

Combined Management Report

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Fundamental Information About the Group

Macroeconomic Environment

Geopolitical circumstances yet again dominated the **macro-economic environment in 2025**.

Russia's **war of aggression** in Ukraine continued unabated in 2025. Despite international sanctions and diplomatic efforts, a quick solution was not in sight. The tension in East Asia over Taiwan's independence was another unsettling factor for global supply chains. The general geopolitical situation remained unstable: flash points flared up in the Middle East and rivalry between the superpowers dominated the international agenda. On the whole, 2025 was defined by considerable **uncertainty**, with existing conflicts and tensions still undermining the confidence of investors and consumers worldwide.

These factors, coupled with the US trade and tariff policy, have led to prolonged distortions in the global economies and therefore also on the international capital markets, which is especially evident in high **interest rates** and **inflation** in a long-term comparison. Furthermore, market fluctuation was driven by fears of recession, so that the capital markets continued to be defined by high levels of volatility.

The effects of **climate change** were felt worldwide in 2025. Europe once again had an exceptionally hot summer with new record temperatures recorded in Southern Europe, in particular. At the same time, Central Europe was hit by heavy storms and flooding. The wildfires in Los Angeles in January 2025 thrust global climate change back into the spotlight. Against this background, many countries are stepping up their **climate protection measures**. Germany continues to push strict regulation for building efficiency and is channeling substantial subsidies into green infrastructure.

War, climate change and global wealth inequalities are the fuel behind the current **migration flows**. Policymakers are tasked with promoting affordable housing while reaching climate goals at the same time. All in all, regulatory pressure on the real estate industry increased, which generated pressure to bring about transformation towards sustainable, future-proof business models. There is still a large gap between the **demand for, and supply of, housing**.

In the **real estate industry**, these are all leaving a significant mark on business models and the determination of enterprise values. Political clarity with regard to building regulations, tenant legislation, environmental standards, energy policy and housing policy subsidies is crucial to allow real estate companies to assess the status quo and plan ahead, and also to develop strategic and operational responses to the issues of the future.

By contrast, the **megatrends** of climate change, urbanization, demographic change and technological advances are currently the mainstays of commercial activity. Its sound financial position enabled Vonovia to adapt to the macro-economic environment and defy the past crisis years. Thanks to its sustainability efforts, in particular, Vonovia considers itself well equipped for new growth based on these megatrends. Its key balance sheet indicators and ratings are stable, the cycle of dwindling values is over and the company is well placed to tackle the years that lie ahead from both a strategic and operational perspective.

The Company

Vonovia's **business model** is based on the provision and rental of good-quality, contemporary and, most importantly, affordable housing, as well as the **management** of these properties. An established in-house craftsmen's, residential environment and caretaker organization, coupled with extensive back-office functions, support us in our management and further development of our housing stocks.

Vonovia continues to develop its real estate portfolio through **active portfolio management**. In addition to acquisition, sale and modernization, this also includes building new apartments for our own portfolio and for sale to third parties. The business model is rounded off by the housing-related services we offer. The focus here is on offering energy supply services for electricity and heating, as well as automated meter reading.

This business model is based on a highly **digitalized management platform** allowing all stages in the value chain to be managed. This platform is one of the most important intangible assets within the business model.

Around 77% of Vonovia's strategic real estate portfolio is located in contiguous **neighborhoods** that generally include more than 150 apartments. Designing sustainable homes that offer real quality of life always involves identifying what the relevant social structures need, taking into account the history of these neighborhoods. The **development business** is also consistent with the sustainable neighborhood concept.

This means that Vonovia's business model makes a positive contribution to the pressing sociopolitical challenges of **housing shortages** and climate protection.

Vonovia manages a **portfolio** of around 471,000 of its own apartments (2024: around 480,000 apartments) in attractive German cities and regions. It also manages a portfolio of around 40,000 units in Sweden (2024: around 40,000 apartments) and approximately 20,000 in Austria (2024: around 20,000 apartments). The **total fair value** comes to around € 84.4 billion (2024: € 82.0 billion), with net assets based on the EPRA definition coming to € 39.3 billion (2024: € 37.2 billion).

At the end of the fourth quarter, in addition to its own apartments, Vonovia managed around 76,000 apartments for third parties (end of the fourth quarter of 2024: around 73,000).

This makes Vonovia one of the leading residential real estate companies in Germany, Austria and Sweden, albeit with a low market share of around 1.9% in Germany due to the highly fragmented nature of the market.

Vonovia's roots and those of its predecessor companies extend back into the 19th century and lie in not-for-profit housing and housing for factory workers. This applies to Germany, and also to Austria and Sweden. Consequently, today's strategic direction is consistent with the company's roots.

Even back then, the aim was to provide good-quality, modern and affordable homes, in some cases using innovative concepts. Many of the housing developments built in that era were model projects of the time and are now covered by preservation orders. So the **concept of the neighborhood** already has strong roots in Vonovia's DNA.

Living in what were known as "workers' settlements" was about much more than just affordable living space. It was also about living in a social network with one's colleagues and their families. The approximately 755 neighborhoods that the company has in its strategic portfolio today are one of Vonovia's USPs and a focal point of its answers to the megatrends.

Via the non-profit company GEHAG, which was established in 1924, the Group has properties that are exceptional examples of architectural history from the Bauhaus and expressionist movements. These included new housing concepts that helped to shape the idea of a neighborhood and were even listed as **UNESCO world heritage sites**. Examples include the Hufeisensiedlung, Wohnstadt Carl Legien, Weiße Stadt and Ringsiedlung Siemensstadt developments.

The real estate development business and the property management business in Austria operate under the established **BUWOG** name. In Sweden, Vonovia operates under the name **Victoriahem**.

Corporate Structure

Vonovia SE, **the parent company** of the Vonovia Group, is organized in the legal form of a dualistic European company (SE). Vonovia SE is directed by a Management Board, which is responsible for conducting business and defining the Group's strategy. The strategy is implemented in close coordination with the Supervisory Board, which is regularly briefed by the Management Board regarding the development of business, strategy and potential opportunities and risks. The Supervisory Board oversees the activities of the Management Board.

Vonovia SE has its **registered headquarters** in Germany. Since 2017, its registered office has been located in Bochum. The head office (principal place of business) is located at Universitätsstrasse 133, 44803 Bochum.

As of December 31, 2025, 600 legal entities/companies (of which 435 in Germany) formed part of the **Vonovia** Group. A detailed list of Vonovia SE shareholdings is appended to the Notes to the consolidated financial statements.

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 overarching 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. There is also a central function responsible for sustainability issues within Vonovia SE; it coordinates these matters for the Group as a whole.

In order to carry out its management functions, Vonovia SE has established a series of **service companies**, particularly for commercial and operational support functions, which are centralized in shared service centers. By pooling the corporate functions on a uniform **management and development platform**, Vonovia achieves harmonization, standardization and economies of scale objectives, thereby relieving other Group companies of the need to perform such functions themselves.

With our **efficient organizational model**, optimized processes, a clear focus on the service philosophy and – as a result – on our customers and a clear investment strategy focusing on climate protection, we are laying the foundation for a **sustainable business** while safeguarding our legitimate interests as a private-sector company.

A balanced mix of services provided by the central service center, regional caretakers working on-site and our company's own technical and residential environment organization,

combined with housing-related services, ensures that our tenants' concerns can be attended to in a timely, straightforward and reliable manner. This plays a key role in ensuring that our customers feel that they have good support in their environment, fostering customer satisfaction.

In addition, Vonovia will be using **construction and development measures**, as well as densification and vertical expansion, to build new apartments in order to meet the rising demand for living space, particularly in metropolitan areas. The development organization operating under the BUWOG name gives Vonovia extensive product and process expertise in the development and construction of residential construction projects. The development business is largely managed via project companies.

The management of the operating business is based on the company's strategic approaches and is conducted via the four segments: Rental, Value-add, Recurring Sales and Development.

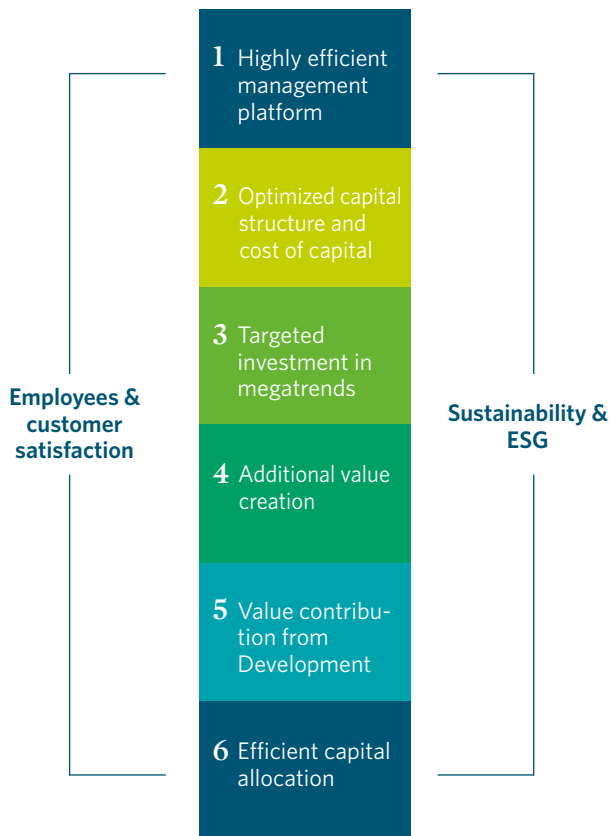
Our Strategy

Market Environment

Vonovia operates in an environment determined by four **megatrends** that will influence the business positively in the long term:

- > **Climate Change:** The effects of global climate change caused by rising temperatures are already being felt. Vonovia's investment strategy along its climate pathway is underpinned by a reduction in CO₂ emissions and adaptation to irreversible effects such as extreme weather events. Energy-efficient refurbishments, smart energy solutions for neighborhoods and climate-resilient new construction will become increasingly sought-after business models in the long term.
- > **Urbanization:** The ongoing large gap between supply and demand for housing, particularly in urban areas, alongside migration to attractive regions and cities, will lead to strong utilization of Vonovia's rental business as well as guaranteed high demand for new housing.
- > **Demographic Change:** The trend toward more and smaller households is boosting demand for homes further; meanwhile there is a need for custom services, particularly for elderly people, and vibrant, sustainable neighborhoods.
- > **Technological Progress:** Digitalization, automation and AI offer great opportunities. Vonovia can make processes more efficient and, as a digital pioneer, further expand its current competitive advantage with new technologies.

The Value Drivers of Our Strategy



These developments will secure the basis of Vonovia's business in the long term and create an attractive starting position for generating sustainable growth.

Basis: Proven 4+2 Strategy

Vonovia's growth continues to be based on the proven 4+2 strategy. This strategy has been refined in the recent years of crisis and has evolved into a stakeholder value strategy, reflecting the importance of all of the company's major stakeholders. The revision of the materiality assessment in accordance with the ESRS (European Sustainability Reporting Standards) in 2024, and identifying the opportunities, risks and impacts that Vonovia's activities have on stakeholders, has enhanced transparency, laying the foundation for even more integrated business activities. The materiality assessment forms the basis for the company's sustainability reporting.

The **property management strategy** represents a mature, efficient and scalable management platform. In this respect, Vonovia makes use of a mix of regional and local services and the Group-wide bundling of services in central service centers. Vonovia also applies this expertise to the property management business in Austria and Sweden in line with the requirement profiles that apply in those markets. The

property management strategy is being enhanced, in particular, by digitalization measures in the underlying business processes and at the customer interface.

The **financing strategy** aims to establish a well-balanced and sustainable financing structure. Thanks to its broad range of equity and borrowed capital providers and the investment grade ratings awarded to our company by the rating agencies S&P, Moody's, Fitch and Scope, Vonovia has excellent access to the international capital markets. As well as managing the challenges emerging from the current interest rate environment, our priority remains to maintain these credit ratings, optimize the financing structure and maturity profile, diversify our financing sources and carry out financial risk management. We are also currently monitoring other focal areas, such as the earnings-to-debt and earnings-to-interest burden ratios.

The **portfolio management strategy** is focused on the targeted optimization of the portfolio: non-strategic holdings disposed of through privatization and disposal, while modernization, new construction, development and targeted acquisitions help increase the value. The respective economic conditions determine what action the company takes. Vonovia invests in its strategic holdings in urban quarters and urban clusters, especially in line with its climate pathway to promote sustainability and its innovation strategy. Densification creates new homes using a combination of vertical expansion and new construction on existing land. The portfolio management strategy also includes development activities on specially acquired land, thus extending the value chain. The development business includes the construction of owner-occupied apartments for sale, as well as the construction of rented apartments to be managed by the company itself.

With the **Value-add strategy**, Vonovia is expanding its core business to include customer-oriented services related to renting. Innovative approaches and business models are continually reviewed and integrated in the company's offerings for the purpose of enhancing customer satisfaction. The established service areas of the Value-add strategy include the craftsmen's and residential environment organization, multimedia services, and energy and measurement services, as well as insurance services. Thanks to its own organization, Vonovia can flexibly cover maintenance services across its entire portfolio, thus increasing the attractiveness of its apartments and enhancing customer satisfaction.

Vonovia pursues **acquisitions** when opportunities present themselves in light of current return and financial conditions, and only if they are expected to yield an increase in value. The valuation is based on strategic fit, increase in EBITDA

rental yield and EPRA NTA neutrality, assuming a financing mix of 60% equity and 40% borrowed capital. Furthermore, an acquisition must not pose any risk to the company's stable BBB+ long-term issuer credit rating. Until the interest rate turnaround three years ago, Vonovia had achieved profitable growth thanks to a large number of acquisitions. The scalable operational management system allows the swift integration of newly acquired companies and portfolios, thereby achieving harmonization and generating economies of scale. Vonovia analyzes potential synergies using market knowledge and the property management and development platform, as well as integration expertise. This means that acquisitions supplement our four core strategic areas.

