

# Sustain- ability at Vonovia

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# Vonovia in the Context of Current Trends and Developments

GRI 2-1, 2-2, 2-6

The political and economic environment in 2022 was dominated by Russia's invasion of Ukraine. In the global supply and value chains, which were still suffering the effects of the coronavirus, the war in Eastern Europe led to further raw materials and primary products shortages. This resulted in sharp price increases and a global rise in inflation rates. Fears of energy shortages in particular sent energy prices soaring. As a result, central banks abandoned their low interest rate policies and lifted key interest rates significantly.

But even under these conditions, the business environment for the Vonovia Group has not changed fundamentally. The management is focusing on the increased prices for raw materials, energy and primary products, together with interest rates, to continue ensuring profitability. The lasting megatrends of **urbanization and housing shortages, climate protection and carbon reduction, digitalization and demographic change** remain important value drivers in the business model. We continually review the economic, political and social implications of these megatrends and the consequences for our strategy and the sustainability orientation of our business model.

Housing shortages in large metropolitan areas continue to ensure strong demand for the apartments completed by our Development segment. The fact that the new construction targets set by politicians in Germany are currently not being achieved is driving demand considerably at the moment.

This high level of excess demand is likely to be with us for some time. Demand for senior-friendly and affordable homes in particular is expected to increase steadily over the coming years.

## VONOVIA SE AT A GLANCE

Vonovia is one of the leading residential real estate companies in Europe. The company operates around **488,000** of its own apartments (December 31, 2022) in almost all of Germany's attractive cities and regions as well as around 21,000 apartments in Austria and approximately 39,000 in Sweden. In addition to renting out properties, Vonovia develops and constructs apartments for its own portfolio and for sale, and provides housing-related services. These services include energy services, senior-friendly apartment modernization and caretaker and craftsmen's services.

Vonovia SE has its registered headquarters in Germany. Since 2017, its registered office has been in Bochum. As of December 31, 2022, 654 legal entities/companies formed part of the Vonovia Group (see [List of Shareholdings](#)).

Vonovia SE performs the function of the management holding company for the Group. In this role, it is responsible for determining and pursuing the overall strategy and implementing the company's goals. It also performs property management, financing, service and coordination tasks for the Group. Furthermore, it is responsible for the management, control and monitoring system as well as risk management system of the Group.

To carry out these management functions, Vonovia SE manages a series of service companies. The companies perform commercial and operational support functions, which are centralized in shared service centers.

Vonovia manages its business via the five segments: Rental, Value-add, Recurring Sales, Development and Care.

Further information on Vonovia SE and its corporate structure can be found in the [Annual Report](#) under Corporate Structure.

This underscores the social role that Vonovia currently plays, because our business model – providing homes – is very much in the public interest. We fulfill our responsibilities as a relevant member of society by regularly and transparently informing the many stakeholders of our targets, our path and our measures.

2022 was again a year of climate extremes – in Europe and around the world. The energy crisis and the fact that climate targets were missed again in the building sector meant that the climate protection debate remained in the spotlight in Germany. Work is continuing in the political and economic arenas to create specific concepts and solutions to move away from fossil fuels, expand renewable sources of energy and reduce carbon emissions.

**Climate protection and reducing carbon emissions** in our portfolio are of vital importance in our sustainability strategy, too. Setting targets at international level, such as the Paris Agreement and the European Union Green Deal, as well as those set at national level, such as the goal set by the German Federal Government this year to achieve climate neutrality by 2045, is Vonovia's focus in this regard.

The expansion of digitalization is not only changing industrial processes and everyday lives, it is also providing new opportunities in the housing industry. Vonovia is utilizing digitalization in the interest of its customers – from services to establishing efficient processes.

Demographic change is resulting in the amount and number of older population groups increasing further. In 2022, Vonovia again focused on converting and constructing fully accessible apartments to serve these groups. Another result of demographic change is the increasing shortage of labor. Our company is countering this by working closely on gaining young talent, but also by implementing innovative concepts to recruit employees from abroad.

Our strategy has a part to play in society finding sustainable solutions to meet the challenge of current megatrends. **As part of its sustainability strategy, Vonovia has made a clear and explicit commitment to implementing climate protection targets, in particular to achieving a virtually climate-neutral housing stock by 2045, as well as to reliable and transparent corporate governance.**

The merger with Deutsche Wohnen lays the foundation for forming a leading European real estate company which can take an even more effective approach to tackling the central social and environmental challenges of the housing industry.

The Sustainability Report, including key figures reported for the 2022 fiscal year, relate to the Vonovia Group including Deutsche Wohnen and our business activities in Austria and Sweden. Deutsche Wohnen is included in Vonovia's sustainability reporting and the [Non-financial Group Declaration](#) for the reporting year.

# Vonovia in Figures

(December 31, 2022)

