.8	-	457.0	-	425.1	-	467.5	-
STI 2020	430.8	6	-	-	425.1	37	-	-
STI 2021	-	-	457.0	8	-	-	467.5	37
Long-term variable remuneration	0.0	-	1,059.2	-	0.0	-	1,059.2	-
LTI 2017-2020	-	-		0	-	-		0
LTI 2018-2021	-	-	1,059.2	17	-	-	1,059.2	85
Total variable remuneration	430.8	26	1,516.2	54	425.1	37	1,526.7	66
Total fixed and variable remuneration (pursuant to Section 162 AktG)	1,646.8	100	2,793.6	100	1,150.1	100	2,306.1	100
Pension service cost			0.0		542.5		564.0	
Total	1,646.8		2,793.6		1,692.6		2,870.1	

* Incl. remuneration benefits for his management activities at BUWOG, thereof basic remuneration of € 550.0 k (2020: € 500.0 k), fringe benefits of € 11.7 k (2020: € 11.5 k), pension remuneration € 500.0 k (2020: € 500.0 k), STI € 302.0 k (2020: € 295.5 k) and LTI € 0 k (2020: € 0 k), LTI claims exist in full against Vonovia SE.

8.2. Remuneration for Former Management Board Members

In addition, the following former Management Board members are entitled to payments from the 2018 LTIP tranche in the 2021 fiscal year, whose performance period ended at the end of the 2021 fiscal year. Klaus Freiberg is entitled to a payout amount of € 1,642,229.52 and both Dr. A. Stefan Kirsten and Gerald Klinck are each entitled to payout amounts of € 684,308.40. The application of the underlying performance criteria for the 2018 LTIP tranche and the target achievement level correspond to the disclosures provide under 3.2.2.c for the Management Board members in office. Klaus Freiberg also received compensation for 2021 in the amount of € 567,549.02.

In the 2021 fiscal year, payments amounting to € 0.4 k were made in the context of pension commitments to two Management Board members who left before 2012 and one individual qualifying for compensation.

IV. Remuneration of the Supervisory Board in the 2021 Fiscal Year

1. Remuneration System of the Supervisory Board

The remuneration system of the Supervisory Board of Vonovia SE is governed by Section 13 of the Articles of Association and has been in place since June 9, 2013. It was confirmed by a 99.34% majority by the 2021 Annual General Meeting in accordance with Section 113 (3) AktG.

Thus, the following remuneration regulations apply to the members of the Supervisory Board:

- Each member of the Supervisory Board receives annual fixed basic remuneration of € 100,000.
- The Chairman of the Supervisory Board receives double this amount and a Deputy Chairman receives one-and-a-half times this amount.
- The members of the Audit Committee receive additional annual fixed remuneration of € 40,000; the Audit Committee Chairman receives double this amount.

- Supervisory Board members who are members of one or more other Supervisory Board committees that have acted at least once a year receive additional annual fixed remuneration of € 20,000 per committee, in the case of the Committee Chairman € 40,000.
- The sum total of all remuneration plus remuneration for membership of Supervisory Boards and comparable supervisory bodies of Group companies must not exceed an amount of € 300,000 per calendar year and Supervisory Board member, regardless of the number of committee memberships and functions.

All of this remuneration is payable after the expiry of each fiscal year. Supervisory Board members who are Supervisory Board members or members of a committee of the Supervisory Board for only part of a fiscal year receive corresponding pro rata remuneration rounded up to the full month.

The company reimburses the Supervisory Board members for appropriate expenses incurred due to the exercising of their office. VAT is reimbursed by the company to the extent that the Supervisory Board members are eligible to separately invoice VAT, and have exercised such right. The company takes out personal liability insurance (D&O insurance) for the members of the Supervisory Board with an appropriate sum insured.

The remuneration of the Supervisory Board members is reviewed at the latest every four years in accordance with statutory requirements under Section 113 (3) sentence 1 AktG and a resolution of the Annual General Meeting put forward regarding remuneration, with a confirmatory resolution also possible in accordance with Section 113 (3) first half of sentence 2 AktG.

2. Remuneration of the Supervisory Board Members

The remuneration for Supervisory Board members that is granted and owed in the reporting year is as follows, with

the remuneration payments for the 2021 fiscal year included, even though they only fall due in the next fiscal year:

Supervisory Board remuneration

	2020					2021				
	Fixed remuneration		Committee remuneration		Total remuneration	Fixed remuneration		Committee remuneration		Total remuneration
	in € k	in %	in € k	in %	in € k	in € k	in %	in € k	in %	in € k
Jürgen Fitschen (Chairman) since May 2018	200	77	60	23	260	200	77	60	23	260
Prof. Dr. Edgar Ernst (Deputy Chairman) since June 2013	150	65	80	35	230	150	65	80	35	230
Burkhard Ulrich Drescher since December 2014	100	71	40	29	140	100	71	40	29	140
Vitus Eckert since May 2018	100	71	40	29	140	100	71	40	29	140
Dr. Florian Funck since August 2014	100	71	40	29	140	100	71	40	29	140
Dr. Ute Geipel-Faber since November 2015	100	83	20	17	120	100	83	20	17	120
Daniel Just since May 2015	100	83	20	17	120	100	83	20	17	120
Hildegard Müller since June 2013	100	83	20	17	120	100	83	20	17	120
Prof. Dr. Klaus Rauscher since August 2008	100	83	20	17	120	100	83	20	17	120
Dr. Ariane Reinhart since May 2016	100	83	20	17	120	100	83	20	17	120
Clara-Christina Streit since June 2013	100	63	60	38	160	100	63	60	38	160
Christian Ulbrich since August 2014	100	83	20	17	120	100	83	20	17	120

V. Comparative Presentation of the Development in the Remuneration of Management Board members, Supervisory Board Members and the Rest of the Workforce As Well as the Company's Earnings Development

In accordance with the requirements set forth in Section 162 (1) sentence 2 point 2 AktG, the following table illustrates the development of remuneration for Management Board members, Supervisory Board members and the rest of

the workforce as well as the earnings development of the company. The remuneration for the Management Board and Supervisory Board relates to granted and owed remuneration in accordance with Section 162 AktG. The presentation of the average remuneration of employees and their changes includes the average remuneration of employees in the real estate industry (Group-wide) on a full-time equivalents basis. Similar to the remuneration for the Management Board and Supervisory Board, the average remuneration for the total workforce shown refers to its total remuneration.