Vonovia will pursue its **internationalization strategy** as and when opportunities present themselves. Activities on other European markets must not impact on the established business and must entail risk potential that can be controlled or limited.

With its size and innovative technologies, Vonovia can also make a significant contribution toward resolving the housing shortage in Germany and decarbonizing the building sector.

In the environment of higher capital costs and lower stock prices in recent year, the corporate strategy was therefore further developed to achieve these objectives.

Further Development: the “Accelerate” Growth Strategy

Supplementary growth strategies (“Accelerate”) were released in 2025 to respond to changes in the market and develop additional sources of income. One thing the initiatives have in common is that they build on the basis of standardized and scaled business processes. They facilitate the expansion of business relationships with existing end customers (B2C), while also making it possible to tap into new business areas in the business customer sector (B2B).

The program was developed by the Group Strategic Committee (GSC), which was established in 2024, specifically to identify new growth opportunities outside the core business. The GSC comprises select executives from the entire company and the Management Board. The growth program is actively managed by the Transformation Management Office (TMO) of the new Strategy, Corporate Development & Sustainability division.

Strategic Growth Initiatives



The **strategic growth initiatives** are focused on three areas:

In the area of “**Return to Performance**”, the focus is on new strengths in the core business. Areas that were scaled back in recent years because of crises will be sustainably reinforced and refocused on growth:

- > **Vonovia Technischer Service (VTS):** Vonovia is expanding its own craftsmen’s organization to ensure exclusive access to well-qualified tradespeople. VTS and its specialists ensure that refurbishment and maintenance work can be carried out reliably and in line with high quality standards.
- > **Development:** Vonovia is building attractive and cost-effective housing projects for its own portfolio and for sale. In light of the ongoing need to optimize construction costs, Vonovia is focusing on the Basic House approach, among other things, in order to build sustainable and affordable housing for different target groups. Structurally high construction costs continue to necessitate the implementation of a design-to-cost principle and the systematic pursuit of serial construction.
- > **Recurring Sales:** Vonovia sells residential units from existing and new ownership communities, thus monetizing past increases in value. Vonovia can reinvest some of these sales proceeds in refurbishing its core portfolio, straightening its internal financing power.

The **Accelerated tech-supported investments department** aims to significantly accelerate portfolio investments in line with Vonovia’s climate pathway. Innovative technologies are transferred to industrial manufacturing processes through standardization and industrialization:

- > **Serial Modernization:** Vonovia uses prefabricated facade elements, in particular, to improve its buildings’ energy efficiency, thereby allowing for quicker and more efficient refurbishment.
- > **Energy Cube:** With Cube heat pumps, Vonovia uses an innovative “plug & heat” solution for buildings that are to be fitted with heat pumps in the future, thereby driving forward the heat transition in neighborhoods suitable for this technology, especially in combination with photovoltaics.
- > **Energy Plan & Build:** Vonovia is developing its own photovoltaics installation team, with the additional aim of creating an internal basis for further value creation in the area of renewable energies.

New sources of growth explore new business models at all stages in the value chain. Vonovia has developed innovative ideas that significantly expand its existing business or extend it to include totally new areas. The focus here is on the transformation to a B2C and B2B service business model.

- > **Operate Energy:** Vonovia connects decentralized, sustainable energy producers and storage systems in the neighborhood and sells locally produced electricity. It controls and optimizes energy flows with an intelligent energy management system.
- > **Manage to Green:** Vonovia buys energy-inefficient portfolios in good locations and invests in their energy-efficient refurbishment, to subsequently dispose of them at a profit. In doing so, Vonovia uses its own expertise and price advantages.
- > **Occupancy Rights:** Vonovia offers corporate customers and institutions occupancy rights for their employees, thereby rethinking the concept of housing for workers.
- > **Operating Platform:** Vonovia offers its in-house management platform to external B2B customers, thereby utilizing its own platform with a larger number of residential units. The objective is to gradually expand the range of services, starting with property management, so that the entire Vonovia platform can also be successfully offered to external property owners and investors in the future.

A qualified workforce is an essential basis for successfully implementing the business model and growth initiatives. Vonovia’s HR strategy aims to recruiting a sufficient number of suitable employees for the company and its new business areas, as well as providing current employees with further training. This allows the HR strategy to support change processes within the company and support the company along its transformation in enabling its growth initiatives.

Sustainability Statement

Explanatory Information on the Content of the Report and the Framework

The Corporate Sustainability Reporting Directive (CSRD) entered into force across the EU on January 5, 2023. All European Union (EU) member states, including Germany, were given a period of 18 months, i.e. until July 5, 2024, to transpose the Directive into national law. Germany had not transposed the Directive as of December 31, 2025.

This means that the existing legal situation regarding the implementation of the Non-Financial Reporting Directive (NFRD) remains unchanged for the 2024 and 2025 reporting periods, and that a Non-financial Group Declaration must continue to be prepared in accordance with Sections 315b, 315c in conjunction with Sections 289c to 289e of the German Commercial Code (HGB).

Despite not being under any obligation to report in accordance with the European Sustainability Reporting Standards (ESRS), Vonovia SE (hereinafter referred to as "Vonovia") has decided to publish its **sustainability statement** (hereinafter referred to as "sustainability statement") - **which also meets the requirements for the Non-financial Group Declaration prepared in accordance with Sections 315b to 315c HGB, taking full account of the ESRS** as a recognized framework in accordance with Sections 315c (3) in conjunction with 289d HGB. Consequently, this Group sustainability statement meets both the requirements set out in the CSRD, as well as the requirements laid down in Sections 315b to 315c HGB for a Non-financial Group Declaration and Article 8 of Regulation (EU) 2020/852 (the EU taxonomy).

This ensures compliance with the Minimum Disclosure Requirements pursuant to Sections 315c in conjunction with 289c HGB and German Accounting Standards (GAS) 20.257 et seq.

The main relevant non-financial performance indicators are reported - together with information on the underlying

policies, objectives and measures - in the individual chapters covering the content in question. These cover the legally mandated aspects - environmental issues, social issues, employee issues, combating corruption and bribery, and observance of human rights.

This sustainability statement includes Vonovia's Sustainability Performance Index (SPI). This key figure is the Vonovia Group's primary non-financial performance indicator within the meaning of GAS 20, Paragraph 101 in conjunction with Paragraph 106. The SPI consists of six sub-indicators derived from the material sustainability priorities and serves as a vital instrument for managing, and in terms of the remuneration for our sustainable activities (for further details see → **ESRS2 GOV-3**). As the most significant non-financial performance indicator, the SPI is also presented in the chapters entitled → **Corporate Governance** and → **Forecast Report**.

The sustainability statement is subjected to a voluntary limited assurance review conducted by PwC GmbH Wirtschaftsprüfungsgesellschaft in accordance with ISAE 3000 (Revised). External references are designed only to provide further information and are not covered by the business audit.

Risk Assessment Based on Sustainability Aspects

In the sustainability statement, material risks associated with the Group's own business activities - and business relations or products and services of the Group - which are very likely to occur and which could have serious negative impacts on non-financial topics must be reported. On the basis of the risk analyses performed and in the opinion of Vonovia's management, there are no non-financial risks subject to a reporting requirement that meet the criteria pursuant to Section 289c (3) Nos. 3 and 4 HGB following application of the net method and taking risk mitigation measures into consideration.

The definition of material reportable risks provided in Section 289c (3) Nos. 3 and 4 HGB differs from that used in the ESRS. Consequently, this sustainability statement reports on all of the risks that are material in accordance with the ESRS, even if they are not considered severe from a HGB perspective.

ESRS 2 – General Disclosures

BP-1 – General Basis for Preparation of Sustainability Statements

Vonovia SE's sustainability statement is prepared on a consolidated basis.

The scope of consolidation matches that used in Vonovia's consolidated financial statements and includes the activities of Vonovia and its subsidiaries in Germany, Austria and Sweden, including Deutsche Wohnen SE (hereinafter referred to as Deutsche Wohnen). These companies are listed in the → [list of shareholdings](#) in the notes to the consolidated financial statements. Companies with minority interests and apartments owned by third parties are not included.

Deutsche Wohnen will not be issuing its own sustainability statement for the 2025 fiscal year, as it is exercising its rights under the simplifying provision for CSR reporting pursuant to Sections 289b (2) and 315b (2) HGB.

The Care segment, which had still been presented as a discontinued operation pursuant to IFRS 5 in the previous fiscal year, was sold in full in 2025. In order to ensure that the latest information can be compared with the prior-year information, the information reported for 2024 has been split in two, allowing this year's data to be compared against the prior-year data for "continuing operations."

Alongside our own business, the sustainability statement also covers the upstream and downstream value chain, in particular suppliers, business partners and customers. These were taken into account in assessing impacts, risks and opportunities (IROs) as part of the materiality assessment.

Vonovia has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation.

BP-2 – Disclosures in Relation to Specific Circumstances

While estimates were used to determine a small number of selected metrics, none of the metrics contained in this sustainability statement are validated by an external body beyond the auditor.

Vonovia also uses the sustainability statement to report on compliance with the requirements set out in the EU Taxonomy Regulation.

GOV-1 – The Role of the Administrative, Management and Supervisory Bodies

Vonovia is a European company (SE) in accordance with the German Stock Corporation Act (AktG), the SE Act and the SE Regulation. Its registered office is in Bochum. It has three governing bodies: the General Meeting, the Supervisory Board and the Management Board, whose duties derive from the SE Regulation (SE-VO), the German Stock Corporation Act (AktG) and the Articles of Association. Shareholders, as the owners of the company, exercise their rights at the Annual General Meeting.

According to the **two-tier governance system** provided for in the German Stock Corporation Act (AktG), Vonovia has a Management Board and a Supervisory Board. While managing the company is the sole responsibility of the Management Board, the Supervisory Board is responsible for monitoring the company's business by providing advice to the Management Board and supervising those transactions that are significant for the company. Members cannot sit on both bodies at the same time.

Vonovia's Management Board still comprises five members, with the Supervisory Board made up of ten members. In accordance with the SE Regulation and the German SE Employee Participation Act (SEBG), the Supervisory Board is only made up of representatives of the shareholders. The highest representative body of the employees is the Group Works Council. An SE Works Council was also set up at the level of Vonovia SE.

In accordance with the German Corporate Governance Code (GCGC), the Supervisory Board and the Management Board must be composed in such a way that these bodies/their members as a group have the knowledge, ability and specialist experience required to properly complete their tasks. The corresponding knowledge, skills and experience – particularly with regard to sustainability – can be found in the Supervisory Board Qualifications Profile set out below, as well as in the description of Supervisory Board and Management Board skills.

Supervisory Board Qualifications Matrix

Name	Independent	Year of birth	Year appointed	Gender	Nationality	Accounting, finance, controlling	Accounting, audit, risk, compliance
Clara-Christina Streit (Chair of the Board)	yes	1968	2013	female	German/U.S.	4	3
Vitus Eckert	yes	1969	2018	male	Austrian	2	3
Birgit M. Bohle	yes	1973	2024	female	German	2	3
Jürgen Fenk	yes	1966	2022	male	German	2	2
Dr. Florian Funck	yes	1971	2014	male	German	4	4
Dr. Daniela Gerd tom Markotten	yes	1974	2023	female	German	2	2
Matthias Hünlein	yes	1961	2022	male	German	1	1
Dr. Ariane Reinhart	yes	1969	2016	female	German	2	2
Michael Rüdiger**	yes	1964	2025	male	German	4	4
Dr. Marcus Schenck**	yes	1965	2025	male	German	4	4
Dr. Ute Geipel-Faber***	yes	1950	2015	female	German	4	4
Hildegard Müller***	yes	1967	2013	female	German	3	2

* 1: "Limited experience/no key competency"; 2: "Substantial experience/competency"; 3: "Extensive experience/key competency/expertise"; 4: "Direct management experience".

** Member of the Supervisory Board since May 28, 2025.

*** Member of the Supervisory Board until May 28, 2025.

To ensure that members have suitable skills and expertise in the area of sustainability, the **Management Board** is engaged in constant dialogue with the Head of Strategy, Corporate Development & Sustainability and calls on the support of the relevant specialist departments depending on the topic. The Management Board also engages in ongoing dialogue with stakeholders and external experts on sustainability issues, particularly those relating to the environment. The Management Board is also provided with information on relevant sustainability topics and developments via the Sustainability Committee. The Management Board combines various qualification profiles and skills, for example in the areas of real estate, renewable energies, corporate management, legal and strategy, ensuring that Vonovia has access to crucial expertise in these specialist areas. CEO Rolf Buch served for several years as a moderator of the Initiativkreis Ruhr, where he was responsible for promoting the structural transformation of the Ruhr region into a sustainable, livable and economically strong metropolitan area. As a longtime Chief Financial Officer (CFO) of major residential real estate companies, Philip Grosse has gained particular expertise in green and social bonds. Thanks to his membership in the Supervisory Board of Gropyus AG, he also contributes expertise in sustainable hybrid wooden construction. The Chief Human Resources Officer (CHRO) Ruth Werhahn boasts extensive professional experience in HR. Within Vonovia, Daniel Riedl is responsible for building project

development in line with an ambitious sustainability agenda, and advises other construction and project companies on sustainable production as a Supervisory Board member. Arnd Fittkau is responsible for operations as well as portfolio management, the "neighborhood workshop" (Quartierwerk) and climate investments, which play a crucial role in modernization and renovation actions to implement the climate pathway. Moreover, as a member of the Supervisory Board of Iqony Fernwärme GmbH, he regularly engages in dialogue with experts in sustainable heat supply. All members of the Management Board keep abreast of regulatory developments related to sustainability on an ongoing basis and keep their sustainability-related knowledge up to date.