GRI 2-2

**548,524**

own apartments

**€ 6.257 billion**

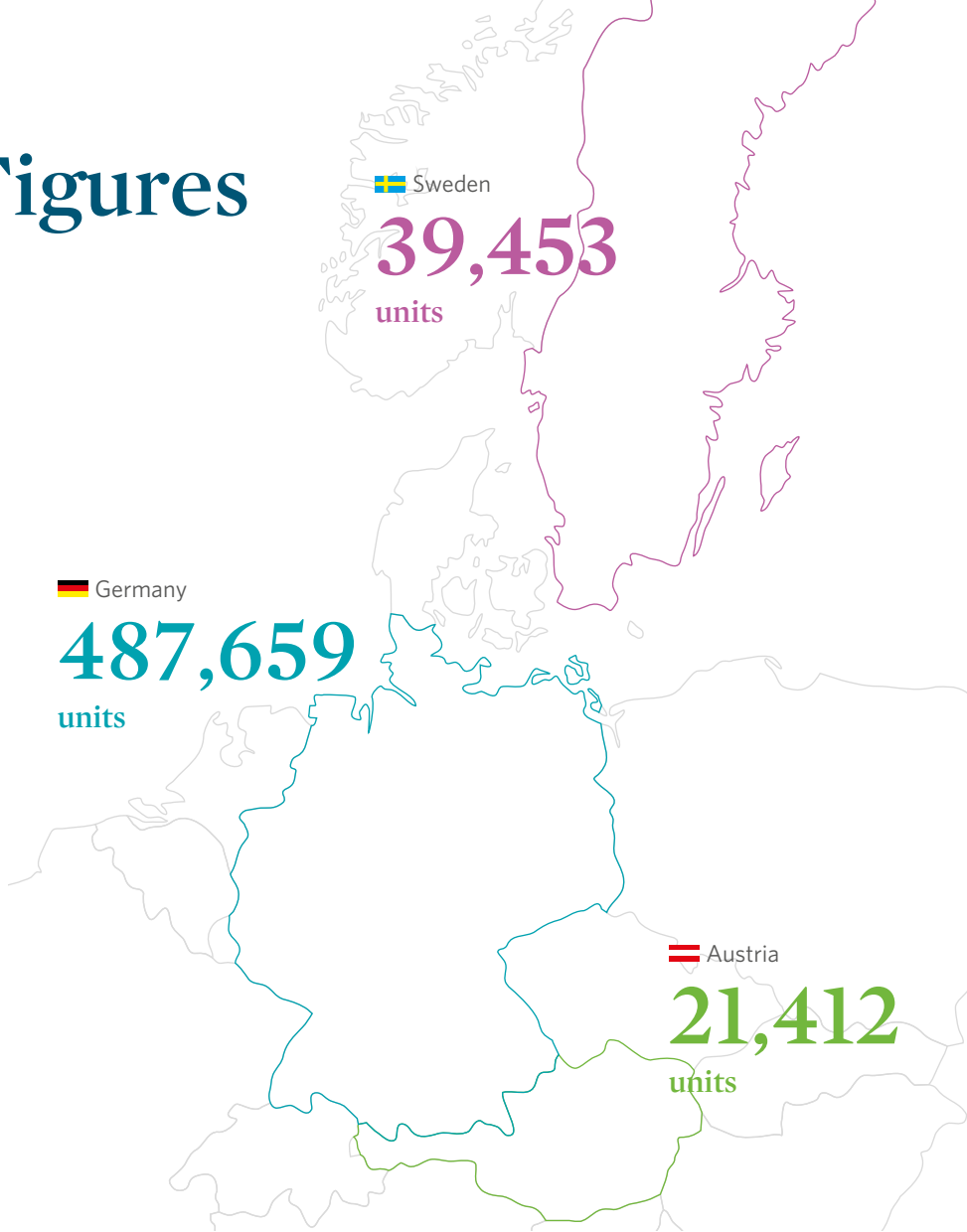
Total Segment Revenue

**€ 2.763 billion**

adjusted EBITDA

**15,915**

employees



**New apartments built in 2022**

Total: 3,749



**Average rent**

€ 7.49/m<sup>2</sup>



**Average apartment size**

G: approx. 61 m<sup>2</sup> / A: 74 m<sup>2</sup> / S: 71 m<sup>2</sup>



**Total living area**

34,386,000 m<sup>2</sup>



**Commercial properties**

Total: 8,838  
G: 6,095 / A: 594 / S: 2,149

G: Germany  
A: Austria  
S: Sweden

Further key figures can be found in the [Management Report](#) and in the section [The Company and Its Shares](#) in the current Annual Report.

# Our Approach to Sustainable Development in Detail

GRI 2-6, 2-9, 2-12, 2-13, 2-14, 2-22, 305-4

## Integration of Sustainability into the Corporate Strategy

Sustainable conduct is at the heart of Vonovia’s identity as a company. We are making continuous improvements to our sustainability agenda in order to reflect changes in society, the world of politics, the environment and the economy.

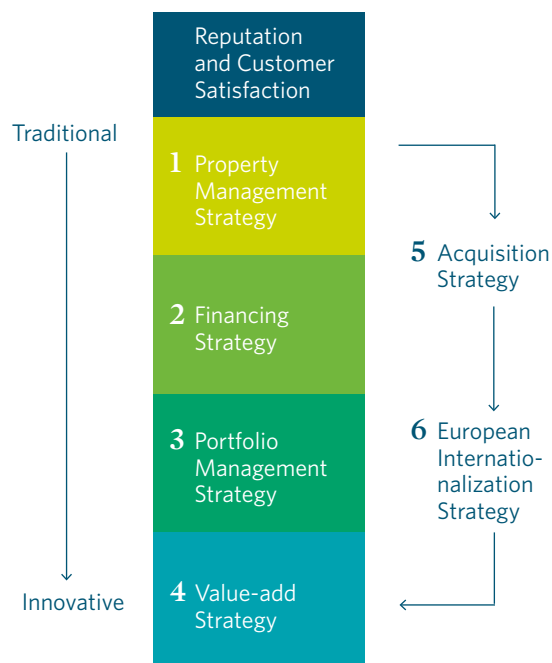
The strategy Vonovia introduced **at the time of its IPO** has reached a high **degree of maturity** and has proven its viability and flexibility. Customer satisfaction has improved significantly, and new demands and new business models have been successfully established. This strategy still consists of the **four basic approaches**: the property management strategy, the financing strategy, the portfolio management strategy and the Value-add strategy. The **two additional approaches** of opportunistic acquisitions and internationalization are intended to support and round off the four basic approaches in the long term.

A detailed explanation of the **4+2 strategy** is available in the [Strategy](#) chapter of the 2022 Annual Report.

In order to respond properly to megatrends (see → **Vonovia in the Context of Current Trends and Developments**) and meet the changing demands of our various stakeholders of the business model, we refine our strategy on a continuous basis. We intend to emphasize the sustainability-related aspects of our successful strategy in particular to ensure that both the strategy and the sustainable business model are fit for the future.