Comparative presentation

in € k	2020	2021	Change in %
Management Board members			
Rolf Buch	6,747.4	6,056.4	-10
Arnd Fittkau	1,155.9	1,249.1	8
Daniel Riedl	1,646.8	2,793.6	70
Helene von Roeder	1,150.1	2,306.1	101
Average	2,675.0	3,101.3	16
Former Management Board members			
Klaus Freiberg (until May 16, 2019)	3,362.1	2,209.8	-34
Dr. A Stefan Kirsten (until May 9, 2018)	2,000.0	684.3	-66
Gerald Klinck (until May 9, 2018)	2,000.0	684.3	-66
Other former Management Board members	296.9	400.0	35
Supervisory Board members			
Jürgen Fitschen (Chairman)	260.0	260.0	0
Prof. Dr. Edgar Ernst (Deputy Chairman)	230.0	230.0	0
Burkhard Ulrich Drescher	140.0	140.0	0
Vitus Eckert	140.0	140.0	0
Dr. Florian Funck	140.0	140.0	0
Dr. Ute Geipel-Faber	120.0	120.0	0
Daniel Just	120.0	120.0	0
Hildegard Müller	120.0	120.0	0
Prof. Dr. Klaus Rauscher	120.0	120.0	0
Dr. Ariane Reinhart	120.0	120.0	0
Clara-Christina Streit	160.0	160.0	0
Christian Ulbrich	120.0	120.0	0
Average	149.2	149.2	0
Employees			
Total workforce	64.7	65.1	1
Earnings performance			
EBITDA in € million	1,909.8	2,269.3	19
EPS in €	5.50	4.22	-23
Vonovia SE net income according to HGB in € million	-53.5	-544.8	n/a

VI. Outlook for the 2022 Fiscal Year from a Remuneration Perspective

Following the approval of the remuneration system for the Management Board of Vonovia SE by a large majority at the 2021 Annual General Meeting, further adjustments are not envisaged at present. The Supervisory Board of Vonovia SE regards this positive vote on the part of our shareholders as a clear recommendation to apply the remuneration system in its current form as before.

Where the shareholders level criticism at the application of the remuneration system for the Management Board, this criticism will be acknowledged by the Supervisory Board and addressed in its activities in the 2022 fiscal year. The 2022 remuneration report will also include explanatory notes in accordance with the regulatory requirements set forth in Section 162 (1) sentence 2 clause 6 AktG on how the vote at the Annual General Meeting on the 2021 remuneration report was taken into account.

The remuneration system for the Supervisory Board has been unchanged since the resolution adopted by the Annual General Meeting on June 9, 2013. Both the responsibility and the individual scope of activities of its members is steadily increasing. To continue to remunerate appropriately the tasks of its members and the position of the company to remain competitive and acquire suitable candidates for the Supervisory Board, the company plans to present the following adjustments to the remuneration system for the Supervisory Board for approval at the 2022 Annual General Meeting:

- Each member of the Supervisory Board will receive basic remuneration of € 110,000 for their Supervisory Board activities in the future.
- In future, the Chairman of the Supervisory Board will receive basic remuneration equivalent to two and a half times the above sum and their Deputy Chairman will continue to receive one and a half times the above amount.
- In future, € 30,000 will be paid for memberships of the Executive and Nomination Committee and/or Finance Committee, and € 45,000 for membership of the Audit Committee. The Chairmen of the committees will still receive double the amount of the relevant committee remuneration.
- The total remuneration paid to each Supervisory Board member must not exceed an amount of € 400,000 per calendar year.

Bochum, 17 March 2022

For the Supervisory Board

Jürgen Fitschen

The Members of the Management Board

Rolf Buch Arnd Fittkau Philip Grosse
Daniel Riedl Helene von Roeder

Independent Auditor's Report

To Vonovia SE, Bochum,

REPORT ON THE AUDIT OF THE COMPENSATION REPORT

We have audited the attached compensation report of Vonovia SE, Bochum, for the financial year from 1 January to 31 December 2021, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of Management and the Supervisory Board

The management and the Supervisory Board of Vonovia SE, Bochum, are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal controls as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards of Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the compensation report. The procedures selected depend on the auditor's professional judgment. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the compensation report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the compensation, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the compensation report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the compensation report for the financial year from 1 January to 31 December 2021, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other Matter – Formal Examination of the Compensation Report

The substantive audit of the compensation report described in this independent auditor's report includes the formal examination of the compensation report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the compensation report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the compensation report.

Limitation of Liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to Vonovia SE, Bochum, are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2017 (Appendix 2). By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Düsseldorf, 17 March 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Ufer
Wirtschaftsprüfer
[German Public Auditor]

Cremer
Wirtschaftsprüfer
[German Public Auditor]

2. Curricula vitae of the candidates for election to the Supervisory Board (Agenda Item 8)

Matthias Hünlein

resident of Oberursel, born in 1961
Managing Director of
Tishman Speyer Properties Deutschland GmbH

CV, relevant knowledge, skills and experience

Matthias Hünlein studied law in Passau. He began his professional career at Deutsche Bank Group. Among other roles, he worked for the Deutsche Bank investment company DB Real Estate Management GmbH and as Managing Director of DB Real Estate Spezial Invest GmbH, where he was responsible for product development and customer relations, and gained specialist knowledge and professional experience in the German real estate market. In November 2005, Matthias Hünlein joined Tishman Speyer Properties Deutschland GmbH, where as Managing Director he is responsible for their client relations and capital procurement in the German and European capital markets.

Mandates

Membership of any additional statutory supervisory boards within the meaning of section 125(1) sentence 5 AktG:

- Tishman Speyer Investment Management GmbH*, Frankfurt am Main (Deputy Chairman of the Supervisory Board)

*) Company belongs to the
Tishman Speyer Properties Deutschland GmbH group

Membership of comparable domestic or foreign controlling bodies of commercial enterprises within the meaning of section 125(1) sentence 5 AktG:

- None

Independence

The Supervisory Board is of the opinion that Matthias Hünlein is independent of the Company and its Management Board, and independent of a controlling shareholder, because Matthias Hünlein has no personal or business relationship with the Company, its Management Board or a controlling shareholder that would constitute a substantial – and not merely temporary – conflict of interest.

Jürgen Fenk

resident of Berlin, born in 1966,
CEO of Primonial REIM, Paris

CV, relevant knowledge, skills and experience

Jürgen Fenk gained his degree in business administration from Ludwig Maximilian University in Munich. He began his professional career at Bayerische Vereinsbank (later HypoVereinsbank (HVB)) in Germany and France in the International Real Estate Finance division, and was instrumental in the spin-off of the Hypo Real Estate Group. From 2003 to 2009, as a member of the Management Board of Hypo Real Estate Bank International, he was responsible for commercial real estate financing business in Europe, the USA and Asia, and served in this capacity in Ireland, Germany and the USA. From 2009 onwards, Jürgen worked for Landesbank Hessen-Thüringen (Helaba), initially until 2010 as Head of Real Estate Lending and – after working for BAWAG P.S.K. as Head of Commercial Real Estate Finance from 2010 to 2012 – from 2012 as a member of the Management Board responsible for Real Estate Lending, Real Estate Management, Financial Institutions & Public Finance, and Administration. From October 2017 to February 2021, Jürgen Fenk was the Managing Director and a member of the Group Executive Board of SIGNA Holding GmbH, Vienna, where he was responsible in particular for Banking, Capital Markets and Capital Sourcing. He was also CEO of the digitalization and venture capital unit, SIGNA Innovations AG, Innsbruck, Austria from February 2018 to February 2021 and Chairman of the Board of Directors of SIGNA Financial Services AG, Zurich, Switzerland from September 2019 to February 2021.

Since March 2021, Jürgen Fenk has been CEO of Primonial REIM, Paris, France. As such, his main responsibility is the strategic development and international expansion of the French asset and wealth manager.