Women make up 20% of the Management Board, in line with the previous year, and 40% of the Supervisory Board (2024: 60%). The target for appointing Supervisory Board members takes account of the German Act on the Equal Participation of Women and Men in Leadership Positions in the Private Sector and the Public Sector (Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst), based on which the Supervisory Board should comprise at least 30% women and 30% men. If the Management Board consists of more than three members, which is the case at Vonovia, it must comprise at least one woman and at least one man. Targets also have to be set for the

Key skills and areas of experience*

Housing industry	Development, construction industry	M&A, real estate transactions	Law, regulation, governance	Financing (banks, capital market)	Investment, capital investment	Digitalization, cyber security	Sustainability, energy	HR management, remuneration, leadership development	Politics, public administration
3	1	4	3	4	3	2	2	3	1
4	4	4	3	3	4	2	1	2	1
1	1	1	3	1	2	3	2	4	3
4	3	4	2	4	4	2	1	3	2
2	1	3	4	4	2	2	1	2	1
1	1	1	2	1	1	4	3	3	3
3	3	3	4	1	4	1	2	2	1
2	1	2	3	1	2	2	4	4	4
2	1	3	4	4	4	2	2	3	3
1	1	3	2	4	3	1	4	3	3
4	1	4	4	2	2	1	4	4	1
3	2	3	4	3	2	3	4	2	4

proportion of women at the two management levels below the Management Board (Section 76 (4) sentence 1 AktG). Vonovia is aiming to have achieved the target of 30% women at these levels by December 31, 2026. More information on target achievement is set out in → S1-9.

All members (100%) of the Supervisory Board are considered by the latter to be independent within the meaning of C. 6 and C. 7 of the GCGC. No member of the Supervisory Board was a member of the company's Management Board or has a personal relationship with a significant competitor of the company as defined by C. 12 of the GCGC.

As of December 31, 2025, the Management Board of Vonovia consisted of the following five members:

- > Rolf Buch
- > Arnd Fittkau
- > Philip Grosse
- > Daniel Riedl
- > Ruth Werhahn

The composition of the current Supervisory Board is shown in the table entitled "Supervisory Board Qualifications Profile."

The disclosure of the names of all members of the Management Board and Supervisory Board serves as an expression of their collective responsibility for monitoring impacts, risks and opportunities.

By law, all Management Board members are collectively responsible for managing the company. The division of responsibilities serves only to facilitate daily operations, while matters of special or fundamental significance are subject to decision-making by the entire Management Board. Implementing the sustainability strategy and the climate path is a joint responsibility. Every member has to ensure that sustainable measures are developed and implemented, both in their own executive division and by the other members. The Sustainability Committee provides support in this process.

As a control and management instrument, all Management Board members are required to incorporate the risks inherent to their respective areas into the risk report, which is

then discussed and approved by the entire Management Board.

The responsibilities of the Supervisory Board (including committees) and the Management Board with regard to impacts, risks and opportunities, as well as strategies, are distributed as follows:

The Supervisory Board

The Supervisory Board appoints, supervises and advises the Management Board and is directly involved in decisions of fundamental importance to the company. The Supervisory Board performs its work in accordance with the legal provisions, the Articles of Association, its rules of procedure and its resolutions. The Supervisory Board examines and adopts the consolidated financial statements and the combined management report, and adopts the annual financial statements. The Supervisory Board reports in writing to the shareholders at the Annual General Meeting on the result of its examination.

The Supervisory Board has established **four committees** (the Governance and Nomination Committee, the Audit, Risk and Compliance Committee, the Strategy, Finance and Sustainability Committee and the HR and Remuneration Committee), two of which, namely the Audit, Risk and Compliance Committee and the Strategy, Finance and Sustainability Committee, have explicit responsibilities related to sustainability. In this respect, the HR and Remuneration Committee has an indirect role through its determination of variable remuneration elements aligned with sustainable performance criteria.

The **Audit, Risk and Compliance Committee** handles, in particular, the monitoring of the accounting process, the effectiveness of the internal control system, risk management system and internal audit system, the audit of the annual financial statements and compliance. Accounting and auditing also include the sustainability statement and the auditing of this report.

The **Strategy, Finance and Sustainability Committee** discusses focal issues relating to corporate strategy, financial matters and sustainability issues, and prepares resolutions for the Supervisory Board. It advises and monitors the Management Board with regard to its sustainability and financing strategy, in particular the planning of the strategic framework for all Group-wide sustainability measures, including the interaction between entrepreneurial activities and the challenges associated with climate change.

In particular, the **HR and Remuneration Committee** is responsible for the preparation of discussions and resolutions on the remuneration system – including the

remuneration-relevant sustainability targets – and HR strategy, as well as other Management Board matters.

The Management Board

The Management Board develops the company's strategy, coordinates it with the Supervisory Board and implements it. It ensures that all statutory provisions and the company's internal policies are complied with and is responsible for corporate policy. The Management Board also ensures appropriate risk management and risk controlling in the company. The Chief Executive Officer is responsible for the ESG factors to be taken into account in this process, as well as for the associated risks, opportunities and impacts. The CEO submits the corporate planning for the coming fiscal year to the Supervisory Board as well as the midterm and strategic planning, which also includes sustainability targets and the impacts, opportunities and risks that are to be addressed. The Chair of the Management Board informs the Supervisory Board Chair without delay of important events that are essential for the assessment of the situation and the development of the company or for the management of the company as well as of any shortcomings that occur in the monitoring systems.

Vonovia also defines specific sustainability-related responsibilities with regard to the implementation of the recommendations made by the **Task Force on Climate-related Financial Disclosures (TCFD)**. The recommendations made by the TCFD constitute important guidance for defining and implementing the climate pathway as part of Vonovia's systematic way of tackling climate change – with regard to both Vonovia's contribution to mitigating climate change and the effects of climate change on the company's economic development. Responsibilities for implementing the TCFD recommendations are distributed as follows at Vonovia:

- > The entire Management Board bears responsibility for sustainability and climate change mitigation, as well as climate-related risks and opportunities.
- > In its Strategy, Finance and Sustainability Committee, the Supervisory Board addresses climate change mitigation and relevant risks and opportunities, among other topics.
- > The Sustainability Committee – comprising the entire Management Board and representatives of central functional departments – determines the strategy and targets and monitors progress.
- > The central department Strategy, Corporate Development & Sustainability, within the executive division of the CEO, coordinates and spearheads the development of the sustainability strategy and the implementation of relevant measures.

- > Climate-related risks are calculated and collated on a half-yearly basis as part of the company-wide risk management process. The process is coordinated by Controlling, with the Management Board taking the final decision on risk assessment.
- > Energy efficiency modernization, the expansion of renewable energies for heating and powering the existing portfolio and the use of innovative technologies in Germany is the responsibility of the Chief Rental Officer (CRO) (regional business areas and portfolio management); for Austria, the Chief Development Officer (CDO) is responsible, for Sweden the CEO of Victoriahem.

Responsibility for the **other material sustainability topics** is also distributed **within the Management Board**. The CHRO, for example, is responsible for employee issues, the CRO – in conjunction with the decentralized regional managing directors – for all issues related to the provision of affordable housing, the climate-friendly development of the overall portfolio and other social sustainability issues, and the CDO for sustainable new construction. The CEO is responsible for sustainability-related governance issues, in particular for compliance, while the CFO's responsibility encompasses the infrastructure of sustainability data and risk management, as well as reporting, in addition to sustainable financing aspects.

This means that at Vonovia, sustainability is a top management priority, with all Management Board members sharing responsibility. The Chair of the Management Board ensures that the business model and the respective departments are aligned to achieve the company's goals. On the part of the Supervisory Board, the **Strategy, Finance and Sustainability Committee**, as well as the Audit, Risk and Compliance Committee (for reporting) perform the corresponding control function. The Management Board has overall responsibility for monitoring, managing and overseeing impacts, risks and opportunities, setting related targets and monitoring progress towards achieving these targets. In this quest, it involves the Sustainability Committee in decision-making and monitoring processes. The Management Board is provided with information on impacts, risks and opportunities in the Risk Report. The Controlling department is responsible for preparing the Risk Report. Technical management of impacts, risks and opportunities is the responsibility of the Strategy, Corporate Development & Sustainability department, and these impacts, risks and opportunities are assessed by the responsible risk owners. The Management Board monitors progress towards achieving the targets through annual sustainability reporting as part of the Annual Report, the ESG Factbook and other sustainability reporting formats approved by the Management Board.

Central **coordination of sustainability activities** is the responsibility of the Strategy, Corporate Development & Sustainability department. Its core duties include, in particular, the further development of an integrated corporate strategy aligned with sustainability matters, the definition and monitoring of sustainability targets, the providing of impetus and the implementation of sustainability projects. The Strategy, Corporate Development & Sustainability department is also responsible for preparing the ESG Factbook and transmitting data for numerous ESG ratings, as well as for the sustainability statement in the Annual Report, which is prepared in collaboration with the Accounting department.

The **Sustainability Committee** meets two to three times a year – as required – to discuss the overall strategic direction and to evaluate the company's sustainability performance. The committee comprises the entire Management Board as well as the heads of Sustainability, Corporate Communications, Controlling, Accounting and Investor Relations. The Audit, Risk and Compliance Committee meets at least four times a year with the Strategy, Corporate Development & Sustainability department providing it with information on the implementation of sustainability reporting on an ad hoc basis.

The availability of appropriate skills and expertise to oversee sustainability matters is ensured by furnishing evidence of the relevant skills (see → [skills profile/description for the Supervisory Board and Management Board](#)). The Supervisory Board and the Management Board are briefed on sustainability topics at regular intervals and on an ad hoc basis.

The skills and expertise of Vonovia's Management Board and Supervisory Board are closely related to the company's material impacts, risks and opportunities. The Management Board contributes in-depth expertise in the areas of real estate, energy and sustainability, corporate governance, legal, and strategy so as to be able to make strategic decisions and manage risks effectively. The Supervisory Board supplements this expertise by providing independent monitoring and advice, drawing on its extensive experience in a whole range of sectors and disciplines. Working in tandem, the Management Board and Supervisory Board ensure that impacts are considered, opportunities are exploited and risks minimized in order to create sustainable corporate value.

GOV-2 – Information Provided to and Sustainability Matters Addressed by the Undertaking’s Administrative, Management and Supervisory Bodies

The Strategy, Corporate Development & Sustainability division reports directly to the CEO (at least once a month) and consults the Sustainability Committee on the latest topics and developments. These include the identification of material impacts, risks and opportunities, further development of the sustainability strategy, the implementation of appropriate measures, the definition and monitoring of sustainability objectives and metrics, and the implementation of sustainability projects. This also includes the implementation of sustainability-related due diligence.

The Audit, Risk and Compliance Committee within the Supervisory Board addresses sustainability topics at least twice a year, once when adopting the annual financial statements (including the sustainability statement) and once to assess the impacts, risks and opportunities in the context of the risk report.

When overseeing the company’s strategy, making decisions on major transactions and in the risk management process, impacts, risks and opportunities – including trade-offs – are taken into account as follows:

Vonovia is adapting to the constant changes in the market environment and in the overall statutory and regulatory framework by developing its strategy and, within this context, its business activities on an ongoing basis. Vonovia also reacts to ESG requirements from a wide variety of stakeholders by **adjusting its corresponding ESG targets** (see → [ESRS 2 GOV-3](#)), which also involves using suitable KPIs to continually monitor the progress made towards achieving these targets. Conflicting targets, such as the extent of energy-efficient refurbishment to achieve climate objectives versus the associated costs and impacts on housing affordability, are also taken into account in the strategic focus. These changes mean that additional impacts, opportunities and risks arise on a regular basis, and that the extent of existing impacts and resulting opportunities and risks can change at any time.

As a result, Vonovia has implemented a **comprehensive risk management system** that ensures that all of the risks that are relevant to the company (and to the environment and society at large) can be identified, evaluated and managed. This risk management system also explicitly takes into account impacts, opportunities and risks related to sustainability. The resilience of Vonovia’s strategy and business model is analyzed and evaluated annually as part of risk management. First-level executives below the Management Board are responsible for identifying and assessing risks within their areas of responsibility during the semiannual risk inventory process. The risk management horizon and the evaluation period extend five years beyond the reporting year. Risk management assessments focus on net risks.

In organizational terms, risk management is assigned directly to the Management Board. It has overall responsibility and decides on the organizational structures and work-flows of risk management and provision of resources. The Management Board approves the documented risk management findings, takes account of them in steering the company and reports them to the Supervisory Board on a regular basis. The Audit Committee of the Supervisory Board monitors the effectiveness of the risk management system and is informed of any material changes in the assessment of impacts, risks and opportunities.

In the 2025 fiscal year, the Sustainability Committee – and as a result the Management Board – and the Strategy, Finance and Sustainability Committee within the Supervisory Board addressed the material impacts, risks and opportunities listed in → [ESRS 2 SBM-3](#) and validated the results of the materiality assessment. The Vonovia SE Works Council was also informed of these results.

GOV-3 – Integration of Sustainability-related Performance in Incentive Schemes

To demonstrate the importance of sustainability for our corporate activities, we have integrated sustainability targets into Vonovia’s management and remuneration system for the Management Board and top management

(first level below the Management Board) via the **Sustainability Performance Index (SPI)**. The index comprises six sub-indicators based on the material sustainability priorities at Vonovia. They are each included in the SPI, which is measured as a percentage, with different weightings. The sub-indicators include:

Composition of the Sustainability Performance Index (SPI)

Indicator	Scope	Weighting	Unit	Value 2024	Value 2025	Change compared to previous year	Target 2030
Carbon intensity of the housing stock*	Germany	35%	kgCO ₂ e/m ²	31.2	30.7	-1.4%	< 25
Average primary energy demand of new constructions**	Group	10%	kWh/m ²	22.0	21.9	-0.4%	< 25
Proportion of accessible (partially) modernized newly rented apartments	Germany	10%	%	29.5	36.8	7.3 ppts	approx. 27
Customer satisfaction (CSI)	Germany	20%	%	75.2	76.5	1.3 ppts	> 73
Employee satisfaction	Group	15%	%	79.0	85.0	6.0 ppts	≥ 77
Proportion of women in management positions***	Group	10%	%	25.8	26.7	1.0 ppts	≥ 30
SPI Total			%	104.2	106.2	2.0 ppts	annually 100

* Scope 1, Scope 2 (market-based) and Scope 3.3, based on final energy demand as per energy performance certificates, in some cases incl. specific CO₂ factors from district heating suppliers.