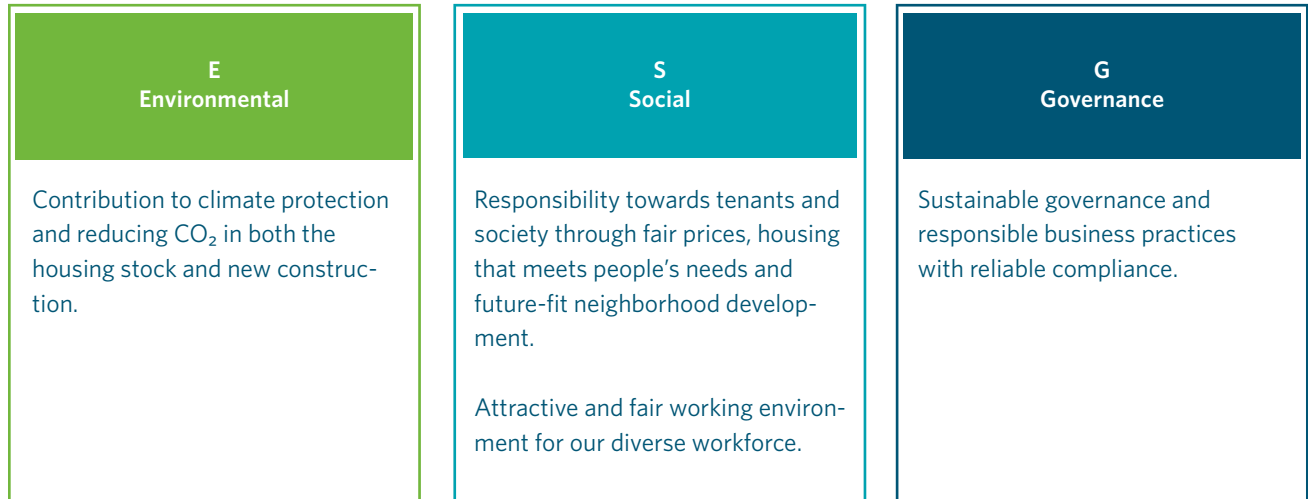
Our sustainability strategy specifically addresses the requirements of the **Sustainable Development Goals** (SDGs), the **UN Global Compact** principles, and since 2023 also the requirements of the **UN Guiding Principles on Business and Human Rights**, as well as other concrete ESG (Environment, Social and Governance) targets of European and national regulations.

## The 4+2 Pillars of Our Strategy



- 1 Management platform/Austrian client/digitalization
- 2 LTV/financing strategy/financial risk management
- 3 Portfolio management/recurring sales and Non Core/investment strategy/development and new construction
- 4 Housing and property-related services/business development/digitalization
- 5 Opportunistic acquisition strategy Germany
- 6 Austria/Sweden/France/Netherlands

## Aspects of Sustainability at Vonovia



The strategy, which will continue to have a **commercially successful business model at its core in the future as well**, explicitly addresses the following sustainability issues:

- > Contribution to climate protection and reducing CO<sub>2</sub> in both the housing stock and new construction (**E**)
- > Taking on social responsibility for our tenants, customers and employees (**S**)
- > Reliable, transparent and trust-based corporate governance (**G**)

The integration of Deutsche Wohnen's systems and processes into Vonovia's structures was one of the key tasks on the management agenda in 2022. This process was consistent with Deutsche Wohnen's decision to work with Vonovia to achieve harmonization effects and economies of scale. This helps us to better overcome the environmental and social challenges for the benefit of all. We are also committed to continuously expanding as a European real estate company that is leading the way in the field of sustainability.

### Aspects of Sustainability at Vonovia

Vonovia's sustainability strategy commits the company to playing its part in meeting Germany's climate protection targets, to aiming for the target of a virtually carbon-neutral property portfolio by 2045 and reliable and transparent governance.

This specifically means that:

**E:** With the climate plan, we are committing to the goal of a virtually climate-neutral housing stock by 2045, while also meeting binding annual interim targets along the way. To ensure that the implementation is successful, we require both a higher level of refurbishment than in the past and increased, decentralized use of renewable energies for heating and powering neighborhoods. The urban quarter is the main implementation level for climate protection targets and carbon reduction in the housing portfolio. The use of renewable energies and sustainable materials plays an important role in new construction and conversion (see → **Environment and Climate**).

**S:** We assume social responsibility for our tenants, customers and employees. We rely on a socially responsible, reliable rent policy and see the expansion of a social infrastructure incorporating innovations and new technologies as an integral part of community development projects. We have a social responsibility to ensure that urban housing is environmentally friendly and affordable. We offer our employees an attractive working environment characterized by diversity and personal scope for development (see → **Homes and Customers**, → **Society and Contribution to Urban Development** and → **Corporate Culture and Employees**).

**G:** We stand behind our reliable, transparent and trust-based corporate governance. It is based on German Corporate Governance Code best practice. We comply with all applicable laws and internal and external guidelines. This is an

integral part of being a reliable and trustworthy partner (see → [Sustainable Governance and Responsible Business Practices](#)).

We also want to communicate transparency and reliability through our sustainability reporting. We have therefore had the → [Key Figures](#) contained in this Sustainability Report externally certified with a **limited assurance engagement** in accordance with ISAE 3000 (see → [Independent Assurance Report](#)). We expanded the content of the report to include physical climate risks in the reporting year in line with the recommendations made by the **Task Force on Climate-related Financial Disclosures (TCFD)** (see → [Implementation of the TCFD Recommendations](#)). Vonovia is also reporting on the proportion of climate-related taxonomy-aligned and non-taxonomy-aligned revenue, capital expenditure and operating expenses in 2022 for the first time in accordance with Article 8 of the EU Taxonomy Regulation and the [Sustainable Finance Framework](#). Relevant information on this can be found in our Non-financial Group Declaration in the [EU Taxonomy Regulation](#) chapter.