Jürgen Fenk is the former Chair of Europe and current Global Trustee of the Urban Land Institute (ULI) and is a member of the Advisory Board of Longevity Partners (DE), a global multidisciplinary energy and sustainability consulting firm.

Mandates

Membership of any additional statutory supervisory boards within the meaning of section 125(1) sentence 5 AktG:

- None

Membership of comparable domestic or foreign controlling bodies of commercial enterprises within the meaning of section 125(1) sentence 5 AktG:

- SIGNA Development Selection AG, Vienna, Austria (Member of the Supervisory Board)
- Alfons & alfreda AG, Düsseldorf (Deputy Chairman of the Supervisory Board)

Independence

The Supervisory Board is of the opinion that Jürgen Fenk is independent of the Company and its Management Board, and independent of a controlling shareholder, because Jürgen Fenk has no personal or business relationship with the Company, its Management Board or a controlling shareholder that would constitute a substantial – and not merely temporary – conflict of interest.

3. Report by the Management Board on Agenda Item 9 on the reasons for the authorization to exclude subscription rights

Regarding Agenda Item 9 of the Annual General Meeting on 29 April 2022, the Management Board and the Supervisory Board propose the cancellation of the remaining Authorized Capital 2021 pursuant to § 5 of the Articles of Association in the amount of EUR 81,603,587.00 and that a new authorized capital with the authorization to partially exclude subscription rights (Authorized Capital 2022) be approved. Pursuant to section 203(2) sentence 2 AktG in conjunction with section 186(4) sentence 2 AktG, the Management Board hereby provides the following report on the reasons for authorizing the exclusion of shareholder subscription rights with the issuance of the new shares:

The European residential property markets continue to be characterized by stiff competition for attractive residential property portfolios. Consequently, the Company is dependent on being and on remaining able to flexibly increase its own funds quickly and comprehensively. Therefore, an increase of the authorized capital up to approximately 30% of the Company's share capital is proposed. For this purpose, the intention is to cancel the Authorized Capital 2021 and to create a new Authorized Capital 2022.

It is intended that the cancellation of the Authorized Capital 2021 and the creation of the Authorized Capital 2022 will only become effective if no further shares must be issued out of the Authorized Capital 2021 pursuant to Agenda Item 2 to satisfy the scrip dividend.

The new authorized capital (Authorized Capital 2022) proposed in relation to Agenda Item 9 of the Annual General Meeting on 29 April 2022 is designed to authorize the Management Board, with the approval of the Supervisory Board, to increase the Company's share capital by up to EUR 233,000,000.00 in the period ending on 28 April 2027, by issuing up to 233,000,000 new no-par-value registered shares against cash and/or in kind contributions on one or several occasions. The volume of the new Authorized Capital 2022 is therefore about 30% of the Company's current share capital.

The Company's Management Board shall only be entitled to use the Authorized Capital 2022 in an amount of 30% of the share capital at the time said authorization comes into effect or - if such amount is lower - at the time it is exercised. Any shares already issued or to be issued to satisfy bonds with conversion or option rights or obligations from conditional capital are to be included in this 30 % cap on the share capital, provided these bonds were issued during the term of this authorization. This is intended to prevent the Management Board from increasing the share capital by more than 30 % when exercising existing authorizations. The cap, decreased under the preceding sentences of this paragraph, shall be in-

creased again when a new authorization pursuant to section 202 or section 221 (in conjunction with a conditional capital pursuant to section 192 AktG) approved by the Annual General Meeting after the decrease becomes effective, to the extent of the reach of the new authorization, but up to a maximum of 30% of the share capital in accordance with the stipulations of sentence 1 of this paragraph.

In this context, the Management Board states the following: The rights issue capital increase carried out at the end of 2021 caused that the authorization to issue bonds granted by the Annual General Meeting on 16 April 2021 is reduced due to a corresponding offset provision in the authorization to issue bonds. If the proposed Authorized Capital 2022 is created, the authorization to issue bonds will automatically increase to the volume of Authorized Capital 2022 due to a replenishment provision provided for in the authorization to issue bonds granted by the Annual General Meeting on 16 April 2021. The Management Board undertakes to issue bonds on the basis of the authorization granted by the Annual General Meeting on 16 April 2021 under Agenda Item 9 only to the extent that the number of shares which were issued or are to be issued to satisfy bonds with conversion or option rights or obligations from conditional capital does not exceed 30% of the share capital at the time the Authorized Capital 2022 comes into effect or - if such amount is lower - at the time the authorization issued by the Annual General Meeting on 16 April 2021 under Agenda Item 9 is exercised. Shares issued as of when the Authorized Capital 2022 becomes effective are to be included in this 30% cap of the share capital.

The purpose of the Authorized Capital 2022 is to enable the Company to continue to raise the capital required for the further development of the Company at short notice by issuing new shares, and to give it the flexibility to benefit from a favorable market environment at short notice in order to cover its future financing requirements. As the decisions regarding covering future capital requirements generally need to be made at short notice, it is important that the Company is not dependent on the rhythm of the Annual General Meetings or on the notification period for convening an Extraordinary General Meeting. The legislator has accommodated these circumstances with the instrument of "authorized capital".

When using the Authorized Capital 2022 in order to issue shares in return for cash contributions, the shareholders are in principle entitled to a subscription right (section 203(1) sentence 1 AktG in conjunction with section 186(1) AktG). The issuance of shares coupled with the granting of an indirect subscription right within the meaning of section 186(5) AktG is, by law, not to be classified as the exclusion of subscription rights, as the shareholders are awarded the same subscription rights as with a direct subscription. Purely for technical reasons, one or more banks or one or more undertakings operating pursuant to section 53(1) sentence 1 of

the German Banking Act (KWG) or section 53b (1) sentence 1 or (7) KWG will be involved in the handling thereof.

Nonetheless, with the approval of the Supervisory Board, the Management Board shall be authorized to exclude subscription rights under certain circumstances.

- (i) With the approval of the Supervisory Board, the Management Board shall be authorized to exclude subscription rights for fractional amounts.

The purpose of this subscription rights exclusion is to facilitate an issuance principally involving shareholder subscription rights, as it results in a subscription ratio that is technically feasible. The value of each shareholder's fractional amount is generally low and as such the potential dilutive effect is also be deemed to be low. In contrast to this, the required effort for the issue without such an exclusion is considerably greater. The exclusion therefore makes the issue more practicable and easier to implement. New shares which, as fractional amounts, are excluded from shareholder subscription rights will either be sold on the stock exchange or realized otherwise in the best possible manner for the Company. For these reasons, the Management Board and the Supervisory Board consider the potential exclusion of subscription rights to be objectively justified and also appropriate when weighed against the interests of shareholders.

- (ii) Furthermore, the Management Board, with the approval of the Supervisory Board, shall be authorized to exclude subscription rights to grant the holders/creditors of convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations thereof) (hereinafter collectively **"bonds"**) subscription rights to new shares. The terms of issue of bonds with conversion or option rights or obligations generally include anti-dilution provisions that grant holders/creditors subscription rights to new shares in subsequent share issuances or certain other measures.