** Excl. commercial projects, modernizations and floor additions.

*** First and second levels below the Management Board.

The **SPI** is one of Vonovia’s **internal performance indicators** and relates explicitly to its core business, property management and development. Its six sub-indicators are company-specific metrics.

The indicators “proportion of accessible (partially) modernized newly rented apartments,” “customer satisfaction” and “carbon intensity of the housing stock” are only measured for Germany, i.e., they do not include Austria or Sweden.

Climate-related considerations are incorporated into Management Board and top management remuneration via two SPI sub-indicators: “carbon intensity of the housing stock (in Germany)” and “average primary energy demand of new constructions (Group as a whole).” The carbon intensity of the housing stock (see → E1-4) is designed to illustrate energy-efficient alterations to existing properties, while the energy demand of new constructions addresses the average primary energy demand of newly constructed housing. Overall, climate-related considerations are incorporated into long-term variable remuneration at 11.25%. In 2025, climate-related considerations of around 2% to 3% (2024: around 2% to 4%) were included in the total compensation paid to members of the Management Board (in accordance with Section 162 AktG).

We are aiming to achieve 100% target achievement in the 2026 fiscal year. The **Management Board** has set **specific**

annual targets for each of the SPI indicators. The weighted targets add up to a target of 100%. Progress during the year is recorded, reported to the Management Board and monitored on a quarterly basis for internal annual controlling purposes. The SPI target achievement level for the 2025 fiscal year was 106.2% (see also the chapter → **Corporate Governance**). The Management Board has also set medium-term targets for 2030 for internal management purposes (see table).

The remuneration paid to members of the Management Board (and top management) is based on a number of components. Among other things, members are granted a 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 Long-term Incentive Plan (LTIP). Target achievement as part of the LTIP is calculated on the basis of three financial performance criteria and one non-financial performance criterion, the Sustainability Performance Index (SPI, excluding customer satisfaction).

- > Relative total shareholder return (relative TSR) (40%)
- > EPRA NTA (Net Tangible Assets) per share (20%)
- > Operating free cash flow (OFCF) per share (20%)
- > Sustainability Performance Index (SPI, excl. CSI) (20%)

The weightings assigned to the four performance criteria (which were previously assigned equal weightings) have been adjusted to place greater emphasis on Vonovia's capital market performance via the relative TSR. Maximum target achievement, on the other hand, remains unchanged at 250% of the grant amount.

As part of the changes made to the remuneration system in the reporting year, customer satisfaction (CSI) was switched to a performance criterion for the Short-term Incentive Plan (STIP) to provide an incentive for ongoing high levels of customer satisfaction (see [Remuneration Report](#)). It is included, as an ESG target, in the short-term variable remuneration as part of the STIP at a rate of 20%, alongside adjusted earnings before tax (EBT), at a rate of 80%, and, where appropriate, a strategic factor (as a multiplier). To prevent double incentives via both variable remuneration components (LTIP and STIP), customer satisfaction (CSI) has now been removed from the Sustainability Performance Index (SPI) relevant to the LTIP for the purpose of Management Board remuneration.

The SPI targets are closely tied to the company's five-year investment planning.

In the reporting year, around 22% (2024: 13% to 14%) of the (target) remuneration for members of the Management Board depended on sustainability-related targets, based on the total of LTIP and STIP. The increase resulted from the adjustment of the remuneration system.

The remuneration system and the SPI are described in detail in the [Remuneration Report](#) and in the chapter entitled [Corporate Governance](#). These sections also present the payout amounts and target achievement levels for the individual LTIP tranches.

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 HR and Remuneration Committee, which develops recommendations relating to the Management Board remuneration system. The Supervisory Board submits the remuneration system to the Annual General Meeting for approval (every time any major adjustments are made to the remuneration system, but at least every four years). The Supervisory Board also makes a decision every year on the specific SPI targets for the term of the STIP and LTIP and on the parameters for target achievement.

[GOV-4 – Statement on Due Diligence](#)

Our due diligence procedures are aimed at preventing and combating human rights violations, environmental pollution and other illegal behavior. We implement corresponding measures in our own sphere of business and also ensure that our business partners and suppliers are obliged to comply with the same standards via our Business Partner Code. The information provided in this sustainability statement on due diligence procedures can be found in the table below:

Statement on Due Diligence

Core elements of due diligence	Paragraphs in the Sustainability Statement
a) Embedding due diligence in governance, strategy, and business model	ESRS 2 GOV-2, GOV-3, SBM-3 G1-1
	ESRS 2 GOV-2, SBM-2, IRO-1 ESRS S1-2
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS S4-2
	MDR-P: E1-2, E5-1, S1-1, S4-1, G1-1
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1, SBM-3
	ESRS E1-3 S1-4
	S4-4
d) Taking actions to address those adverse impacts	MDR-A: E1-3, E5-2, S1-4, S4-4, G1-1, G1-3, G1-4
	ESRS E1-3, E1-4 S1-4, S1-5
	S4-5
e) Tracking the effectiveness of these efforts and communicating	MDR-M and MDR-T: E1-4, E1-5 to E1-9, E5-3, S1-5, S1-6 to S1-17, S4-4, G1-1, G1-4

GOV-5 – Risk Management and Internal Controls Over Sustainability Reporting

Organizationally, responsibility for preparing the sustainability statement lies with the CFO, in particular with the Accounting department, in collaboration with Strategy, Corporate Development & Sustainability. Vonovia considers failure to meet legal sustainability reporting requirements to be a **material risk** associated with the sustainability statement. Appropriate measures have been taken to address this risk, which was identified as part of the Group-wide risk management process: as well as constantly monitoring the development of regulatory requirements and ensuring the associated dialogue in associations and working groups, the company places particular emphasis on implementing and establishing robust data collection processes. Controlling is responsible for identifying and preparing key sustainability figures. These include, in particular, key environmental and HR-related figures, as well as the key SPI figures relevant to management. Bundling responsibility within Controlling ensures that plausible, quality-assured data is available. This is supported by Strategy, Corporate Development & Sustainability. The risks identified are prioritized based on the risk categories they are assigned to, which depend on the loss amount and probability of occurrence. Additional details can be found in our → [Risk Report](#).

The accounting related internal control system (ICS) – and risk management system forms part of the **Group-wide risk management system** and is aimed at ensuring due and proper financial and sustainability reporting, as well as compliance with the relevant regulations. The sustainability-related impacts, risks and opportunities pursuant to the ESRS have been incorporated into the risk management system. A separate ICS process, including the associated key controls, is in place for sustainability reporting in line with the requirements that apply to the internal control system. This process is audited and validated annually by the respective department and the Internal Audit department. For information on the controls implemented for the risks identified, please refer to our → [Risk Report](#), in particular the details on the ICS. Risk mitigation strategies are also described in topic-specific standards.

Key processes and key indicator definitions are documented centrally using a data governance tool, as are the corresponding internal controls. This **documentation** illustrates the relevant process steps and data flows and is supplemented by our risk management tool, which is used to record the material risks and mitigating measures. These systems provide the binding basis for subsequent evaluations, audits and reporting to Vonovia's executive bodies on the effectiveness of the ICS within the meaning of Section

107 (3) sentence 2 of the German Stock Corporation Act (AktG).

The Sustainability Statement is reviewed in the first instance by the Audit, Risk and Compliance Committee and then by the Supervisory Board based on the committee's recommendation. The Audit, Risk and Compliance Committee is continually involved in the establishment and refinement of the accounting-related internal control and risk management system.

The **Internal Audit department** reports annually to the Management Board on the audit process that has been completed, which includes the sustainability-related ICS process.

SBM-1 – Strategy, Business Model and Value Chain

Vonovia's **business model** is based on the provision and rental of good-quality and affordable living space at the right time, as well as the management of these properties in Germany, Sweden and Austria. This means that the main customer group consists of (potential) tenants in these countries.

This business model is based on a highly digitalized management platform and a similarly highly digitalized development platform allowing all stages in the value chain to be managed.

An established in-house craftsmen's, residential neighborhood and caretaker organization, coupled with extensive back-office functions, support us in our management and development of our housing stocks. Vonovia continues to develop its real estate portfolio through **active portfolio management**. In addition to acquisition, sale and modernization, this also includes developing and building new apartments for our own portfolio and for sale to third parties. The business model is complemented by the housing-related services we offer. The focus here is on offering energy supply services for electricity and heating, as well as automated meter reading. The business model is rounded off by the management services we offer to third-party portfolio holders.

Vonovia's economic environment is dominated by four megatrends: urbanization, climate change, demographic change and the shortage of housing, as well as technological advances. Together, these factors provide positive impetus for the business model's growth and strategy.

The tried-and-tested 4+2 strategy remains the foundation for growth. This strategy has been refined in the recent years

of crisis and has evolved into a stakeholder value strategy, reflecting the importance of all of the company's major stakeholders. This strategy consists of four basic approaches: the property management strategy, the financing strategy, the portfolio management strategy and the Value-add strategy. Vonovia pursues the two complementary approaches – acquisitions and internationalization – opportunistically.

For the purposes of **managing** the company, we make a distinction between the segments Rental, Value-add, Recurring Sales and Development.

The **Rental segment** combines all of the business activities that are aimed at the value-enhancing management of our own residential real estate. It includes our property management activities in Germany, Austria and Sweden.

The **Development segment** encompasses project development activities to create new and cost-efficient homes, and expands the value chain ranging from the purchase of land to completion for Vonovia's own portfolio (to hold) and sale (to sell).

The **Value-add segment** bundles all of the housing-related services that we have expanded our core rental business to include. The established Value-add service areas include the craftsmen's organization, the residential environment organization, multimedia services, energy services and metering services, and insurance services. Having its own organization allows Vonovia to provide maintenance services, in particular, throughout the portfolio in a flexible manner, making the homes it offers more attractive and boosting customer satisfaction.

The **Recurring Sales segment** includes the regular and sustainable disposals of individual condominiums and single-family houses from our portfolio. Vonovia can reinvest some of these sales proceeds in modernizing its core portfolio, straightening its internal financing power.

Vonovia's size and innovative technologies mean that it can continue to make a key contribution to solving the housing shortage problem in Germany and to decarbonizing the building sector. With this in mind, the corporate strategy has been refined in recent years, in an environment characterized by a higher cost of capital and lower share prices, to enable the company to achieve this objective.

The new growth strategy ("Accelerate") was published in 2025 to respond to market changes and to develop new sources of revenue. The resulting growth initiatives have been gradually implemented since the strategy was un-

veiled. What all of these initiatives have in common is that they are based on standardized and scaled business processes. They enable the company to expand its business relationships with existing end customers (B2C) on the one hand, and to explore new business areas in the commercial customer segment (B2B) on the other.

The strategic growth initiatives focus on three areas: **Return to performance** is about strengthening the company's core business and growth in **Development**, within **VTS** (Vonovia technical service) and in **Recurring Sales**. The **Accelerated tech-supported investments** aim to significantly accelerate portfolio investments in line with Vonovia's climate path. Innovative technologies are transferred to industrial manufacturing processes through standardization and industrialization: serial refurbishment, heat pump cubes and Energy, Plan and Build.

New sources of growth explore new business models at all stages in the value chain. In this area, Vonovia has developed innovative ideas that significantly expand its existing business or extend it to include new areas with the Operate Energy, Manage to Green, Occupancy Rights and Operating Platform initiatives. The HR strategy supports growth initiatives and their implementation as an enabler.

Further details on the business model and strategy can be found in the chapters entitled → **The Company** and → **The Strategy** within the management report.

We disclose the number of employees in Germany, Austria and Sweden in section → **S1-6**.

Our Sustainability Strategy for the Future

The considerable social relevance of housing and the need to adapt to climate change mean that all aspects related to sustainability are an integral part of the business model. Sustainability is thus a key component of our corporate strategy and orientation. Vonovia is working towards specific targets in the three areas of environmental (E), social (S) and governance (G):

As far as its **environmental** targets are concerned, our aim is to make the business model future-fit in the long run by using sustainable new construction and refurbishment approaches and CO₂ reduction in the real estate portfolio to achieve the current climate protection objectives by 2045 and using innovations and new technologies to contribute to a climate-neutral housing stock.

When it comes to **social** concerns, we assume responsibility towards customers and society by providing affordable housing that meets people's needs and being committed to

Aspects of Sustainability at Vonovia

E Environmental	S Social	G Governance
<p>Contribution to climate protection and reducing CO₂ in both the housing stock and new construction.</p>	<p>Responsibility towards tenants and society through fair prices, housing that meets people's needs and future-fit neighborhood development.</p> <p>Attractive and fair working environment for our diverse workforce.</p>	<p>Sustainable governance and responsible business practices with reliable compliance.</p>

future-fit neighborhood development. At the same time, we want to boost satisfaction among our employees by promoting diversity, opportunities for participation and professional development, and work-life balance, positioning ourselves as an attractive employer in the process.

With regard to **governance**, our aim is to ensure sustainable corporate management and responsible business practices with a reliable compliance system. These targets have a positive impact on the working atmosphere and, as a result, directly affect our employees, as well as being consistent with the objectives of the capital market.