Vonovia systematically manages the main sustainability topics for the company on the basis of two dimensions:

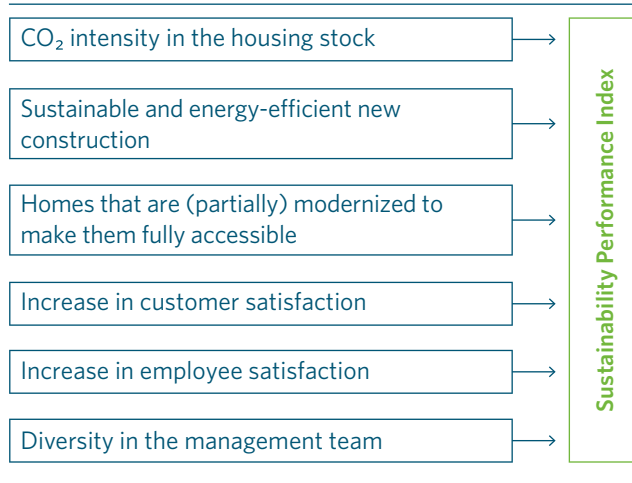
1. Outside-in perspective: the relevance and impact of social and environmental changes on the business and on value creation
2. Inside-out perspective: the impact and relevance of the business model and company activities on the environment and society

As part of this process, the perspectives of the stakeholder groups that are relevant for us are taken into consideration in our assessment of the material topics. The materiality matrix, which is built up from the two dimensions, was compared against those of Deutsche Wohnen following the merger in 2021 and Deutsche Wohnen’s sustainability topics were assigned to Vonovia’s sustainability topics. In the 2022 reporting year, we once again performed a critical review of all topics against the backdrop of integration and consolidated reporting, as well as new regulations. The **materiality matrix**, which is based on this review, shows ten material topics and 14 other important sustainability topics in five action areas (see → [Material Topics](#)).

### Managing Sustainability

The **Sustainability/Strategy** division is responsible for making improvements to the sustainability strategy, monitoring sustainability targets and coordinating sustainability-related activities within the Group. Due to the significance of this topic, this division reports directly to the **Chief Executive Officer (CEO)** of Vonovia.

### Vonovia’s Financial and Non-financial Key Performance Indicators



To demonstrate the importance of sustainability for our company, we integrated sustainability targets into Vonovia’s management and remuneration system with the introduction of the sustainability performance index (SPI) back in 2021. The **SPI** comprises six indicators based on the material topics of Vonovia (see [Non-financial Performance Indicators](#)). These comprise the carbon savings achieved annually in housing stock, the energy efficiency of new buildings, the share of accessible (partial) modernization measures in relation to newly let apartments, the increase in customer and employee satisfaction and diversity in the company’s top management team. **The SPI (excluding Deutsche Wohnen) achieved an index value of 103% in the reporting year.** For a more detailed description of our sustainable business model, please refer to the chapter in the 2022 Annual Report entitled [Fundamental Information About the Group](#).

We have defined specific annual targets to be achieved by 2026 for each of these indicators. The targets include Deutsche Wohnen from 2023. The relevant key figures are recorded quarterly by Controlling and used in our external reporting and for communication with the capital market.

Annual targets are provided for the indicators derived from the SPI. Since the 2021 fiscal year, these have been part of the remuneration system for the Management Board and top management (first level below the Management Board) (see [Remuneration Report](#) and [Management System](#)).

## Organizational Establishment in the Company

Responsibility for Vonovia’s efforts in the area of sustainability lies directly with the **CEO**. On the Supervisory Board side, the Audit Committee has a particular responsibility for sustainability. A **sustainability committee** meets three to four times a year – as required – to discuss the overall strategic direction and to evaluate the company’s sustainability performance. The committee comprises the Management Board, the chief representatives, the heads of Sustainability, Investor Relations, Corporate Communications, Controlling and Accounting. This setup allows us to ensure the systematic implementation of our sustainability strategy in all business areas right down to our local neighborhoods.

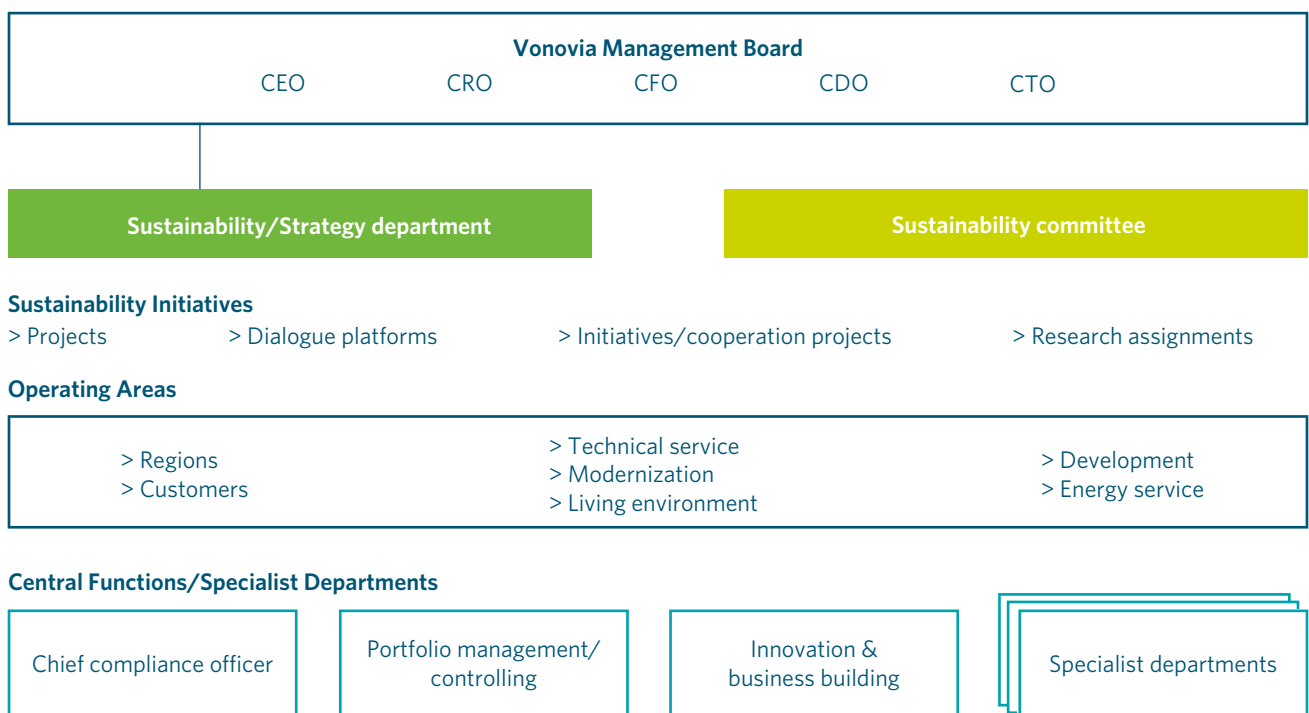
The **Sustainability/Strategy division** reports to and coordinates its operations directly with the CEO in terms of sustainability topics related to the company’s strategy and business model. The Head of Sustainability/Strategy regularly exchanges views with the CEO and the sustainability committee on current developments and issues. These include further developing the sustainability strategy and road map, defining and monitoring sustainability objectives and implementing sustainability projects.