Such holders/creditors are thus treated as if they were already shareholders. For bonds to feature such anti-dilution measure, shareholder subscription rights to such shares have to be excluded. This serves to facilitate the placing of such bonds and is therefore in the interests of shareholders in an optimum financial structure of the Company. Apart from that, the exclusion of subscription rights for the benefit of the holders/creditors of bonds has the advantage that, in the event that the authorization is exercised, the option or conversion price does not have to be reduced for the holders/creditors of existing bonds in accordance with the relevant bond terms. This allows for a greater inflow of funds and is therefore in the interests of the Company and its shareholders.

- (iii) Subscription rights may additionally be excluded in the case of cash capital increases provided that the shares are issued at a price that is not significantly below the stock market price and such a capital increase does not exceed 10% of the share capital, in fact – since it is Authorized Capital – neither at the time the authorization becomes effective nor – if this amount is lower – at the time it is exercised (simplified exclusion of subscription rights pursuant to sections 203(1) and (2), 186(3) sentence 4 AktG).

The authorization enables the Company to react flexibly to favorable capital market situations and to issue new shares very quickly, i.e. without meeting the requirement of a two-week subscription offer period. The exclusion of subscription rights enables the Company to act quickly and to place shares close to the stock market price, i.e. without the usual discount in connection with subscription right issues. This creates the parameters for achieving the highest possible disposal amount and for the greatest possible strengthening of the Company's equity. The authorization of the simplified exclusion of subscription rights is objectively justified, not least by the fact that a greater cash inflow can often be achieved as a result.

The authorization to exclude subscription rights in the event of capital increases must not exceed 10% of the Company's share capital either at the time at which the Authorized Capital 2022 becomes effective or – if this amount is lower – at the time at which it is exercised.

The proposed resolution further provides for a deduction clause: This cap of a maximum 10% of the share capital includes shares in the Company issued or sold during the term of the authorization, excluding shareholder subscription rights pursuant to or in analogous application of section 186(3) sentence 4 AktG. Any shares already issued or to be issued to satisfy bonds with conversion or option rights or obligations are also to be included in this cap, insofar as these bonds were issued during the term of this authorization without subscription rights in analogous application of section 186(3) sentence 4 AktG. This inclusion is effected in line with the shareholders' interests that their investments be diluted as little as possible.

The cap, decreased under the preceding inclusion clause, shall be increased again when a new authorization to exclude shareholder subscription rights pursuant to or in line with section 186(3) sentence 4 AktG approved by the General Meeting after the decrease becomes effective, to the extent of the reach of the new authorization, but up to a maximum of 10% of the share capital in accordance with the stipulations of sentence 1 of the respective paragraph. This is

because in such case(s), the Annual General Meeting may decide again on the simplified exclusion of shareholder subscription rights, meaning that the reason for inclusion has ceased to apply. This is because, with the effectiveness of the new authorization for a simplified exclusion of subscription rights, the ban regarding the authorization to issue the bonds without shareholder subscription rights brought about by the exercise of the authorization to issue new shares or to issue bonds or by the sale of own shares shall lapse. Due to the identical majority requirements for such a resolution, the renewed authorization for the simplified exclusion of subscription rights is at the same time also to be seen – to the extent that the statutory requirements are observed – as a confirmation regarding this authorization resolution. In the event of a renewed exercise of an authorization to exclude subscription rights in direct or analogous application of section 186(3) sentence 4 AktG, the deduction is carried out again.

The simplified exclusion of subscription rights is conditional on the issue price for the new shares not being significantly below the stock market price. Subject to specific circumstances in individual cases, a potential deduction from the current stock market price or a volume weighted stock market price over an appropriate number of trading days prior to the definitive determination of the issue amount will likely – taking a different dividend entitlement into account, where appropriate – not exceed approximately 5% of the stock market price in question. This also ensures that shareholders are protected against dilution of their shareholdings. Determining an issue price close to the stock market price ensures that the value of subscription rights for the new shares would, in practical terms, be very low. The shareholders have the opportunity to maintain their relative investments by effecting additional stock market purchases.

- (iv) Subscription rights may also be excluded in capital increases against contributions in kind. The Company should continue to be able to acquire, without limitation, companies, parts of companies, interests in companies (including by way of merger or other measures under transformation law) or other assets (including receivables), properties or property portfolios relating to a proposed acquisition or to respond to offers of acquisitions or mergers in order to strengthen its competitiveness and to increase its profitability or enterprise value. The exclusion of subscription rights should also serve to service convertible bonds and/or warrant bonds or combinations thereof issued against contributions in kind.

Practice has shown that some shareholders in attractive acquisition targets are very interested in acquiring the Company's no-par value (voting) shares as consideration, for example to maintain a certain degree of influence over the object of the contribution in kind. The option to provide consideration not only by way of cash payments but also, or exclusively, by way of shares, in view of an optimum financial structure, is also supported by the fact that the Company's liquidity is protected, leverage is avoided and the seller(s) participate(s) in future price potential to the same extent as new shares can be used as an acquisition currency. This improves the Company's competitive position in acquisitions.

The option of using Company shares as an acquisition currency gives the Company the necessary scope of action to quickly and flexibly respond to such acquisition opportunities and enables it to acquire even larger units in return for transferring shares. Also in the case of other assets (in particular property portfolios or interests in property companies) it should be possible to acquire them in exchange for shares, under certain circumstances. In both cases, it must be possible to exclude shareholder subscription rights. As such acquisitions often have to be implemented at short notice, it is important that they normally are independent of the usual annual rhythm of the Annual General Meeting or do not require an Extraordinary General Meeting, whose preparation and notice period prevent swift action. This means that authorized capital is needed which the Management Board can access quickly with the approval of the Supervisory Board.

The same applies to satisfying conversion or option rights or obligations under bonds. This involves issuing new shares against contributions in kind, either in the form of the bond to be contributed or in the form of the payment in kind under the bond. This leads to an increase in the Company's flexibility while satisfying the conversion or option rights or obligations. Offering bonds in lieu of or in addition to granting shares or cash payments can represent an attractive alternative that increases the Company's competitive chances in acquisitions due to its additional flexibility. Shareholders are additionally protected by the subscription rights to which they are entitled in principle when bonds are issued with conversion or option rights or with conversion or option obligations. Where subscription rights were excluded on the issue of such bonds, the interests of shareholders were already taken into account in the assessment to be made in such case by the Management Board and Supervisory Board. The instances in which subscription rights for bonds with conversion rights and obligations may be excluded have been or are outlined in the report relating to the issue of such instruments.

Should any opportunity arise to merge with other companies or to acquire companies, parts of companies, interests in companies or other assets, the Management Board will in each case carefully consider whether or not to utilize the authorization to increase capital by granting new shares. This also includes, in particular, assessing the valuation ratio between the Company and the acquired company interest or other assets and determining the new shares' issue price and the other share issue conditions. The Management Board will only utilize the Authorized Capital 2022 if it is satisfied that such merger or such acquisition of a company or part of a company or interest in a company in exchange for granting new shares is in the best interests of the Company and its shareholders. The Supervisory Board will only grant its necessary approval if it has reached the same conclusion.