Vonovia's business model addresses the socio-political challenges of housing shortages, affordable housing and climate protection, which we are aiming to make a decisive contribution to with our sustainability targets. When we talk about **affordable housing**, we mean that our rental prices are based on local rent prices, and, if available, on certified rent indices. We base our approach on the ratio of the average rent excluding ancillary expenses in our portfolio to the average net income of tenant households, which was below 30% at Vonovia during the reporting period.

Our efficient organizational model, satisfied and high-performing employees, optimized processes, committed service and customer orientation, and a profitable investment strategy that focuses on climate protection lay the foundation for a sustainable business while safeguarding our legitimate interests as a private-sector company. The importance of our sustainability targets is reflected in the fact that they have a direct impact on the remuneration paid to our Management Board and top management via the SPI.

Information on our progress as we work toward achieving our objectives can be found in → **ESRS 2 GOV-3**.

Through the preparation of the materiality assessment in accordance with the ESRS and identifying the opportunities and risks, as well as the impacts that the company's activities have on stakeholders, transparency has been enhanced, laying the foundation for even more integrated business activities.

E: We are faced with the challenge of achieving a climate-neutral housing stock by 2045. To achieve this transformation and ensure that the commercial implementation is successful, we require a high level of refurbishment within the portfolio, industrialized technologies and decentralized use of renewable energies for heating and power in line with our climate pathway. The neighborhood is the main implementation level for climate protection targets and carbon reduction in the housing portfolio. Around 77% of Vonovia's strategic real estate portfolio is located in contiguous urban quarters, i.e., neighborhoods that generally include more than 150 apartments. Cost-effective and series new construction, as well as the use of renewable energies and sustainable materials, play an important role in new construction and conversion.

S: We are confronted with the challenge of providing affordable housing for as many people in society as possible. To rise to this challenge and achieve our targets, we rely on socially responsible, transparent rents. We see the expansion of housing tailored to tenants' needs against the backdrop of demographic change, social infrastructure incorporating innovations and new technologies as an integral part of our neighborhood development projects. We aim to design urban, environmentally friendly and affordable housing in a socially responsible manner. A sufficient supply of qualified expert staff is essential for our business activities and growth, especially given the skilled-labor shortage. This is why we offer our employees an attractive working environment characterized by diversity and scope for personal development.

G: Another challenge facing us lies in ensuring that our compliance and corporate cultures are always consistent with current (legal) requirements. Within this context, we stand behind our reliable, transparent and trust-based corporate management, which 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.

In terms of the direction of its sustainability strategy, Vonovia is guided by national and international standards and frameworks, such as the German Federal Climate Change Act (Klimaschutzgesetz), the Paris Agreement, the Sustainable Development Goals, the UN Global Compact and the United Nations Guiding Principles on Business and Human Rights.

The results of the ESRS materiality assessment underscore and confirm the orientation of our sustainability strategy and areas for action. As a result, we report the following as material topics: E1, E5, S1, S4 and G1 (see → [ESRS 2 SBM-3](#))

The **value chain** comprises the upstream supply chain, our own operations and the downstream stages. Our core activities include construction, rental and management activities, including neighborhood development and customer service, as well as the provision of housing-related services.

Relevant inputs include construction products and materials, as well as (human) capital; outputs include affordable homes, neighborhoods with a good residential atmosphere, new construction as well as property-related services (energy supply, multimedia, metering services, insurance, condominium administration). As part of our insourcing strategy, we employ specialists in our own business areas, for example in the caretaker organization, in modernization projects or in green space maintenance. This allows us to generate synergy potential, make ourselves largely independent of external service providers and offer a consistent level of quality. Our central, multilingual customer service department acts as the first port of call for our tenants, whereas our caretakers and craftsmen look after the needs of customers on location. This allows us to ensure fast and reliable service. We run our own customer service centers in Essen, Dresden and Berlin.

Upstream of our own value chain, our supply chain starts with the production of construction products and materials. Vonovia works with over 9,000 direct suppliers (tier 1) and business partners. Almost all of our direct suppliers are based in Germany, Austria or Sweden. An important supplier group is the (construction) material suppliers and construction companies who supply Vonovia's craftsmen's organization (VTS and Residential Environment Service) and BUWOG with construction products, among other things, or build our new homes. The contractual partners who implement maintenance measures, for instance, on our behalf are another relevant group. The sale of our buildings, building demolition and the disposal of our customers' waste and wastewater form part of our downstream value chain.

In line with our target of ensuring the company has good **access to the capital market**, ensuring that it focuses on sustainability and generating attractive returns for our investors relative to risk, Vonovia uses a broad range of financing instruments, such as bonds, promissory notes, secured real estate loans, commercial papers, working capital facilities and subsidy loans from the German government-owned development bank Kreditanstalt für Wiederaufbau (KfW) and the European Investment Bank (EIB) (see also the chapter entitled → [Financing](#)). Our 12 outstanding sustainable bonds, four of which we placed successfully on the capital market for the first time in 2025, meet the demand for both green and social bonds – and play a crucial role in our financing strategy. All of our green bonds are aligned with the EU Taxonomy.

ESRS – Stakeholders in the Value Chain

(Activities, resources and relationships)

	Activities	Resources*	Relationships
Upstream	<ul style="list-style-type: none"> > Raw materials/materials from suppliers > Delivery and logistics > Political engagement/lobbying > Planning > Approval procedure > Involvement and participation 	<ul style="list-style-type: none"> > Natural resources <ul style="list-style-type: none"> - Water - Raw materials/materials (construction sector) > Non-employee workers > Logistics and infrastructure 	<ul style="list-style-type: none"> > Suppliers/other companies > Politics > Residents > Potential tenants/customers > NGOs > Financing/capital market
Business area	<ul style="list-style-type: none"> > Rental; use by tenants > Customer services/management platform > Portfolio development <ul style="list-style-type: none"> - Development/construction activities - Neighborhood development - Maintenance & modernization - Residential environment > Energy generation & supply multimedia 	<ul style="list-style-type: none"> > Human resources <ul style="list-style-type: none"> - The company's own employees > Social resources <ul style="list-style-type: none"> - Non-employee workers - Public infrastructure 	<ul style="list-style-type: none"> > The company's own employees > Tenants (users/end users) > Buyers and residents > Media > NGOs, associations, community > Financing/capital market > Suppliers/other companies
Downstream	<ul style="list-style-type: none"> > Sale > Demolition > Disposal/recycling > Redesign > Use by tenants (users/end users) 	<ul style="list-style-type: none"> > Secondary/recycling materials > Waste/effluents > Logistics/infrastructure > Energy > Land use/design > Non-employee workers 	<ul style="list-style-type: none"> > Buyers (WEG [German Condominium Act]) > Social/legal (liability) > Suppliers/other companies > Tenants (users/end users)

* ESRS 1, paragraph 50: Dependencies on natural, human and social resources can be sources of financial risks or opportunities.

With our Sustainable Finance Framework, we have contributed to the definition and selection of social assets on the Swedish market. The criterion logic we use as well as the specific criteria we selected in this context have already been adopted by other issuers on the market. We have published our Sustainable Finance Framework, the annual impact report evaluating the effectiveness of our measures and further information about our sustainable financing strategy on our Group website.

SBM-2 – Interests and Views of Stakeholders

Our company is in close contact with numerous, and in terms of their interests, very different stakeholder groups. Particularly **important stakeholder groups**, other than our tenants/customers (and those representing them), include our own employees, shareholders and analysts, policy-makers and administrative bodies, suppliers and service providers – particularly from the construction industry – as well as society and the natural environment.

Stakeholders are involved using specific formats, depending on the group concerned, such as quarterly customer surveys and annual employee surveys, dialogue sessions with tenant representatives, local administrative bodies, policymakers as well as memberships in industry associations. These external perspectives are incorporated into the materiality

assessment on a regular basis. Please refer to → **S1-2** for information on how we involve our employees and their representatives.

Our main interface **for dialogue** with our stakeholders is our **Corporate Communications department**. It is directly available for stakeholders every day and ensures a uniform internal and external presentation. The Public Affairs department within Corporate Communications maintains connections with politicians and stakeholders. This department is responsible for analyzing who our material stakeholders are, and updating the analysis annually. As part of this process, it takes into account the interests of the key stakeholders, their positioning in the strategy and the business model. In addition, our departments or the local employees working in operations in the neighborhoods react to specific and target Group-related communication occasions and engage in dialogue with our stakeholders. This allows us to meet the needs and fulfill the demands of our stakeholders. For instance, the Procurement department handles communication with suppliers and service providers, while the Investor Relations department is responsible for dialogue with shareholders and analysts.

When designing our development and neighborhood development projects, engagement is also fostered by the provision of information at an early stage, as well as by opportunities to actively participate in the development process. Within this context, we first of all adhere to the statutory requirements for civic participation in development planning and, second, use various voluntary participatory processes to take into account the interests of the parties involved and ensure the necessary transparency.

Our quarterly customer surveys allow us to ask our tenants about their concerns and tailor our measures to the needs of specific neighborhoods or regions. We also provide information on topics relevant to our customers on our website and via the customer app.

The interests and viewpoints of our major stakeholders were analyzed and evaluated at a general level as part of the materiality assessment, for example the interests of the German Tenants' Association. Interests and viewpoints at local level may differ from these. The local participation processes can be used to help us address these different interests and – in line with our strategy and business model – translate them into measures.

This process is not designed to result in any changes to our strategy and/or business model, as the participation processes are suitable for addressing and taking into account the interests of local stakeholders in the context of the existing strategy/business model.

The Strategy, Finance and Sustainability Committee of the Supervisory Board advises the Management Board on the sustainability strategy. This committee, which met 11 times in 2025, provides the entire Supervisory Board and the Management Board with information on the interests and views of the stakeholders concerned.

Topical Disclosures on SBM-2

ESRS S1 – Own Workforce

For details on how the interests, views and rights of our employees inform our strategy and business model, please refer to → **S1-1** and → **S1-2**. Our Group-wide employee satisfaction survey and our individual and team-based feedback formats give our employees the opportunity to feed individual suggestions on relevant working areas and conditions back to their employer. Core aspects of the feedback are taken into account systematically in the enhancement of Vonovia's HR strategy.

ESRS S4 – Consumers and End-Users

Our customers make up one of our major stakeholder groups. Their concerns, interests and viewpoints as well as respect for their (human) rights are a central component of our strategic focus. These rights are already covered and protected to a considerable degree by the legal framework in the markets in which we operate (Germany, Austria and Sweden). For details on how the interests, views and rights of consumers and end-users inform our strategy and business model, please refer to → **S4-1** and → **S4-2**.

Their interests and views are incorporated into our strategy and the direction of our business model through regular customer surveys and dialogue with tenant representative bodies, tenants' associations and consumer protection centers. On a local scale, we also actively involve customers in the design of our neighborhoods via participation processes if need be. We use this feedback to develop corresponding services and measures for our (potential) customers.

SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

Mapping of IROs to Subtopics

Material subtopic	IRO title	Risk/opportunity/ impact (actual/potential; positive/negative)	Time horizons: (S)hort-, (M)edium-, (L)ong-term	Value chain: (U)pstream, (O)wn operations (D)ownstream
ESRS E1 - Climate Change				
Climate change mitigation	Contribution to the global increase in greenhouse gas emissions	Impact (actual/negative)	S, M, L	U, O, D
	Earnings potential through investments in modernization, heat pump cubes, serial refurbishment and PV expansion	Opportunity	M, L	U, O, D
	Contributing to negative effects of climate change through new construction and densification	Impact (actual/negative)	M, L	O, D
Climate change adaption	Contribution to urban climate resilience through climate change adaptation measures in the portfolio	Impact (actual/positive)	M, L	O, D
E5 - Resource Use and Circular Economy				
Resources inflows, including resource use	Contribution to resource consumption	Impact (actual/negative)	S, M, L	U
ESRS S1 - Own Workforce				
Working conditions	Employee satisfaction due to fair remuneration	Impact (actual/positive)	S	O
	Employee satisfaction based on work-life balance	Impact (actual/positive)	S	O
	Employee satisfaction through opportunities for participation	Impact (actual/positive)	S	O
	Lower employee turnover and targeted recruitment of skilled workers through working conditions that are tailored to the needs of employees and the company	Opportunity	M	O
	Lack of a sense of belonging due to insufficient promotion of diversity	Impact (actual/negative)	M	O
Equal treatment	Employee satisfaction through professional development opportunities	Impact (actual/positive)	S	O
ESRS S4 Consumers and End-Users				

	Contribution to affordable homes	Impact (actual/positive)	S	O
	Housing tailored to tenants' needs	Impact (actual/positive)	S	O, D
	Influence of accessibility and service quality on customer satisfaction	Impact (actual/positive)	S	O
Social inclusion of consumers and/or end-users	Increased quality of living for tenants through contribution to neighborhood development and infrastructure	Impact (actual/positive)	S	O, D
ESRS G1 - Business Conduct				
Corporate culture	Positive impacts on employees through the Code of Conduct and the development of a corresponding corporate culture	Impact (actual/positive)	S	O
Corruption and bribery	Violations of applicable bribery and corruption regulations undermine the confidence of relevant stakeholders in the integrity of the company	Impact (actual/negative)	M	O

[IRO-1 – Description of the Process to Identify and Assess Material Impacts, Risks and Opportunities](#)

Vonovia identifies material impacts, risks and opportunities (IROs) as part of a double materiality assessment in accordance with the ESRS, which was updated for the first time this year. Necessary adjustments are identified, by way of example, using benchmarking, in particular with the company's peers in the real estate sector, but also with other relevant (DAX-listed) companies. In addition to the information from the existing materiality assessment, the IROs were also identified based on the risks already identified by Vonovia's risk management system, as well as an extensive analysis of other external sources (e.g., position papers published by stakeholders).

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

- > The relevance of social and environmental risks and opportunities to the business and value creation (outside-in perspective or **financial materiality**) as well as
- > the actual or potential, positive or negative, short, medium or long-term impacts of the business model on the environment and society (inside-out perspective or **impact materiality**).