The division drives sustainability-related innovation and proposes solutions in response to political, social and regulatory developments. It is also responsible for sustainability reporting and focuses on monitoring changes to legislation related to ESG reporting, actively assessing and participating in ESG rating systems and enhancing ESG-related KPIs.

The processing and implementation of sustainability projects is carried out via the relevant **specialist departments** and regions. The employees responsible ensure that sustainability issues are implemented as part of day-to-day business or in pilot projects and research initiatives.

The large number of neighborhoods in the company’s portfolio creates potential to develop future-fit solutions for innovative technologies and new services to respond to the current megatrends. Innovations and technical solutions for the energy revolution are brought from the development stage to implementation stage by Innovation & Business Building (I&BB), Vonovia technical service (VTS) and the regions (see → **Environment and Climate**).

### Sustainability in Vonovia’s Organizational Model



Management Board expanded to include the role of CTO in 2022.



In Sweden and Austria, sustainability coordination is embedded in the relevant staff positions. They coordinate the interaction between the Sustainability/Strategy division and the individual countries, as well as the country-specific sustainability strategies pursued by the Austrian BUWOG companies and the Swedish company Victoriahem. In order to take the development business of the German company BUWOG into account, a coordination function for sustainability has been set up there, too.

## Our Understanding of Sustainability

As a stakeholder in society, Vonovia is actively involved with social topics. Our day-to-day business is geared toward fulfilling people's basic need for a home. We take a sustainable and responsible approach to living up to this responsibility. We have a particular obligation towards more than one million customers in Germany, Austria and Sweden, as well as society as a whole, the environment and our shareholders.

In 2020, Vonovia substantially expanded the company's interpretation of sustainability. This interpretation is derived from the materiality matrix and the corporate strategy, which incorporates sustainability-related issues to a greater extent than in the past. We have communicated our understanding of sustainability and defined our social purpose.

Based on our understanding of sustainability, we have identified 24 material and important topics, pooled in five different action areas. How we run our company and our daily actions sustainably is largely guided by this understanding of sustainability. This shared understanding also makes it easier for us to communicate our ambitions to external parties with a unified voice.

Our [📄 understanding of sustainability](#), published on our Investor Relations website, is complemented by our Declaration of Respect for Human Rights, which we revised in 2022. In this statement, we communicate our clear conviction for a pluralistic democratic society and zero tolerance of human rights violations and our commitment to respect Human Rights in all aspects of our business. We adhere to the core labor standards of the International Labour Organization (ILO), the UN Guiding Principles on Business and Human Rights, and the principles of the UN Global Compact. In addition to the Declaration on Human Rights, further essential documents that guide our conduct can be found on our [📄 Investor Relations website](#), such as the Code of Conduct and Business Partner Code.

# Material Topics

GRI 2-26, 2-29, 3-1, 3-2

## Materiality Analysis

A home is a basic human need. We meet this basic need by creating new living space and letting existing living space. We do so responsibly and sustainably by paying attention to the environmental footprint of our buildings and by having committed to the goal of virtually climate-neutral housing stock by 2045. We also do so by living up to our social responsibility and offering residential units at fair prices for all different groups within society. We do so through a governance structure that meets high value benchmarks and that is well suited to being perceived as trustworthy and reliable by our stakeholders.

Vonovia classifies the company's material sustainability topics based on two dimensions according to the **double materiality** concept: the relevance of social and environmental changes to the business and value creation (outside-in perspective) and the impact of the business model and company activities on the environment, society and the economy (inside-out perspective). As part of this process, the perspectives of our relevant stakeholder groups are taken into consideration in our assessment of the material topics.

### Definition of the Material Topics

We identify and assess the impacts – both negative and positive – and their materiality (in terms of extent, scope and irreversibility) on and by the company in a continual process.

The Sustainability/Strategy department plays a decisive role here, bringing momentum to and sharing social changes with the organization as a facilitator. The department also supports and evaluates business processes and corporate measures, focusing on sustainability aspects. The team regularly exchanges information for this purpose internally with all relevant departments and externally with stakeholders and networks, and reviews the company's media resonance. A GRI sector standard (pursuant to GRI 1-3b) has not yet been developed either for construction or real estate and is thus not yet applicable for Vonovia. The impacts

usually associated with our sector were taken into consideration during our materiality analysis, however.