- (v) Subscription rights may also be excluded when distributing a share dividend (also known as scrip dividend) where shares of the Company are used (including partially and/or optionally) to satisfy shareholder dividend rights.

This is to enable the Company to distribute a scrip dividend at the most favorable conditions. In the case of a scrip dividend, shareholders are offered to contribute, in whole or in part as a contribution in kind into the Company, their right to receive payment of a dividend created by the Annual General Meeting's resolution on the appropriation of profits, receiving new shares in the Company in return. A scrip dividend can be distributed as a genuine share issue with subscription rights in accordance with, in particular, the provisions of section 186(1) AktG (minimum subscription period of two weeks) and section 186(2) AktG (announcement of the issue amount no later than three days before the expiry of the subscription period). In individual cases, depending on the capital markets situation, it may be preferable to design the distribution of a scrip dividend such that the Management Board offers to all shareholders entitled to dividends, in accordance with the general principle of equal treatment (section 53a AktG), to receive new shares against contribution of their dividend entitlements and thus grants shareholders a subscription right in economic terms, but to legally exclude shareholder subscription rights to such new shares in their entirety. Excluding subscription rights may also be required where not all shareholders are entitled to dividends for a specific financial year.

Such exclusion of subscription rights allows distributing the scrip dividend without the aforementioned restrictions under section 186(1) and (2) AktG and hence at more flexible conditions. In view of the fact that new shares are offered to all shareholders and fractional dividend amounts will be settled by cash

payment of the dividend, excluding subscription rights appears to be reasonable and justified in such case.

- (vi) Subscription rights can further be excluded in relation to the issue of up to 2,500,000 new no-par value registered shares against contribution in cash to the extent that this is necessary to issue shares to employees of the Company or of affiliated companies within the meaning of sections 15 et seqq. AktG, excluding the members of the Company's Management Board and Supervisory Board and the members of the management boards, supervisory boards and other bodies of affiliated companies. To simplify the settlement process, the shares may also be subscribed for this purpose by a financial institution against cash contribution, in order for the Company to reacquire the shares so subscribed to issue them to entitled employees of the Company.

This gives the Company the opportunity to acknowledge the performance of its employees and those of its affiliated companies within the meaning of sections 15 et seqq. AktG by issuing shares to them, thus allowing them to participate in the Company's success. Incentivizing the employees by allowing them to participate in the performance of Vonovia SE shares on the stock market is also in the interests of shareholders. The Company can issue shares to its employees only if shareholder subscription rights are excluded. In addition, the shares to be issued under this authorization only form a relatively small portion of the Company's current share capital (approximately 0.32%). Hence, shareholders will suffer a minor dilution only and will always have the opportunity to maintain their proportion in the Company's share capital by acquiring additional shares on the stock market.

The authorizations to exclude subscription rights in the event of capital increases against contributions in cash and/or in kind as described in the paragraphs above are limited to a total amount not exceeding 10% of the share capital, either at the time this authorization becomes effective or at the time it is exercised.

This limit of 10% of the share capital is to include shares in the Company (i) that are issued during the term of this authorization under other authorizations while excluding subscription rights, and (ii) that are issued or are to be issued in order to service bonds, provided that such bonds were issued without shareholder subscription rights during the term of this authorization. This includes capital increases from other authorized capital and the issue of bonds.

This limitation at the same time limits a potential dilution of voting rights of the shareholders whose subscription rights have been excluded. The limit reduced in accordance with the above inclusion clause will be increased again upon effectiveness of a new authorization to exclude shareholder

subscription rights resolved by the Annual General Meeting following the decrease, in the amount specified in the new authorization, but not exceeding a maximum of 10% of the share capital in accordance with the above requirements. This is because in this case, the Annual General Meeting may decide again on the exclusion of shareholder subscription rights, meaning that the reason for inclusion has ceased to apply.

When considering these circumstances, the authorization to exclude subscription rights within the limits outlined above is necessary, suitable, appropriate and required in the interests of the Company. If the Management Board utilizes any of the above authorizations to exclude subscription rights in connection with a capital increase from Authorized Capital 2022 during a financial year, it will report thereon at the next following Annual General Meeting.

March 2022

The Members of the Management Board

(signed)

4. Report by the Management Board on Item 10 of the Agenda on the reasons for the authorization to exclude tender and/or subscription rights

With regard to Item 10 of the Agenda of the Annual General Meeting on 29 April 2022, the Management Board and the Supervisory Board propose that the Company be again authorized pursuant to section 71(1) no. 8 AktG for a period of 5 years ending 28 April 2027 to acquire own shares in the amount of up to 10% of the Company's share capital existing when the resolution is passed or, if this value is lower, the share capital existing when this authorization is exercised. According to the proposed resolution, the Management Board is entitled to also acquire the shares while restricting the principle of equal treatment and any shareholder tender rights, and to use the acquired own shares under this authorization or an earlier or a subsequent authorization while excluding shareholder subscription right. The Management Board gives the following report pursuant to section 71(1) no. 8 AktG in conjunction with section 186(4) sentence 2 AktG with regard to Item 10 of the Agenda of the Annual General Meeting regarding the reasons for the authorization to exclude any tender rights shareholders may have and to exclude shareholder subscription rights in the disposal of repurchased own shares:

The existing authorization granted by resolution of the Annual General Meeting on 9 May 2018 will expire on 8 May 2023. In order to keep continuing this practice, the Management Board is to be authorized again to use the possibility of acquiring own shares. This authorization is subject to the condition that any newly purchased shares, together with own shares already held, must not exceed the limit of 10% of the Company's share capital pursuant to section 71(2) sentence 1 AktG.

a) Acquisition of own shares while excluding any tender rights

Own shares may initially be acquired on the stock market, through a purchase offer made to all shareholders, or through a public invitation to submit an offer for sale. The Company is to be enabled to offer other listed shares for exchange as consideration instead of a cash payment, which for shareholders can be an attractive alternative to a public purchase offer. This provides the Company with additional options enabling it to utilize the ideal structure for a share buyback, which is also in the interests of shareholders.

In a public purchase offer, a public exchange offer or a public invitation to submit an offer for sale, the number of shares of the Company tendered by shareholders may exceed the number of shares offered to buy by the Company. In such case, tenders will have to be prorated. It is proposed in such case that priority may be given to smaller tenders or smaller parts of tenders of up to a maximum of 100 shares. The purpose of this option is to avoid fractional amounts in determining the quotas to be acquired and to avoid small

residual amounts, thus facilitating the technical implementation of the share repurchase. This also avoids de facto disadvantages to small shareholders. Offers may otherwise be allotted according to the ratio of shares tendered (tender ratios) instead of participation ratios, as this allows the purchase procedure to be technically handled within a commercially reasonable framework. Finally, rounding according to commercial principles is to be permitted to prevent fractional amounts of shares. For this purpose, the purchase ratio and the number of shares to be purchased from each tendering shareholder can be rounded as required to enable the acquisition of whole numbers of shares in the technical settlement. The Management Board considers the consequent exclusion of any further shareholder tender rights to be objectively justified and to be reasonable towards shareholders.