The ESRS methodology was applied to identify and evaluate the **impacts** and corresponding **risks** and **opportunities**. Ultimately, the following reporting standards were considered material for the purposes of reporting: E1, E5, S1, S4 and G1. The results of the IRO assessment underscore Vonovia's sustainability strategy and its material areas for action.

IROs were identified and assessed on a consolidated basis for the Group as a whole and at all stages in its value chain using the criteria specified in the ESRS (in accordance with ESRS 1, Sections 3.4, 3.5). When identifying and assessing IROs in the upstream and downstream value chain, we focused, in line with ESRS 1 Section 3.3, on areas where impacts, risks and opportunities are considered likely due to the nature of the activities concerned, (direct and indirect) business relationships, geographical circumstances or other factors.

The IROs identified were then validated in workshops organized with the relevant stakeholders (see → [ESRS 2 SBM-2](#)).

Appropriate **thresholds** were defined in order to determine which impacts are to be taken into account in Vonovia's sustainability statement. Based on the "more likely than not" concept for financial materiality, Vonovia also used this as a guide for setting the **impact materiality threshold**. Decisions on materiality are based on the result produced from the probability of occurrence and severity (impact score). This results in a threshold value of 3.0 for Vonovia, based on a predefined scale of 1-5. The resulting material impacts are prioritized for monitoring purposes.

Vonovia uses the risk management system that has already been implemented to determine the appropriate threshold for **financial materiality** in order to ensure connectivity. The risk matrix was used as a basis to determine which risks arising from the identified impacts are material and should thus be prioritized in monitoring and reporting. Numerical values were assigned to this matrix. The severity of materialization and the probability of occurrence were given the same weighting. A threshold for material financial risks and opportunities of one or more was set as a result of this process.

Vonovia has calculated a value (score) for each IRO based on the formulas described above. The score for each IRO is also calculated based, among other things, on the company's own risk management system and other projects (German Supply Chain Diligence Act (LkSG)), ensuring consistency in the strategic consideration, prioritization and reporting of all material risks for Vonovia, including sustainability risks. The IROs identified were assigned to the relevant subtopics within the associated ESRS standard. All IROs identified were then added to our risk management tool to ensure continuous monitoring and prioritization, as with all other material risks for Vonovia.

The IROs identified, and their assessment, are reviewed for the current fiscal year by internal experts from the respective departments as part of the existing risk survey process, before being supplemented and validated if necessary. This survey is integrated into Vonovia's existing risk management tool. Strategy, Corporate Development & Sustainability checks whether the new assessments have resulted in changes in materiality, and monitors the results. The Sustainability Committee reviews and adopts the results of the materiality assessment.

In the current reporting year, Vonovia adjusted its methodology and switched from the average value method to the **maximum value method**, which is more common practice on the market. The average value method involved calculating an average value based on the underlying IRO scores to determine the materiality of each subtopic. This calculation of the average value formed the basis for identifying the topics that were material from Vonovia's perspective. This procedure has been simplified and standardized with the introduction of the maximum value method, meaning that the assessment of the individual IROs determines materiality in accordance with the defined threshold value. The adjusted methodology ensures that a single IRO above the defined threshold leads to a topic being classified as material and, as a result, reported in the relevant scope. This process also involved raising the threshold for impact materiality from 2.5 to 3.0 in order to ensure consistent content during the methodological switch. Compared to the previous year, all material topics are still classified as material based on the maximum value method, with one additional material IRO in ESRS E5.

Topical Disclosures on IRO-1

The general information on our materiality assessment set out under → **ESRS 2 IRO-1** above also applies accordingly to the (sub)topics in standards E1-E5 and G1.

E1 - Climate Change

In order to assess Vonovia's impact on climate change, the company introduced a comprehensive **energy and GHG controlling system** several years ago. This system includes the energy consumption and GHG emissions of all of Vonovia's own office sites, its own operations as well as the entire housing stock. Indirect effects at other stages in the value chain are also captured if they are material. The results of this process are set out in → **E1-6**.

In order to determine the positive impact that our modernization measures have, the difference in energy consumption before and after the measures is determined for each measure, and the savings and GHG reductions achieved are also measured.

We have established a **life cycle calculation** as a firm component of the planning process for our development projects. This enables our planning departments to determine the carbon footprint of the planned development and new construction projects early on in the project planning and include this in their design.

Since 2022, Vonovia has been using an **IT tool in accordance with EU taxonomy requirements** in order to identify and analyze the physical risks associated with climate change. This climate risk tool covers Vonovia's portfolio and development projects in Germany, Austria and Sweden and allows material negative impacts on our business activities due to the effects of climate change to be analyzed at portfolio and property level. This tool enables physical climate risks to be identified and evaluated for the location of each building in the Group-wide portfolio on a continuous basis using the prescribed climate scenarios (RCP2.6, RCP4.5 and RCP8.5), with this data then being aggregated at portfolio level. This does not cover the upstream or downstream value chain. The impacts are assessed with a view to the medium term (up to 2030) and long term (2045 and 2085) in order to cover the lifespan of both existing buildings and new buildings, which is assumed as 50 years. The scenarios considered range from scenarios with low emissions (RCP2.6) and medium emissions (RCP4.5) to high emissions (RCP8.5). The climate risks examined are heat, drought, increases in precipitation, wind and storms, snow loads and flooding. The risk assessment at company level is based on scenario RCP4.5, which, according to the United Nations (UNEP Emissions Gap Report 2023), represents an increase of around 2 to 3 degrees Celsius in the global average temperature. In this scenario, no material risk has been identified for

any of the climate-related hazards at portfolio level up to 2045.

Climate transition risks and opportunities in our own business, as well as in the upstream and downstream value chain, are identified via the central risk management process. As part of the risk management process, risk owners assess the transition risks and opportunities (related to factors including regulation, legal liability, and technological and market changes, as well as the company's reputation) and use various scenarios, where available, for the risk being evaluated or the factors influencing it. The transition risks and opportunities are assessed over a period of five years as a mandatory requirement. If a risk or opportunity also has a long-term impact, i.e., extending beyond the five-year period, then the relevant period also has to be specified and a qualitative assessment performed. Both gross and net risks (i.e., with and without risk-mitigating measures) are taken into account. The knowledge currently available suggests that the risks assessed do not have any accounting-related implications from either a gross or net perspective. No assets or business activities were identified as incompatible with the transition to a climate-neutral economy.

Procedure for Standards E2 to E5

Our materiality assessment involved reviewing our business activities in our business regions of Germany, Austria and Sweden as well as within our upstream and downstream value chain in order to identify (potential) impacts, risks and opportunities. Our business activities were also analyzed as follows for the topics E2 to E5:

E2 - Pollution

In the context of our business activities, local and temporary **construction, demolition and modernization activities** are performed on a regular basis at properties in all business regions. These activities can lead to pollution (e.g., pollution of air, groundwater contamination, negative effects on flora and fauna). Substances of concern in new or existing buildings can also result in environmental contamination. We have not identified any locations in our value chain that give rise to such problems.

Impacts on the environment and human health were classified as low in all business regions, as there are **standard processes** in place for handling substances of very high concern and regulatory requirements governing or prohibiting their use (e.g., the German Hazardous Substances Ordinance (Gefahrstoffverordnung)). Any potential pollution in the construction industry is only localized and has a minor, short-term impact. In order to avoid and prevent pollution (EU environmental objective 5), compliance with certain EU directives must be ensured. Substances of very

high concern (SVHC) are generally not present in the building materials used (see also the chapter on the → [EU Taxonomy Regulation](#)). No material dependencies have been identified.

There are potential cost risks associated with possible environmental pollution resulting from construction, demolition and modernization activities, from potential regulatory changes or failure to comply with such requirements, and from the use of substances of very high concern in new construction. These risks, however, were not classified as material. This means that overall, environmental pollution has not been classified as a material topic.

E3 – Water and Marine Resources

Our business activities can result in increased water consumption as a result of **construction activities or use of water by our customers**, leading to an increasing scarcity of water and lowering the groundwater table. Increased water consumption can also occur in the upstream value chain (e.g., in the production of building materials). No locations were identified in connection with marine resources and river basins in our business operations or in the value chain, as our properties (particularly our neighborhoods) are largely located in urban areas, which is where our construction activities are also performed.

The impacts on water resources were classified as very low, as the **influence** on groundwater, if any, is only **temporary**, for example during the construction phase or potentially in the future due to droughts, and is limited to specific **local areas**. We also consider increased water consumption by customers to be temporary (e.g., in periods of extreme heat) and not material to date. Consequently, we do not exert any general influence over water scarcity.

In particular, there is an opportunity to make long-term cost savings by implementing measures to save water. This opportunity, however, was not classified as material. No (significant) physical risks, transition risks or systemic risks were identified in this context. Acute physical climate risks related to water are addressed in → [ESRS E1](#). Overall, water and marine resources has not been classified as a material topic.

E4 – Biodiversity and Ecosystems

In the course of our business activities, **soil sealing** for residential construction measures and the development of new areas could have a negative impact on the habitat of regional species. The same applies to the downstream value chain when buildings are demolished. Identifying and assessing (potential) impacts on biodiversity and ecosystems forms an integral part of process involved in planning new construction projects. The associated risk assessments

include analyses of the existing land for construction, as well as biodiversity reports for flora and fauna. Woodland surveys are also used to determine the health and conservation value of existing trees.

The impacts on biodiversity and ecosystems were classified as low, as new construction and densification measures are generally performed in **areas with relatively low levels of biodiversity** (urban cultural landscape, brownfield (re)development). This impact on biodiversity is also very localized, as Vonovia's sphere of influence does not extend beyond the neighborhood concerned. What is more, there are regulations in place to protect and restore biodiversity. There are no material dependencies.

Vonovia has not identified any physical risks, transition risks, systemic risks or opportunities related to biodiversity and ecosystems. As a result, no material opportunities or risks have been identified either. According to the tool ENCORE, used to identify material dependencies and impacts related to biodiversity and ecosystems, there are no material impacts in the real estate sector that could exert significant pressure on ecosystems. As a result, biodiversity and ecosystems has not been classified as a material topic.

Vonovia does not have any locations in, or close to, areas with biodiversity in need of protection. These primarily consist of existing residential buildings and rental parking spaces, meaning that activities related to these locations do not impact the habitat of species for which the respective protected areas were designated. Our new construction is built in compliance with the EU taxonomy, meaning that these buildings are not constructed on valuable agricultural and cultural land, recognized high-value underdeveloped areas or forests. We therefore do not consider remediation measures regarding biodiversity to be necessary.

E5 – Resource Use and Circular Economy

The process of identifying and assessing the material impacts, opportunities and risks associated with resource use and the circular economy looked at those business areas and assets associated with **significant material flows**. The assumption was applied that significant resource use occurs primarily in connection with products for new construction, modernization and maintenance activities concerning properties in all of our business areas (Germany, Austria, Sweden). This assessment is based on factors including the existing calculation of GHG emissions for purchased goods and services as well as capital goods (Scopes 3.1 and 3.2), and the average number of rented units that were newly built or modernized every year. Material flows associated with the company's own operations, e.g., administrative activities, were assessed as insignificant.

The process revealed material negative impacts in connection with the subtopic “**Resource inflows, including resource use,**” as indirect negative environmental impacts (e.g., high volumes of waste, use of hazardous substances and interference with nature and the landscape) can materialize if no, or insufficient quantities of, sustainable, recycled and reusable products or materials are used in new construction, modernization and maintenance. This applies in particular to the use of construction products and materials whose manufacture in the value chain involves the use of raw materials from primary production (e.g., concrete, steel, stone, insulation materials and plastics).

Newly built living area that is constructed to be sold contains resources that constitute an inflow, but are designed for a very long life. The life cycle of new buildings is assumed to be at least 50 years on average, but can often amount to 100 years or even more with regular modernization and maintenance. The assessment concluded that **no significant resource outflows/waste** are/is generated over these long periods. Any additional negative impacts associated with new construction, modernization and maintenance (such as the potential contribution to surface sealing, climate change or a negative impact on biodiversity) have already been incorporated into the assessments under E1, E2, E3, and E4.

Our customers are always informed of any necessary construction, demolition and modernization activities. The relevant city or municipal administrative bodies and their responsible authorities also have to be involved as a mandatory requirement. In cases involving new buildings, all affected residents are involved in the process before any measures are implemented to comply with both mandatory and voluntary consultation procedures. Aside from involvement in the context of specific construction measures, our customers can also raise concerns relating to environmental pollution, water and marine resources, and the residential environment, as well as resource use and circular economy, at any time as part of our regular customer satisfaction surveys, via our customer service centers, the respective caretakers, and other whistleblowing channels.

G1 - Business Conduct

Our IT **risk management tool Risk2Value** is used to capture and assess risks of corruption and bribery, as well as risks related to corporate culture, for the entire Vonovia Group as part of a systematic, standardized process, ensuring 100% coverage across all Group companies in Germany and abroad. Appropriate measures are identified based on the risks that are identified and assessed. No material opportunities or risks have been identified. Our business partners are obliged to sign our Business Partner Code, in which we set out our expectations and requirements that our contractual partners have to meet, before any contracts are concluded. The potential risks resulting from breaches committed by contractual partners in our value chain are included in the risks recorded in the Risk2Value tool.