The basis for determining the **material topics** for Vonovia is a comprehensive materiality analysis that we last performed in 2020. The process was described in detail in the [2020 Sustainability Report](#). Key elements of the materiality analysis are the inclusion of internal and external stakeholders and information users in determining and prioritizing topics, determining threshold values for materiality in both dimensions (inside-out and outside-in) and the inclusion of the Management Board (through our sustainability committee) in determining the impacts and approving the selection of material topics and reporting on them. In order to be determined as a material topic, it is sufficient to reach the threshold for materiality in one of the two dimensions. We have therefore already been exceeding the upcoming requirement of the European Sustainability Reporting Standard (ESRS) of double materiality since 2020 and consider this a reflection of our corporate commitment to reporting as widely and transparently on material sustainable topics as possible.

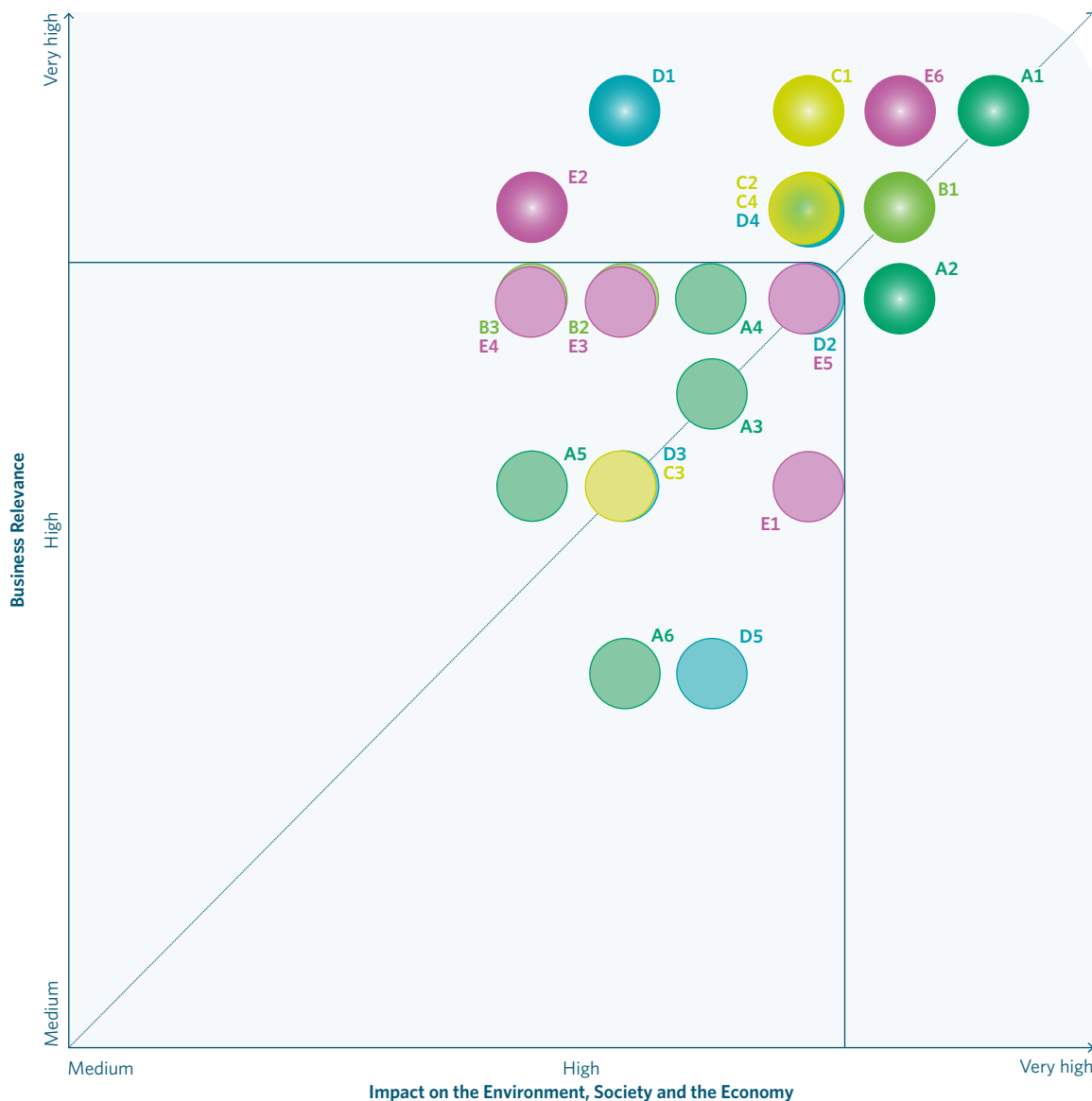
### Adjustments in the Reporting Period

Due to the merger between Vonovia and Deutsche Wohnen, we compared the materiality analyses of both companies back in 2021, assigning the Deutsche Wohnen sustainability topics to those of Vonovia.

In the summer of 2022, we once again performed a critical review of all topics against the backdrop of integration and consolidated reporting, as well as new regulations and changes in general conditions. This review resulted in us slightly upgrading individual topics (Protecting of biodiversity, Digitalization and data security, Human rights due diligence and supply chain) due to increased regulatory requirements (EU taxonomy and the Act on Corporate Due Diligence Obligations in Supply Chains) or higher impact assessments. No changes have been made to their assignment to the material topics.

# Materiality Matrix

GRI 3-2



**Action Area A: Environment and Climate**

- A1** CO<sub>2</sub> reduction in the housing portfolio
- A2** Sustainable construction and refurbishment
- A3** Sustainable materials and products
- A4** Protecting biodiversity
- A5** Water, effluents and waste
- A6** Resource and climate protection in business operations

**Action Area B: Society and Contribution to Urban Development**

- B1** Neighborhood development and contribution to infrastructure
- B2** Inclusion, diversity and social cohesion
- B3** Dialogue with tenants and participation

**Action Area C: Homes and Customers**

- C1** Living at fair prices
- C2** Homes that meet people's needs and demographic change
- C3** Maintenance for health and safety
- C4** Customer satisfaction and service quality

**Action Area D: Corporate Culture and Employees**

- D1** Appeal as an employer
- D2** Training and personal development
- D3** Remuneration and flexible working models
- D4** Diversity and equal opportunities
- D5** Promoting health and safety

**Action Area E: Sustainable Governance and Responsible Business Practices**

- E1** Sustainable corporate strategy
- E2** **Governance and compliance**
- E3** Digitalization and data security
- E4** Human rights due diligence and supply chain
- E5** Contribution to socio-political dialogue
- E6** **Appeal on the capital market**

Material topics are defined by their high significance for the following dimensions: impact on the business and value creation, and impact of the business model on the environment, society and the economy.  
Material topics are marked in bold.