The authorization further allows for the acquisition to be implemented by means of tender rights granted to shareholders. Such tender rights will be designed such that the Company will only be obliged to purchase whole numbers of shares. Any tender rights which cannot be exercised in accordance therewith will be forfeited. This procedure treats shareholders equally and simplifies the technical settlement of the share repurchase.

b) Use of own shares acquired while excluding subscription rights

aa) The own shares acquired on the basis of the authorization granted by the Annual General Meeting on 29 April 2022 or on any other basis shall be permitted to be used, in defined cases, while excluding shareholder subscription rights:

- (i) The Company is to be enabled to sell repurchased own shares to third parties otherwise than on the stock market or by means of an offer to all shareholders against cash payment while excluding subscription rights.

This requires that the price achieved is not significantly lower than the stock market price for shares of the same class on the date of such sale. The selling price is to be finally determined immediately before such sale of own shares. In addition, the Management Board will determine a minimum amount for any discount from the current stock market price or a volume-weighted stock market price for an appropriate number of trading days prior to the sale, in accordance with the prevailing market conditions at the time of the placement. Subject to special circumstances in the specific case, such discount is not expected to exceed approximately 5% of the relevant stock market price. This also ensures that shareholders are protected against dilution of their shareholdings. Determini-

ning a sales price close to the stock market price ensures that the value of subscription rights for the shares to be sold would be very low in practice. Shareholders have the possibility to maintain their relative shareholding by acquiring additional shares on the stock market at nearly identical terms. This authorization is in the Company's interest as it enables the Company to react quickly and flexibly to favorable market situations. The Company may thus, for instance, expand the group of shareholders by specifically selling shares to strategic partners, institutional investors, or financial investors. The exclusion of subscription rights is objectively justified not least by the fact that a higher inflow of funds can often be achieved.

The authorization further ensures that the shares sold while excluding subscription rights may not exceed a total of 10% of neither the share capital existing on the effective date nor, if this value is lower, the share capital existing on the date this authorization is exercised. The proposed resolution further provides for an inclusion clause: The above limit of 10% of the share capital includes shares issued or sold during the term of this authorization while excluding subscription rights pursuant to, or in analogous application of, section 186(3) sentence 4 AktG. It further includes shares issued to service warrant or convertible bonds, provided that these are issued during the term of this authorization and while excluding subscription rights in analogous application of section 186(3) sentence 4 AktG. Including such shares ensures that repurchased own shares will not be sold while excluding subscription rights according to section 186(3) sentence 4 AktG if this would result in shareholder subscription rights being excluded for more than 10% in total of the share capital pursuant to, or in analogous application of, section 186(3) sentence 4 AktG. This limitation and the fact that the issue price must be based on the stock market price appropriately safeguard shareholders' financial and voting right interests.

The limit reduced in accordance with the above inclusion clause will be increased again upon effectiveness of a new authorization to exclude shareholder subscription rights pursuant to, or in analogous application of, section 186(3) sentence 4 AktG that is resolved by the Annual General Meeting following the decrease, in the amount specified in the new authorization, but not exceeding a maximum of 10% of the share capital in accordance with sentence 1

of the relevant paragraph. This is because in such case(s), the Annual General Meeting may decide again on the simplified exclusion of shareholder subscription rights, meaning that the reason for inclusion has ceased to apply. The reason for this is that upon the effectiveness of the new authorization for a simplified exclusion of subscription rights, the restriction regarding the authorization to issue the bonds without shareholder subscription rights caused by using the authorization to issue new shares or to issue bonds or by selling own shares ceases to apply. Due to the identical majority requirements for such a resolution and to the extent that the relevant statutory requirements are met, the renewed authorization for the simplified exclusion of subscription rights is at the same time to be considered a confirmation regarding the authorization resolution on the use of own shares. In the event of a renewed exercise of an authorization to exclude subscription rights in direct or analogous application of section 186(3) sentence 4 AktG, the deduction applies again.

- (ii) Furthermore, the Company is to be enabled to sell own shares either directly or indirectly while excluding subscription rights against contributions in kind. The Company should continue to be able to acquire (also indirectly), without limitation, companies, parts of companies, interests in companies (including by way of merger or other measures under transformation law) or other assets (including receivables), properties or property portfolios relating to a proposed acquisition or to respond to offers of acquisitions or mergers in order to strengthen its competitiveness and to increase its profitability or enterprise value.

Practice has shown that some shareholders in attractive acquisition targets are very interested in acquiring the Company's no-par value (voting) shares as consideration, for example to maintain a certain degree of influence over the object of the contribution in kind. The option to provide consideration not only by way of cash payments but also, or exclusively, by way of shares is also supported by the seller's participation in future price potential. This improves the Company's competitive position in acquisitions.

The option of using Company shares as an acquisition currency gives the Company the necessary scope of action to quickly and flexibly respond to such acquisition opportunities and enables it to acquire even larger units in return for transferring shares. Also in the case of other assets (in particular property portfolios or interests in property companies) it should be possible to acquire them in exchange for shares, under certain circumstances. In both cases, it must be possible to exclude shareholder subscription rights. As such acquisitions often have to be implemented at short notice, it is important that they normally are independent of the usual annual rhythm of the Annual General Meeting or do not require an Extraordinary General Meeting, whose preparation and notice period prevent swift action.

Should any opportunity arise to merge with other companies or to acquire companies, parts of companies, interests in companies or other assets, the Management Board will in each case carefully assess whether or not to use the authorization to sell own shares while excluding subscription rights. This includes, in particular, assessing the valuation ratio between the Company and the acquired company interest or other assets and determining the consideration. The Management Board will only utilize this authorization if it is satisfied that such merger or such acquisition of a company or part of a company or interest in a company in exchange for granting shares is in the best interests of the Company and its shareholders.

- (iii) The Company is to be enabled to use own shares to fulfill obligations or to secure obligations or rights to acquire shares in the Company, in particular under convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations thereof) issued by the Company or its affiliates within the meaning of sections 15 et seqq. AktG.

It may be appropriate at times to satisfy such acquisition obligations or acquisition rights by delivering own shares instead of using conditional capital even if sufficient conditional capital should be available. Shareholder subscription rights are excluded in this respect. This is in the interests of the Company and its shareholders as it offers even more flexibility to the Management Board and allows preventing the dilutive effect that is typical of a capital increase.

Shareholders are additionally protected by the subscription rights to which they are entitled in principle when bonds are issued with conversion or option rights or with conversion or option obligations. Where subscription rights were excluded on the issue of such bonds, the interests of shareholders were already taken into account in the assessment to be made in such case by the Management Board and the Supervisory Board. The instances in which subscription rights for bonds with conversion rights and obligations may be excluded have been or are outlined in the report relating to the issue of such instruments.

bb) The Management Board is further to be authorized, with the approval of the Supervisory Board, to exclude subscription rights in specific cases:

(i) Subscription rights may be excluded when distributing a share dividend (also known as scrip dividend) where shares of the Company are used (including partially and/or optionally) to satisfy shareholder dividend rights.