IRO-2 – Disclosure Requirements in the ESRS Covered by the Company’s Sustainability Statement

The table below sets out the disclosure requirements that were taken into account when preparing the sustainability statement based on the results of the materiality assessment:

Disclosure Requirement

Disclosure requirement	Description	Reference
ESRS E1 - Climate Change		
ESRS E1-1	Transition plan for climate change mitigation	E1-1
ESRS E1-2	Policies related to climate change mitigation and adaptation	E1-2
ESRS E1-3	Actions and resources related to climate change policies	E1-3
ESRS E1-4	Targets related to climate change mitigation and adaptation	E1-4
ESRS E1-5	Energy consumption and mix	E1-5
ESRS E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	E1-6
E5 - Resource Use and Circular Economy		
ESRS E5-1	Policies related to resource use and circular economy	E5-1
ESRS E5-2	Actions and resources related to resource use and circular economy	E5-2
ESRS E5-3	Targets related to resource use and circular economy	E5-3
ESRS E5-4	Resource inflows	E5-4
ESRS S1 - Own Workforce		
ESRS S1-1	Policies related to own workforce	S1-1
ESRS S1-2	Procedures for engaging with own workforce and workers’ representatives about impacts	S1-2
ESRS S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	S1-3
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	S1-4
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	S1-5
ESRS S1-6	Characteristics of the undertaking’s employees	S1-6
ESRS S1-7	Characteristics of the undertaking’s non-employees	S1-7
ESRS S1-8	Collective bargaining coverage and social dialogue	S1-8
ESRS S1-9	Diversity metrics	S1-9
ESRS S1-10	Adequate wages	S1-10
ESRS S1-11	Social protection	S1-11
ESRS S1-12	Persons with disabilities	S1-12
ESRS S1-13	Training and skills development metrics	S1-13
ESRS S1-15	Work-life balance metrics	S1-15
ESRS S1-16	Remuneration metrics (pay gap and total remuneration)	S1-16
ESRS S1-17	Incidents, complaints and severe human rights impacts	S1-17
ESRS S4 - Consumers and End-Users		
ESRS S4-1	Policies related to consumers and end-users	S4-1
ESRS S4-2	Processes for engaging with consumers and end-users about impacts	S4-2
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	S4-3
ESRS S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	S4-4
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	S4-5
ESRS G1 - Business Conduct		
ESRS G1-1	Business conduct policies and corporate culture	G1-1
ESRS G1-3	Prevention and detection of corruption and bribery	G1-3
ESRS G1-4	Incidents of corruption or bribery	G1-4

The table below lists all of the datapoints included in this sustainability statement that result from other EU legislation – as listed in Annex B to this standard:

Disclosure Requirements and Related Datapoints

Disclosure requirement and related datapoint	Reference
ESRS 2 GOV-1 (ESRS 2.21 (d)) Board's gender diversity	GOV-1
ESRS 2 GOV-1 (ESRS 2.21 (e)) Percentage of board members who are independent	GOV-1
ESRS 2 GOV-4 (ESRS 2.30) Statement on due diligence	GOV-4
ESRS 2 SBM-1 (ESRS 2.40 (d) (i)) Involvement in activities related to fossil fuel activities	not material
ESRS 2 SBM-1 (ESRS 2.40 (d) (ii)) Involvement in activities related to chemical production	not material
ESRS 2 SBM-1 (ESRS 2.40 (d) (iii)) Involvement in activities related to controversial weapons	not material
ESRS 2 SBM-1 (ESRS 2.40 (d) (iv)) Involvement in activities related to cultivation and production of tobacco	not material
ESRS E1-1 (ESRS E1.14) Transition plan to reach climate neutrality by 2050	E1-1
ESRS E1-1 (ESRS E1.16 (g)) Undertakings excluded from Paris-aligned Benchmarks	not material
ESRS E1-4 (ESRS E1.34) GHG emission reduction targets	E1-4
ESRS E1-5 (ESRS E1.38) Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	E1-5
ESRS E1-5 (ESRS E1.37) Energy consumption and mix	E1-5
ESRS E1-5 (ESRS E1.40 to 43) Energy intensity associated with activities in high climate impact sectors	E1-5
ESRS E1-6 (ESRS E1.44) Gross Scopes 1, 2, 3 and Total GHG emissions	E1-6
ESRS E1-6 (ESRS E1.53 bis .55) Gross GHG emissions intensity	E1-6
ESRS E1-7 (ESRS E1.56) GHG removals and carbon credits	not material
ESRS E1-9 (ESRS E1.66) Exposure of the benchmark portfolio to climate-related physical risks	Phase-In
ESRS E1-9 (ESRS E1.66 (a)) Disaggregation of monetary amounts by acute and chronic physical risks	Phase-In
ESRS E1-9 (ESRS E1.66 (c)) Location of significant assets at material physical risk	Phase-In
ESRS E1-9 (ESRS E1.67 (c)) Breakdown of the carrying value of its real estate assets by energy-efficiency classes	Phase-In
ESRS E1-9 (ESRS E1.69) Degree of exposure of the portfolio to climate-related opportunities	Phase-In
ESRS E2-4 (ESRS E2.28) Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	not material
ESRS E3-1 (ESRS E3.9) Water and marine resources	not material
ESRS E3-1 (ESRS E3.13) Dedicated policy	not material
ESRS E3-1 (ESRS E3.14) Sustainable oceans and seas	not material
E3-4 (ESRS E3.28 (c)) Total water recycled and reused	not material
ESRS E3-4 (ESRS E3.29) Total water consumption in m ³ per net revenue on own operations	not material
ESRS 2 - SBM-3 - E4 (ESRS 4.16 (a) (i))	not material
ESRS 2 - SBM-3 - E4 (ESRS 4.16 (b))	not material
ESRS 2 - SBM-3 - E4 (ESRS 4.16 (c))	not material
ESRS E4-2 (ESRS E4.24 (b)) Sustainable land/agriculture practices or policies	not material
ESRS E4-2 (ESRS E4.24 (c)) Sustainable oceans/seas practices or policies	not material
ESRS E4-2 (ESRS E4.24 (d)) ESRS E4-2 Policies to address deforestation	not material
ESRS E5-5 (ESRS 5.37 (d)) Non-recycled waste	not material
ESRS E5-5 (ESRS 5.39) Hazardous waste and radioactive waste	not material
ESRS 2 SBM-3 - S1 (ESRS S1.14 (f)) Risk of incidents of forced labor	SBM-3 - S1
ESRS 2 SBM-3 - S1 (ESRS S1.14 (f)) Risk of incidents of child labor	SBM-3 - S1
ESRS S1-1 (ESRS S1.20) Human rights policy commitments	S1-1
ESRS S1-1 (ESRS S1.21) Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	S1-1
ESRS S1-1 (ESRS S1.22) Processes and measures for preventing trafficking in human beings	S1-1
ESRS S1-1 (ESRS S1.23) Workplace accident prevention policy or management system	S1-1
ESRS S1-3 (ESRS S1.32 (c)) Grievance/complaints handling mechanisms	S1-3

ESRS S1-14 (ESRS S1.88 (b) (c)) Number of fatalities and number and rate of work-related accidents	not material
ESRS S1-14 (ESRS S1.88 (e)) Number of days lost to injuries, accidents, fatalities or illness	not material
ESRS S1-16 (ESRS S1.97 (a)) Unadjusted gender pay gap	S1-16
ESRS S1-16 (ESRS S1.97 (b)) Excessive CEO pay ratio	S1-16
ESRS S1-17 (ESRS S1.103 (a)) Incidents of discrimination	S1-17
ESRS S1-17 (ESRS S1.104 (a)) Non-respect of UNGPs on Business and Human Rights and OECD guidelines	not material
ESRS 2 SBM-3 – S2 (ESRS S2.11 (b)) Significant risk of child labor or forced labor in the value chain	not material
ESRS S2-1 (ESRS 2.17) Human rights policy commitments	not material
ESRS S2.1 (ESRS S2.18) Policies related to value chain workers	not material
ESRS S2-1 (ESRS S2.19) Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	not material
ESRS S2-1 (ESRS S2.19) Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	not material
ESRS S2-4 (ESRS S2.36) Human rights issues and incidents connected to its upstream and downstream value chain	not material
ESRS S3-1 (ESRS S3.16) Human policy commitments	not material
ESRS S3-1 (ESRS S3.17) Non-respect of UNGPs on Business and Human Rights, ILO principles and OECD guidelines	not material
ESRS S3-4 (ESRS S3.36) Human rights issues and incidents	not material
ESRS S4-1 (ESRS S4.16) Policies related to consumers and end-users	S4-1
ESRS S4-1 (ESRS S4.17) Non-respect of UNGPs on Business and Human Rights and OECD guidelines	S4-1
ESRS S4-4 (ESRS S4.35) Human rights issues and incidents	not material
ESRS G1-1 (ESRS G1.10 (b)) United Nations Convention against Corruption	G1-1
ESRS G1-1 (ESRS G1.10 (d)) Protection of whistleblowers	not material
ESRS G1-4 (ESRS G1.24 (a)) Fines for violation of anti-corruption and anti-bribery laws	G1-4
ESRS G1-4 (ESRS G1.24 (b)) Standards of anti-corruption and anti-bribery	G1-4

The specialist departments responsible identified key information in relation to the impacts, risks and opportunities that were classified as material, and this information has been included in the sustainability reporting. Further information on the process involved in identifying material impacts, risks and opportunities can be found in section → **ESRS 2 IRO-1**. Regarding certain data points, we make use of the materiality exemption under ESRS 1, Section 3.2, and omit them from reporting. The decision to omit reporting for materiality reasons is made based on the significance of the respective information and its usefulness for the user in making decisions.

EU Taxonomy Regulation

Identification and Categorization of Economic Activities Eligible for Taxonomy

In accordance with the EU Taxonomy Regulation, we report on the proportion of our taxonomy-eligible and taxonomy-aligned turnover, capital expenditure and operating expenses. Vonovia uses the simplified reporting templates for non-financial companies in accordance with Delegated Regulation 2021/2178. Vonovia reports its activities in full, as in the previous year.

Vonovia has identified taxonomy-eligible activities under EU environmental objective 1 (climate change mitigation, CCM) in its business model. Some of these activities would also be taxonomy-eligible under EU environmental objective 4

(transition to a circular economy, CE). In order to avoid double counting, Vonovia allocates these in full to EU environmental objective 1. With regard to EU environmental objective 2 (climate change adaptation, CCA), we do not report any taxonomy-eligible activities, because we do not generate any turnover from eligible activities and do not allocate any separate CapEx (or OpEx) to this EU environmental objective in order to prevent double counting.

EU environmental objectives 3 (sustainable use and protection of water and marine resources, WTR), 5 (pollution prevention and control, PPC) and 6 (protection and restoration of biodiversity and ecosystems, BIO) do not result in any further taxonomy eligibility. Accordingly, and as in the previous year, **we have identified the following activities as being taxonomy-eligible:**

EU Taxonomy Criteria		Activities undertaken by Vonovia	Revenue	Investments	Operating expenses
CCM 7.1/CE 3.1	Construction of new buildings	Revenue from Development to sell	yes		
CCM 7.2/CE 3.2	Renovation of existing buildings	Investments for energy modernizations (7.2), Investments for refurbishments without energy-related effects (e.g., empty apartment refurbishments) (3.2)		yes	
CCM 7.3	Installation, maintenance and repair of energy efficiency equipment	Investments for measures that are not covered by 7.2 (e.g., heating modernization, insulation, window replacement)		yes	
CCM 7.4	Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Investments for charging stations and wall-boxes		yes	
CCM 7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Investments for metering technology and smart metering		yes	
CCM 7.6	Installation, maintenance and repair of renewable energy technologies	Investments for photovoltaic facilities		yes	
CCM 7.7	Acquisition and ownership of buildings	Revenue from rental income and recurring sales, investments for acquisitions, Development to hold and capitalized internal expenses without energy-related effects (e.g., major maintenance measures and vacant apartment renovations), operating expenses for non-capitalized maintenance (e.g., minor maintenance)	yes	yes	yes
CCM 4.1	Electricity generation using solar photovoltaic technology	Revenue from the sale of self-generated electricity to tenants and/or feed-in to the grid	yes		
CCM 3.3	Manufacture of low carbon technologies for transport	Investments for fleet		yes	
CE 1.2	Manufacture of electrical and electronic equipment	Investments for IT hardware equipment and other electronic operating and business equipment		yes	

Turnover from the condominium administration business, energy sales from energy trading activities, and multimedia is not taxonomy-eligible.

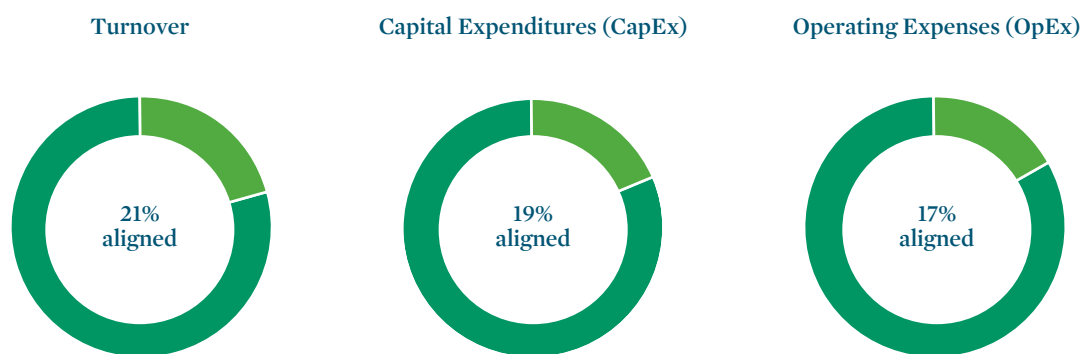
Vonovia is not affected by any economic activities related to energy generation from fossil gas or nuclear energy. As a result, Vonovia does not submit the specific reporting forms for these activities.

Procedure for Determining Taxonomy Alignment

At Group level, the following key figures are obtained from the taxonomy-aligned shares of turnover, capital expenditure and operating expenses, reported under EU environmental objective 1 (climate change mitigation).

The largest share of taxonomy-aligned turnover can be attributed to rental income from taxonomy-aligned buildings (activity 7.7). A large share of taxonomy-aligned capital expenditure is accounted for by the renovation of existing buildings (7.2) and investments in the portfolio and Development to hold (7.7 Acquisition and ownership of buildings).