### Material Topics

The materiality matrix derived from the materiality analysis includes a total of 24 topics related to our sustainability efforts in five action areas. Ten of the 24 topics are considered material topics – these are covered in greater detail in this report due to their significance. The other 14 are considered important topics, and are covered in less detail.




The materiality matrix that is presented here applies to the entire Group and represents the leading system for the non-financial topics.



### Deriving Sustainable Development Goals

The Sustainable Development Goals (SDGs) serve as the framework for action for sustainable development on a global level. The United Nations published the SDGs in 2015 as part of its 2030 Agenda. The 17 main goals, which are broken down into a further 169 targets, address global social, economic and environmental challenges. Achieving the SDGs will require action from all sectors of society, including the corporate sector.

In terms of the direction of its sustainability strategy, Vonovia is guided by international standards and frameworks, such as the Sustainable Development Goals, the UN Global Compact and – since January 2023 – the United Nations Guiding Principles on Business and Human Rights. As a company with international operations, we aim to contribute to achieving these goals with our business in Germany, Austria and Sweden. We have used our materiality analysis to identify priorities in this area as well and have identified a total of eight key SDGs to which we want to make a particular contribution at Vonovia. This Sustainability Report details the progress we have made in terms of achieving these goals:

SDG	Targets	Our Contribution to Key SDGs
<b>Environment and Climate</b>		
	Climate protection measures	<p>We align our neighborhoods with clear climate protection targets. The goal of a virtually climate-neutral housing stock by 2045 is a guiding principle for us. We reduce our greenhouse gas emissions in particular by consistently using renewable energies and implementing energy modernization measures in our apartments. We also promote climate protection in our neighborhoods by expanding sustainable infrastructure, for example for electromobility. For all new construction projects, we ensure that we use sustainable resources.</p> <p>→ <b>Environment and Climate</b></p>
	Renewable energy	<p>Expanding renewable energy use is an important lever for us to achieve our goal of a virtually climate-neutral housing stock by 2045. To supply our neighborhoods with energy, we also rely on innovative technologies that we use across buildings and combine efficiently within our neighborhoods. This includes research into new generation and storage technologies. When selecting measures, we always keep affordability in mind from the perspective of our tenants. We actively involve them in the process in order to successfully introduce decentralized power generation in our neighborhoods. At the political level, we advocate for a framework that enables all citizens to participate in the energy transition.</p> <p>→ <b>Environment and Climate</b></p>
	Land ecosystems and biodiversity	<p>With our diverse measures in environmental and climate protection, we strengthen the sustainable use of soils and ecosystems. We attach importance to construction methods that conserve resources as much as possible and use sustainable materials in our new construction projects. In our neighborhoods, as well as at our business site, we implement projects that preserve habitats for animal and plant species and promote biodiversity.</p> <p>→ <b>Environment and Climate</b> → <b>Society and Contribution to Urban Development</b></p>

SDG	Targets	Our Contribution to Key SDGs
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**Homes and Customers**



Innovation and infrastructure

We carry out research in cooperation with partners from the world of science, driving innovation in the real estate industry and in renewable energies. This is how we explore new technologies and approaches to climate protection in our neighborhoods. Scientific support enables us to better identify successful models and implement them practically. It is precisely our company's size that enables us to be pioneers of technological but also social progress in the housing industry.

- [Environment and Climate](#)
- [Homes and Customers](#)

**Society and Contribution to Urban Development & Sustainable Construction and Development**



Sustainable cities and neighborhoods

Around 70% of our portfolio in Germany is located in areas that make up neighborhoods. This is where we design the living spaces for our tenants. We offer them urban and environmentally friendly living at fair and transparent prices. We also pay equal attention to ecological and social aspects in community development. We take demographic change into account and are committed to harmonious coexistence at a local level. We are dedicated to climate protection by implementing energy-saving measures when it comes to construction and infrastructure. When designing residential environments, we pay attention to spaces that promote environmental protection and nature conservation. This is how we create sustainable living spaces in cities and communities for everyone.

- [Environment and Climate](#)
- [Society and Contribution to Urban Development](#)
- [Homes and Customers](#)



Partnerships for sustainable development

Partnerships help us pool expertise and achieve our goals more effectively. We want to consistently make our neighborhoods in cities and communities more sustainable. Using various participation measures, we actively involve our local tenants, cities and communities. We work with different stakeholders from the fields of politics, research, business and civil society, and regularly exchange ideas with them. In this way, we learn from each other, grow together and drive the sustainable development of the housing industry.

- [Society and Contribution to Urban Development](#)
- [Sustainable Governance and Responsible Business Practices](#)

**Corporate Culture and Employees**



Gender equality

Transparency, diversity and appreciation are important values in our corporate philosophy. We want to give everyone equal opportunities and are categorically opposed to discrimination of any form. We see diversity as an opportunity for our teams and our business, and as an important element in remaining attractive as an employer. We select our employees on the basis of their qualifications and skills. We also make sure that we take active measures to support women and to open up opportunities for them to assume management and technical roles. This also includes offering more flexible working time models and supporting our employees in balancing work and family life.

- [Corporate Culture and Employees](#)

**Sustainable Governance and Responsible Business Practices**



Promote jobs and economic growth

We can only be sustainable if we are also commercially successful. As a listed company, we are committed to maintaining clear standards. With our systematic focus on sustainability and ESG criteria, we ensure that we generate growth while remaining attractive in the long term. We offer our employees a good, secure workplace. We create a trusting environment in which violations of rules and laws can be reported. We also ensure compliance with social and environmental standards within our supply chains.


