

On Tuesday, March 7, 2023, investigators seized documents from Vonovia premises; they were acting on the suspicion of potentially problematic activities in the awarding of contracts to subcontractors, to the detriment of Vonovia.

Vonovia's priority is to get to the bottom of the matter as quickly as possible. To this end, we immediately took the necessary internal action and have instructed the audit firm Deloitte and the law firm Hengeler Mueller to carry out an internal investigation.

Questions and Answers on the Search at Vonovia

Is it true that Vonovia premises were searched by the public prosecutor's office? Which locations were affected by the search?

- On Tuesday, March 7, 2023, searches were carried out at company headquarters and at another Vonovia site in Bochum.
- As the injured party, Vonovia is cooperating fully with the investigating authorities and is providing them with access to the documents they require. We have the greatest interest in a quick and comprehensive clarification of the allegations.

What has been alleged?

- To the best of our knowledge, the authorities suspect that there have been potentially problematic activities in the awarding of contracts to subcontractors, to the detriment of Vonovia. They are leveling accusations against individual (former) employees at technical operations level, as well as against external third parties.
- As the injured party, Vonovia is cooperating fully with the authorities. We have the greatest interest in a quick and comprehensive clarification of the allegations.

What is Vonovia's response to the allegations?

- We are shocked. If it transpires that former employees with a lot of criminal energy have committed crimes at our subsidiaries, this is completely unacceptable.
- As the injured party, Vonovia is cooperating fully with the authorities.
- We have the greatest interest in a quick and comprehensive clarification of the allegations. To this end, the Management Board has instructed independent audit firm Deloitte and law firm Hengeler Mueller to carry out an internal investigation.
- They have already started their work.

What other action has Vonovia taken?

- Vonovia's priority is to get to the bottom of the matter as quickly as possible. To this end, we have taken all necessary internal action and instructed the audit firm Deloitte and the law firm Hengeler Mueller to carry out an internal investigation. They have already started their work and will thoroughly investigate the events.
- At the same time, we are cooperating fully with the authorities and doing everything in our power to assist them.

What is the impact of on the investigations for Vonovia? What does Vonovia estimate the financial cost of the damage to be?

- Vonovia is the injured party in this matter.
- Based on what we currently know, we estimate the impact to be very small. The contracts awarded last year to the third-party companies affected by the investigation accounted for less than 1% of total contracts awarded by Vonovia. They also stood at a similarly low level in previous years. The actual impact will likely only relate to a fraction of this.
- We therefore assume that the allegations will have no significant effect on the net asset, financial and earnings position of the company.

Are any employees still at Vonovia under suspicion? Do the employees all come from the same department? What is the department in question?

- The investigating authorities are leveling accusations against individual (former) employees at technical operations level, as well as against external third parties.
- Please understand as we do not wish to impede the investigation and infringe on the privacy of those involved, we are unfortunately unable to state any further details about the individuals concerned.

Has Vonovia already taken disciplinary action?

- We have a zero-tolerance policy in respect of this kind of misconduct and are making full use of the sanctions available to us under employment law. We have already taken initial disciplinary action.

How long has Vonovia known about the allegations?

- Vonovia was informed of the allegations and investigation via the search warrant on March 7, 2023.

How was this allowed to happen? Why did Vonovia's control mechanisms not work? Does Vonovia feel that it is necessary to modify the company's compliance system?

- We operate a company-wide compliance system, which is reviewed on a regular basis. There are, of course, also regular training sessions, tests and continuous development.
- But even the very best compliance system cannot prevent people with a lot of criminal energy conspiring to circumvent such a system.
- With the help of Deloitte and Hengeler Mueller, we will also review this point and examine what we can derive from it for the future. The inquiry has a broad remit and also extends to the control mechanisms in place.

How does the compliance system currently work?

- The company-wide Vonovia compliance management system is based on the generally accepted IDW PS 980 audit standard and encompasses a variety of measures and processes designed to ensure legal compliance and adherence to regulations.
- As part of this system, Vonovia has appointed a Compliance Officer, who, with his team, is on hand to offer advice and assistance. Alongside this direct point of contact, there are several ways for employees to report – in confidence and outside the corporate hierarchy – conduct that may not be in compliance with the Code of Conduct or statutory regulations; they can, for example, use our BKMS whistleblower system or get in touch with our ombudsperson.
- For more information on the Vonovia compliance system, please see <https://www.vonovia.de/de-de/ueber-vonovia/ueber-uns/compliance>

Have tenants incurred any losses? If so, will Vonovia pay compensation?

- To our current knowledge, the matter relates to a financial disadvantage incurred by Vonovia as a customer. It concerns services that were billed to the company and not directly to tenants.
- Based on what we currently know, we estimate the impact to be very small. The contracts awarded last year to the third-party companies affected by the investigation accounted for less than 1% of total contracts awarded by Vonovia. They also stood at a similarly low level in previous years. The actual impact will likely only relate to a fraction of this.
- The investigations are looking at whether cost items were involved that were subsequently passed on, whether in whole or in part.

- As soon as the results of the inquiries are available, we will respond accordingly. Preventing damage to our tenants is extremely important to us.

Are the investigations in any way connected with the repeated allegation, leveled by tenants' associations, that Vonovia does not follow the correct procedure when adjusting rents?

- No. There is no basis on which to fabricate a connection between the current investigation and these allegations, which continue to be made despite having been dealt with at the highest court level.
- We take a reasonable approach to rent adjustments connected with modernization work, with the increases well below the legally permissible level. Indeed, we make sure that residents are able to pay the new rent.
- In the interests of transparency, we not only explain the modernization work itself to our tenants, but also outline the scope of, and reasons for, the maintenance and modernization measures in detail in some 20 pages of documentation. We also explain the associated costs. In July 2022, the German Federal Court of Justice ruled that Vonovia's rent adjustment letters comply with all formal requirements and contain all key information for tenants. As such, the country's highest court also confirmed that the breakdown of costs when billing modernization work is proper and transparent.
- The same also applies in respect of our ancillary expense bills. We give all our tenants full access to their ancillary expense bills and break down the costs involved, thereby making them transparent and understandable. We also provide our tenants with all the documentary evidence they require in order to understand the level of ancillary costs. In its October 2021 ruling, the Federal Court of Justice confirmed the propriety of this procedure.

The independent audit firm Deloitte and law firm Hengeler Mueller will carry out a forensic investigation. What exactly is a forensic investigation?

- A forensic investigation is a professional inquiry into potential incidents of white-collar crime. Any criminal activities, as well as existing processes and established procedures, are systematically investigated and critically analyzed.

When are the results of this investigation expected?

- We have the greatest interest in a quick and comprehensive clarification of the allegations. To this end, we immediately took the necessary internal action and have instructed the audit firm Deloitte and the law firm Hengeler Mueller to carry out an investigation. They

have already started their work and will thoroughly investigate the events.

- We expect the results of the investigation in a few months. We will review the next steps on the basis of these results.

Bochum, March 28, 2023