This is to enable the Company to distribute a scrip dividend at the most favorable conditions. In the case of a scrip dividend, shareholders are offered to exchange, in whole or in part, their right to receive payment of a dividend created by the Annual General Meeting's resolution on the appropriation of profits, receiving shares in Company in return. A scrip dividend can be distributed with subscription rights. In individual cases, depending on the capital markets situation, it may be preferable to design the distribution of a scrip dividend such that the Management Board offers to all shareholders entitled to dividends, in accordance with the general principle of equal treatment (section 53a AktG), to receive shares against transfer of their dividend entitlements and thus grants shareholders a subscription right in economic terms, but to legally exclude shareholder subscription rights to such shares in their entirety.

Such exclusion of subscription rights allows distributing the scrip dividend at more flexible conditions. In view of the fact that shares are offered to all shareholders and fractional dividend amounts will be settled by cash payment of the dividend, excluding subscription rights appears to be reasonable and justified in such case.

(ii) Moreover, with the approval of the Supervisory Board, the Management Board is to be authorized to exclude subscription rights in the sale of own shares to the extent required to grant to holders/creditors of conversion or option rights or obligations in respect of shares of the Company, as compensation for dilutive effects, subscription rights in such amount as they would have after the exercise of such rights or the fulfilment of such obligations. The reason for this is that the terms of issue of bonds with conversion or option rights or obligations regularly include anti-dilution provisions that grant to holders/creditors subscription rights to shares in subsequent share issuances or certain other measures. Such holders/creditors are thus treated as if they were already shareholders. For bonds to feature such anti-dilution measure, shareholder subscription rights to such shares have to be excluded. This serves to facilitate the placing of such bonds and is therefore in the interests of shareholders in an optimum financial structure of the Company. Apart from that, the exclusion of subscription rights for the benefit of the holders/creditors of bonds has the advantage that, in the event that the authorization is exercised/utilized, the option or conversion price does not have to be reduced for the holders/creditors of existing bonds in accordance with the relevant bond terms. This allows for a greater inflow of funds and is therefore in the interests of the Company and its shareholders.

(iii) Finally, the Management Board is to be authorized to exclude subscription rights for fractional amounts. This exclusion of subscription rights aims at technically enabling the sale of acquired own shares by way of a selling offer to shareholders. The value of each shareholder's fractional amount is generally low and as such the potential dilutive effect is also be deemed to be low. In contrast to this, the required effort without such an exclusion is considerably greater. The exclusion therefore increases practicability and facilitates implementation. Own shares which, as fractional amounts, are excluded from shareholder subscription rights will either be sold on the stock exchange or realized otherwise in the best possible manner for the Company. For these reasons, the Management Board and the Supervisory Board consider the potential exclusion of subscription rights to be objectively justified and also appropriate when weighed against the interests of shareholders.

- cc) In a public takeover procedure in which the offer of the Company, as bidder, to the shareholders of the target company to be acquired (also) includes shares in the Company as consideration, the target company may also tender own shares held by it (that means shares in the target company) in such takeover offer. The target company thereby acquires an entitlement to shares in the Company. In the case of a successful takeover, depending on the schedule of the implementation process upon consummation of the takeover, the target company may already have become an affiliate of the Company within the meaning of sections 15 et seqq. AktG whereas the shares in the Company offered as consideration have not yet been transferred to it. Rather, the shares in the Company will not be transferred to the target company before the time when it has already become a subsidiary of the Company, meaning that the Company indirectly repurchases part of the shares offered. This acquisition situation may have to be assessed against section 71d sentence 2 AktG in conjunction with section 71(1) no. 8 AktG and therefore requires an authorization which also permits to exclude tender or, as the case may be, subscription rights. In the event of a takeover, it may be in the interest of the Company to also offer shares in the Company as consideration. However, this is only possible if subscription or tender rights of other shareholders are excluded. In this process, the interests of shareholders are sufficiently considered in the decision on the exclusion of subscription rights for the offer of shares to all holders of shares in the target company.

The authorizations to exclude subscription rights in the event of capital increases against contributions in cash and/or in kind as described in the paragraphs above are limited to a total amount not exceeding 10% of the share capital, either at the time this authorization becomes effective or at the time it is exercised. This limit of 10% of the share capital is to include shares in the Company (i) that are issued during the term of this authorization under other authorizations while excluding subscription rights, and (ii) that are issued or are to be issued in order to service bonds, provided that such bonds were issued without shareholder subscription rights during the term of this authorization. This includes capital increases from authorized capital and the issue of bonds.

This limitation at the same time limits a potential dilution of voting rights of the shareholders whose subscription rights have been excluded. The limit reduced in accordance with the above inclusion clause will be increased again upon effectiveness of a new authorization to exclude shareholder subscription rights resolved by the Annual General Meeting following the decrease, in the amount specified in the new authorization, but not exceeding a maximum of 10% of the share capital in accordance with the above requirements. This

is because in this case, the Annual General Meeting may decide again on the exclusion of shareholder subscription rights, meaning that the reason for inclusion has ceased to apply.

When considering these circumstances, the authorization to exclude subscription and tender rights within the limits outlined above is necessary, suitable, appropriate and required in the interests of the Company. If the Management Board utilizes any of the above authorizations to exclude subscription rights in connection with the sale of own shares during a financial year, it will report thereon at the Annual General Meeting next following such exercise.

March 2022

The Members of the Management Board

(signed)

5. Report by the Management Board on Item 11 of the Agenda on the reasons for the authorization to exclude subscription and/or tender rights

Regarding Item 11 of the Agenda of the Annual General Meeting on 29 April 2022, the Management Board and the Supervisory Board propose to authorize the Company, in addition to the authorization to repurchase its own shares pursuant to section 71(1) no. 8 AktG proposed under Item 10 of the Agenda, to acquire its own shares also by using derivatives. In addition to the report on Item 10 of the Agenda, the Management Board gives the following report pursuant to section 71(1) no. 8 AktG in conjunction with section 186(4) sentence 2 AktG with regard to Item 11 of the Agenda concerning the exclusion of any tender rights of shareholders in the acquisition of own shares by using derivatives and by making reference to the report on Item 10 of the Agenda concerning the exclusion of subscription rights in the sale of repurchased own shares (No. 4 of this Annex):

In addition to the possibilities of repurchasing own shares as provided for in Item 10 of the Agenda, the Company is to be authorized to repurchase its own shares by using specific derivatives. This only aims at offering additional alternatives to repurchase own shares, not to increase the total volume of shares that may be acquired. These additional alternatives will give the Company further possibilities to flexibly structure the acquisition of own shares.

It may be advantageous to the Company to sell put options, to acquire call options, to conclude forward purchase contracts to buy shares or to combine these possibilities instead of directly acquiring shares of the Company. Subject to the proposed authorization, the volume of all shares acquired by using these possibilities is restricted to 5% of the share capital existing at the time the resolution is passed by the Annual General Meeting or – if lower – of the share capital existing at the time the relevant authorization is exercised. The term of each derivative may not exceed 18 months, must end on 28 April 2027 at the latest and must be set such that the acquisition of Company shares by exercising or settling such derivatives may not take place after 28 April 2027. This is to ensure that the Company will not acquire own shares after the authorization to repurchase own shares has expired on 28 April 2027 unless a new authorization is granted.