- [Corporate Culture and Employees](#)
- [Sustainable Governance and Responsible Business Practices](#)

# Our Road Map

GRI 3-3, 305-4, 401-1, 405-1

Vonovia has launched a sustainability road map for the structured implementation of its sustainability efforts. The topics of climate change and a climate-neutral portfolio (E), as well as the action areas of social responsibility (S) and governance (G), are of particular importance.

Our Aim	Our Goals	Year	Status	What We Achieved in 2022
<b>Environment and Climate</b>				
For the existing buildings in our portfolio, we aim to reduce carbon intensity annually and achieve a virtually climate-neutral housing stock by 2045.	Reduction of carbon intensity to <25 kg CO <sub>2</sub> e/m <sup>2</sup> (in Germany)	2030	🔄	> Reduction of carbon intensity to 33.0 kg CO <sub>2</sub> e/m <sup>2</sup> of rentable area (in Germany) > Integration of Deutsche Wohnen into climate
	Maintain refurbishment rate (in Germany) at around 2.5-3.0% on average	Ongoing	🔄	> 1.9% refurbishment rate achieved (in Germany)
	We are pushing the expansion of renewable energy generation in our neighborhoods.	Install photovoltaic systems with a total output of >280 MWp	2030	🔄
In construction and conversion projects, we pay attention to optimized energy efficiency and environmentally conscious construction methods.	Reduction in average primary energy demand for new buildings to 27 kWh/m <sup>2</sup>	2025	🔄	> Average primary energy demand of new buildings of 37.7 kWh/m <sup>2</sup> > 98.7% of new buildings completed in Germany in 2022 ≤50 kWh/m <sup>2</sup> (energy efficiency class A/A+)
<b>Society and Contribution to Urban Development</b>				
We carry out neighborhood development projects with cities and municipalities with the aim of improving infrastructure and social cohesion.	Holistic orientation of future neighborhood development projects while taking into account our climate protection goals	Ongoing	🔄	> 18 neighborhood development projects with around 9,600 residential units under implementation (€ 78.5 million investment volume) > New end-to-end process implemented for holistic neighborhood management > Grants for social/cultural projects in the amount of around € 1,200,000
<b>Homes and Customers</b>				
We offer everyone a chance to have a home at a fair price.	Keep housing and modernization affordable: only moderate rent increases and support in cases of hardship; special protection for people over 70 years of age	Ongoing	✅	> Average rent of € 7.40 and average modernization charge of € 1.20 per m <sup>2</sup> (in Germany) > Around 41,000 apartments in Germany priced at a fixed level > "Housing Alliance" signed in Berlin > Hardship case management successfully continued: 391 positive decisions on 546 hardship case objections > Over-70s arrangement to ensure affordable housing for tenants over 70 years of age continued and extended to Deutsche Wohnen
Every year, we modernize 30% of our newly rented apartments to meet the needs of an aging society.	Proportion of new rentals in Germany that are barrier-free, (partially) modernized apartments: approx. 30% annually	Annually	✅	> Proportion of new rentals that are barrier-free, (partially) modernized apartments: 32.4% achieved (10,100 apartments)

Our Aim	Our Goals	Year	Status	What We Achieved in 2022
 <p>We are continuously expanding our digital channels and offering extended accessibility. We regularly carry out customer satisfaction surveys.</p>	<p>Keeping customer satisfaction at a high level</p>	<p>Ongoing</p>	<p>☑</p>	<ul style="list-style-type: none"> <li>&gt; 1.3% increase in customer satisfaction (in Germany) to all-time high</li> <li>&gt; Improving the quality of communication and service by expanding the customer apps with additional self-service functions</li> </ul>
				<p><b>Corporate Culture and Employees</b></p>
<p>We want to be perceived as an attractive, trustworthy and forward-looking employer. We regularly carry out employee surveys to improve our performance.</p>	<p>Return to employee satisfaction to a high level throughout the Group</p>	<p>Ongoing</p>	<p>⊕</p>	<ul style="list-style-type: none"> <li>&gt; Group-wide survey (excl. Deutsche Wohnen) conducted in 2022: Decline in employee satisfaction by 8 percentage points</li> <li>&gt; Around 2,100 new hires</li> <li>&gt; Above-average training ratio at 5.2% (in Germany)</li> </ul>
<p>We make sure that we take active measures to support women and to open up opportunities for them to assume management and technical roles.</p>	<p>Proportion of women in management positions at 30% 2026</p>		<p>⊕</p>	<ul style="list-style-type: none"> <li>&gt; Target for the proportion of women in management positions extended to Deutsche Wohnen</li> <li>&gt; Proportion of women in management positions down to 25.1%</li> </ul>
<p><b>Sustainable Governance and Responsible Business Practices</b></p>				
<p>We are a trustworthy and reliable partner. It goes without saying that all of our employees comply with laws and regulations.</p>	<p>Continue to avoid misconduct through consistent preventative measures</p>	<p>Ongoing</p>	<p>⊕</p>	<ul style="list-style-type: none"> <li>&gt; Whistleblower hotline in regular operation</li> <li>&gt; Expansion of the catalog of regular and mandatory training courses on compliance topics</li> <li>&gt; Establishment of a human rights officer and revision of our statement of principles on respect for human rights</li> </ul>
<p>We are pursuing the goal of transparently presenting our sustainability performance to the capital market. One way we are doing this is by participating in relevant ESG ratings.</p>	<p>In relevant ESG ratings we aim to maintain or improve our performance</p>	<p>Ongoing</p>	<p>☑</p>	<ul style="list-style-type: none"> <li>&gt; ESG rating performance improved again in 2022 (MSCI upgrade to AAA)</li> <li>&gt; New Sustainable Finance Framework (EU taxonomy-compliant) implemented</li> <li>&gt; Social &amp; Green Bonds of € 4 billion and SEK 1.25 billion issued</li> </ul>

☑ Target achieved    ⊕ Under implementation