By concluding put options, the Company grants the holder of each put option the right to sell shares in the Company to the Company within a specified period or on a specified date and at a price specified in the option, the exercise price. As consideration for the obligation to repurchase own shares, the Company will receive an option premium to be determined at close-to-market conditions by considering the exercise price, the term of the option and the volatility of the share, among other factors. Exercising a put option, in general, is of financial benefit to the option holder only if the share price at the time the option is exercised is below the exercise price because the option holder can then sell the share to the Company at a higher price than that which could be achieved on the market; the Company, in turn, can use instruments available on the market to hedge against a material price development risk. Repurchasing shares by using put options offers the advantage to the Company that a specific exercise price is already fixed when concluding the option contract, while no cash flow occurs until the exercise date. From the Company's perspective, the consideration paid for acquiring the share is reduced by the option premium. If the option holder does not exercise the option, for example because the share price on the exercise date or within the exercise period is above the exercise price, the Company will not acquire own shares in this way, but it will definitely receive the option premium without any further consideration.

When agreeing on a call option, in return for payment of an option premium, the Company obtains the right to buy a predefined number of shares in the Company at a specified price, the exercise price, within a specified period or on a specified date from the relevant seller of the option, the option writer. As a rule, exercising the call option makes sense for the Company if the share price is above the exercise price because it can then buy the shares from the option writer at a price below the market price. The same applies if exercising the option enables a block of shares to be bought that could otherwise only be acquired at higher cost.

Furthermore, using call options protects the Company's liquidity as the exercise price in respect of the shares is not payable before the call option is exercised. Again, the option premium is to be determined at close-to-market conditions, that means by considering the exercise price, the term of the option and the volatility of the share, among other factors. From the Company's perspective, when exercising a call option, the consideration paid for acquiring the share is increased by the option value. This value could be realized by the Company when the option is not exercised; it is a financial benefit which will thus increase the purchase price as costs when the option is exercised. It also reflects the current value of what was originally paid as option premium and is thus to be taken into account as part of the share's purchase price.

In the case of a forward purchase contract, the Company acquires shares at a fixed future date, as agreed with each forward seller, and at a purchase price agreed on conclusion of the relevant forward purchase contract. Concluding forward purchase contracts is useful where the Company wants to cover a fixed future demand for its own shares at a certain price level.

When using options, the consideration for the shares to be paid by the Company is the relevant exercise price (excluding incidental acquisition costs, but taking into account the current option value). This exercise price can be higher or lower than the stock market price of the Company's share on the day the option contract is concluded and on the day the shares are acquired due to the exercise of the option. However, upon exercise of the put option or maturity of the forward purchase, the exercise price per share must not be more than 10% above or 20% below the arithmetical average closing auction price of shares of the same class in Xetra trading (or a functionally equivalent successor system taking the place of the Xetra system) on the last three trading days of the Frankfurt Stock Exchange prior to the conclusion of the relevant transaction, excluding incidental acquisition costs, but taking into account the option value upon exercise or maturity. The call option may be exercised only if the purchase price to be paid is not more than 10% above and not more than 20% below the arithmetical average closing price of shares of the same class in the Xetra trading (or a functionally comparable successor system replacing the Xetra trading system) of the Frankfurt Stock Exchange during the last three trading days prior to the date of the acquisition of the shares, excluding incidental acquisition costs, but taking into account the value of the option upon exercise.

The derivatives must be concluded with one or several credit institutions or equivalent companies. The derivative terms must ensure that the derivatives are settled only with shares that were acquired in compliance with the general principle of equal treatment (section 53a AktG) of shareholders. The acquisition price paid or received by the Company for derivatives must not be significantly higher or lower, respectively, than the theoretical market price calculated in accordance with generally accepted actuarial methods. Among other factors, the predetermined exercise price must be taken into account when determining the theoretical market price.

The close-to-market determination of the exercise price and of the option premium described above as well as the obligation to settled derivatives only with shares previously acquired in compliance with the general principle of equal treatment (section 53a AktG) will ensure that shareholders not involved in such derivatives transactions will not suffer any economic disadvantage. At the same time, the possibility to conclude derivative contracts enables the Company to seize short-term market opportunities and

to conclude relevant derivatives. This gives the Company the necessary flexibility to respond quickly to changing market situations. Any rights of shareholders to conclude such derivatives with the Company and any tender rights of shareholders are excluded. This exclusion is required to allow the use of equity derivatives in the repurchase of own shares and to achieve the advantages they offer to the Company. Concluding relevant derivatives with all shareholders would not be feasible.

Therefore, having carefully weighed the interests of shareholders and of the Company, and given the advantages the use of equity derivatives offers to the Company, the Management Board considers the authorization to be justified not to grant or to restrict any rights of shareholders to conclude such equity derivatives with the Company and any tender rights of shareholders.

As regards the use of own shares acquired by means of equity derivatives, no difference exists to the possibilities of use proposed under Agenda Item 10. Therefore, reference is made to the report by the Management Board on Agenda Item 10 as regards the reasons provided for excluding shareholder subscription rights in using the shares.

March 2022

The Members of the Management Board

(signed)

Please note: *This is a translation of the German document on the information about the shareholders' right for the Annual General Meeting of Vonovia SE. Only the German version of this document is legally binding on Vonovia SE. Every effort was made to ensure the accuracy of this translation, which is provided to shareholders for information purposes only. No warranty is made as to the accuracy of this translation and Vonovia SE assumes no liability with respect thereto.*

Information in accordance with Section 125 of the German Stock Corporation Act (AktG) in conjunction with the Implementing Regulation (EU) 2018/1212 (“EU-IR”)

A. Specification of the message		
A1	Unique identifier of the event	726123a821b9eb11811f005056888925
A2	Type of message	Notice of the Annual General Meeting
B. Specification of the issuer		
B1	ISIN	DE000A1ML7J1
B2	Name of issuer	Vonovia SE
C. Specification of the meeting		
C1	Date of the meeting	29 April 2022
C2	Time of the meeting	8:00 hours UTC (10:00 hours CEST)
C3	Type of meeting:	Virtual Annual General Meeting without the physical attendance of shareholders or their proxy representatives
C4	Location of the meeting	URL of the Company's InvestorPortal permitting users to access and follow (in vision and sound) the Annual General Meeting as well as to exercise their shareholder rights: https://investors.vonovia.de/agm Place of the meeting within the meaning of the German Stock Corporation Act (AktG): Business premises of Vonovia SE, Universitätsstraße 133, 44803 Bochum, Germany
C5	Technical Record Date	Technical Record Date: 22 April 2022, 22:00 hours UTC (24:00 hours CEST) (registered shares)
C6	Uniform Resource Locator (URL)	Website to the meeting: https://investors.vonovia.de/agm
D. Participation in the Annual General Meeting		
D2	Deadline for participation	Friday, 22 April 2022, 22:00 hours UTC (24:00 hours CEST)

Vonovia SE
Universitätsstraße 133
44803 Bochum

Telefon: 0234 314-0
Fax: 0234 314-2995

info@vonovia.de
www.vonovia.de