Taxonomy-aligned Shares of Vonovia's Business Activities



Taxonomy-aligned Shares of Vonovia's Business Activities

Review of Substantial Contribution

Turnover associated with **new construction (activity 7.1)** is deemed taxonomy-aligned if the relevant buildings have a primary energy demand that is at least 10% below the national standard for nearly zero-energy buildings. Vonovia checks compliance by obtaining an energy performance certificate for each building. The relevant buildings undergo the thermal integrity and airtightness test. Where required to do so, Vonovia determines the global warming potential for each phase of the building life cycle (for buildings with an area of > 5,000 m²) using a model calculation of life cycle emissions based on emission factors that have been determined for different types of construction.

Turnover generated from the **acquisition and ownership of buildings (activity 7.7)** is deemed taxonomy-aligned if the buildings constructed before December 31, 2020 have been assigned to energy efficiency class A (or better) or, alternatively, are among the top 15% of regional or national housing stock in terms of primary energy demand in operation. Vonovia checks compliance by obtaining an energy performance certificate for each building. We base our assessment of the top 15% on relevant threshold values for primary energy demand for Germany, Austria and Sweden, which

were determined in a benchmark study. The threshold applied to the 2025 fiscal year is unchanged year on year. For buildings constructed after December 31, 2020, the same criteria for significant contribution to climate protection apply as for new construction (activity 7.1). Turnover from **electricity generation using solar photovoltaic technology (activity 4.1)** is treated as a direct climate change mitigation measure in the EU Taxonomy Regulation.

In accordance with Vonovia's business model, the **relevant criteria** for determining taxonomy-aligned capital expenditure stem from activities 7.2, 7.3, 7.4, 7.5, 7.6 and 7.7:

At Vonovia, capital expenditure associated with the **renovation of existing buildings (activity 7.2)** always relates to energy-efficient modernization. Vonovia verifies the required 30% reduction in primary energy demand through energy-efficiency assessments or based on energy certificates. Capital expenditure on heating modernization, charging stations and wall boxes, metering technology and smart metering, and photovoltaic systems is generally treated as a direct climate change mitigation measure and is allocated to activities 7.3, 7.4, 7.5, and 7.6.

Activity 7.7 "Acquisition and ownership of buildings" includes capital expenditure from acquisitions, Development

to hold, investments in, for example, refurbishment of vacant apartments or major maintenance measures, or other internal expenses that can be capitalized. These qualify as taxonomy-aligned if the building-related technical screening criteria are met. The relevant criteria for determining **taxonomy-aligned operating expenses** stem from activity 7.7. This is non-capitalized maintenance (usually minor maintenance). In addition to maintenance services provided by third parties, this also includes services provided internally by the company's own craftsmen's organization.

No detailed alignment review was performed for capital expenditure in connection with the purchase of electrical and electronic goods (1.2) or for the fleet (3.3), as the criteria would be difficult to meet and the effort involved would be disproportionate. Vonovia's fleet is gradually being switched to alternative drive systems; at present, only a small number of vehicles meet the required threshold for carbon emissions, as these are mainly technicians' vans. Electrical and electronic goods only account for a very small proportion of CapEx.

Assessing Significant Harm on One or Several Environmental Objectives ("Do No Significant Harm")

In order to avoid significantly compromising **adaptation to the effects of climate change** (EU environmental objective 2), the EU taxonomy requires a robust climate risk and vulnerability assessment to be carried out for all taxonomy-aligned economic activities. Vonovia uses an IT tool to identify and evaluate physical climate risks for the Group-wide portfolio on a continuous basis using the prescribed climate scenarios (RCP2.6, RCP4.5 and RCP8.5). The risk assessment is based on scenario RCP4.5, which, according to the United Nations (UNEP Emissions Gap Report 2025), represents the probable increase in the global average temperature that will result from the Nationally Determined Contributions (NDCs) to climate change mitigation that have currently been defined and implemented. In this scenario, no material risk has been identified for any of the climate-related hazards up to 2045. Therefore, no adaptation plan is required in accordance with the EU Taxonomy Regulation. As part of the neighborhood strategy, potential adaptations are defined at portfolio level and subsequently implemented individually for the properties or neighborhoods for which there are material risks at the corresponding level.

With regard to the **sustainable use and protection of water and marine resources** (EU environmental objective 3), no criteria need to be assessed for the taxonomy-eligible economic activities for residential building units.

The requirements for **transitioning to a circular economy** (EU environmental objective 4) are set out in the German Waste Management Act (KrWG)/ national legislation, and are passed on to business partners by Vonovia through the Business Partner Code and the General Terms and Conditions of Contract for Construction Services, as well as being included in framework agreements with waste disposal companies. This ensures that the requirements are implemented for each project. The selected building and construction technology strengthens resource efficiency, adaptability and dismantling capacity, taking into account the requirements set out in the ISO 20887 standard. The photovoltaic systems installed by Vonovia also meet the "Do no significant harm (DNSH)" requirements of EU environmental objective 4 on account of their design and service life.

In order to avoid and prevent environmental pollution (EU environmental objective 5), compliance with certain EU directives must be ensured (Appendix C to Annex 1 to the Supplement to EU Regulation 2020/852).

Compliance with statutory requirements is defined in Vonovia's Business Partner Code that all subcontractors and suppliers have to sign. Vonovia has established a toxic materials management system to ensure the safe handling of toxic materials. Among other measures, safety fact sheets and operating instructions are kept for affected products and the company's own employees are trained on how to handle these products correctly from an occupational safety perspective. Substances of very high concern (SVHC) cannot generally be found in the construction materials used. If these substances are identified in small amounts, Vonovia constantly examines substitutes in the individual cases.

Vonovia's economic activities do not significantly harm the achievement of EU environmental objective 6 (**protection and restoration of biodiversity and ecosystems**), as Vonovia only builds in designated areas and with a building permit.

Compliance with Minimum Standards at Group Level (“Minimum Social Safeguards”)

We are committed to our human rights due diligence obligations and align our conduct with internationally recognized frameworks such as the OECD Guidelines for Multinational Enterprises, the ILO Core Labour Standards and the UN Guiding Principles on Business and Human Rights.

Vonovia adopts a Group-wide approach to meeting minimum safeguards that address the issues of corruption and bribery, fair competition and taxation in addition to respect for human rights: comprehensive procedures forming part of the compliance management system, including Group-wide guidelines and complaints mechanisms, have been put in place to prevent and uncover violations.

A due diligence process to avoid scenarios in which business activities have negative impacts on people and the environment forms the core of compliance with the minimum safeguards. Taking the OECD Guidelines as a basis, Vonovia has implemented all of the recommended due diligence steps. In the reporting year, we conducted a human rights and environmental risk analysis for our own business area and the supply chain.

Performance Indicators

Definition and Calculation Method

In order to determine the key figures (KPIs) that are to be reported, the taxonomy-eligible and taxonomy-aligned net turnover, capital expenditure and operating expenses are calculated as a share of the total net turnover, capital expenditure and operating expenses that are to be taken into account in accordance with EU taxonomy requirements. Duplicate counting is avoided by means of direct allocation of the taxonomy-eligible or taxonomy-aligned turnover, capital expenditure and operating expenses to a taxonomy-eligible or taxonomy-aligned economic activity.

Turnover

The Group’s consolidated turnover is taken into account in the **denominator** (total net turnover). This comprises turnover from property management, income from the sale of properties, income from the disposal of properties held for sale and turnover from the disposal of real estate inventories. For more details on accounting methods, please refer to the accounting and valuation methods within the Notes to the IFRS consolidated financial statements → **[B9] Income from property management**, → **[B10] Profit on the disposal of properties** and → **[B11] Profit on the disposal of real estate inventories**. Taxonomy-aligned net turnover (numerator) is comprised of amounts generated through taxonomy-aligned economic activities.

The aligned rental income from the Rental segment (€ 909.6 million) increased from € 770.0 million to € 909.6 million and accounts for the largest share of aligned turnover this year. In this case, compliance is assessed on a building-by-building basis taking into account the technical criteria for activity 7.7.

Turnover from completed residential properties for our own use (Development to hold) has been reported under turnover for 7.7 based on the completion date. The year-on-year increase is due to a larger proportion of aligned buildings. Further, approx. € 277.0 million of aligned turnover under activity 7.7 is based on the sale of aligned residential property.

The turnover from the Development to sell segment (€ 249 million), which is shown under activity 7.1, is based on the proceeds from the disposal of new construction. This turnover decreased considerably year over year from € 804 million to € 249 million. The taxonomy-aligned share within activity 7.1 fell from 94.4% to 60.3%.

The turnover for activity 4.1 (€ 6.9 million) is generated by the feed-in tariff paid for supplying electricity to the grid as well as the direct sale of electricity to tenants.

Total turnover → **[C22] Segment Reporting** dropped by € 334.2 million year-on-year. Thereof, approximately € -439.2 million comes from activity 7.1 (sales of new construction), approximately € 141.3 million from activity 7.7 (rentals and sales), € -61.2 million from the television business and € 20.2 million from other turnover. Aligned turnover fell by € 218.3 million in total, primarily due to the drop in sales of new construction. As a result, the share of aligned turnover has fallen overall from 23.5% to 21.4%.

Completed residential property for our own portfolio (Development to hold) is shown in the consolidated financial statements as capital expenditure under 7.7. No turnover is gained from this. The internal turnover of the Value-add companies, e.g., services provided by craftsmen, is eliminated in the course of Group consolidation and is therefore not taken into account in taxonomy-eligible turnover. If the services provided internally are larger projects, e.g., energy-efficient modernization measures, they are capitalized and shown as capital expenditure (CapEx).

Capital Expenditure

In accordance with the EU taxonomy, the **denominator** for capital expenditure (CapEx) is composed of additions to property, plant and equipment and intangible assets. For accounting details, please refer to chapters → **[D25] Intangible assets**, → **[D26] Property, plant and equipment** and → **[D27] Investment properties** in the Notes to the IFRS consolidated financial

statements. The individual additions and capitalized modernization costs were taken into account when calculating the denominator.

For projects lasting several years in the areas 7.2, 7.3 or 7.7, the capitalized amount in the relevant reporting year is reported as taxonomy-eligible and, provided the relevant criteria are met, taxonomy-aligned capital expenditure. For activities 7.4, 7.5 and 7.6, the capital expenditure is shown in the year of asset capitalization. When it comes to capital expenditure, the EU Taxonomy Regulation makes a distinction between different categories of capital expenditure.

Due to Vonovia's business model, it largely invests (activity 7.2 and 7.7) in assets or processes associated with economic activities that are taxonomy-aligned (category A). It also makes investments (activity 7.3-7.6) relating to individual measures through which the target activities are carried out in a low-carbon manner or the emission of greenhouse gases is lowered (category C). Capital expenditure for the fleet (3.3) and for the purchase of electrical and electronic goods (1.2) also constitutes taxonomy-eligible capital expenditure under category C.

With regard to developed land, the CapEx for buildings and land has been included as additions, as economic activity 7.7 cannot be performed without the relevant land.

Capital expenditure in the context of Vonovia's capitalized internal expenses is reviewed for taxonomy alignment and allocated to 7.2, 7.3 or 7.7 depending on the type of investment. Taxonomy alignment is assessed for each building or project. In addition to capitalized internal expenses, the addition of other property, such as Development to hold additions or other acquisitions of investment properties, is reported under 7.7.

With regard to economic activity 7.1, the corresponding properties do not constitute fixed assets but rather are reported within current assets in the real estate inventories (see → [\[D35\] Real Estate Inventories](#)) or receivables, and are therefore not included in the denominator of the key figure for taxonomy-relevant capital expenditure.

The taxonomy-aligned capital expenditure (numerator) comprises additions to investment properties (€ 431.7 million). This comprises aligned Development to hold additions (€ 293.3 million/7.7), capitalized modernization measures

(€ 113.5 million, with € 102.4 million in 7.2 and € 11.2 million in 7.7), additions of purchased real estate (€ 0.0 million/7.7) and aligned individual measures pursuant to activity 7.3 (€ 24.9 million). Additions relating to property, plant and equipment came to € 86.4 million in total. These relate to photovoltaic systems (€ 73.5 million/7.6), metering technology (€ 10.3 million/7.5) and charging stations (€ 2.7 million/7.4). There was an addition to right-of-use assets (€ 3.3 million) for metering technology (€ 1.7 million/7.5) and heating systems (€ 1.6 million/7.3). There were no aligned additions resulting from business combinations during this reporting year.

Compared to the previous year, CapEx increased significantly (€ 2,742.6 million in the current year compared to € 1,206.8 million in the previous year). The aligned share of this amount fell from € 557.5 million to € 521.5 million. There was a slight drop from € 91.0 million to € 73.5 million in activity 7.6 relating to the expansion of photovoltaic systems. Aligned additions to investment properties (7.7) are on a similar level (€ 292.0 million in the previous year to € 293.3 million). Capitalization of aligned modernization measures (7.2) fell slightly from € 118.0 million to € 102.4 million. There was also an increase in the area of heating modernization (7.3) from € 13.0 million to € 24.9 million. Activities 7.4 (installation of charging stations) and 7.5 (metering technology) remain at a similar level as in the previous year.

We have issued green bonds and obtained green loans on the capital market based on the Sustainable Finance Framework. The proceeds from these issues are used exclusively to (re)finance real estate that has been confirmed to be green. We use a portfolio-based approach, which means that funds cannot be allocated to specific properties. As a result, it was not possible to make adjustments for the taxonomy-aligned capital expenditure financed using these bonds or debentures, or corresponding revenue from environmentally sustainable buildings for the purposes of reporting the taxonomy-aligned performance indicators.

Operating Expenses

The operating expenses (OpEx) **denominator** is an addition to the performance indicator of the recognized capital expenditure values rather than a full presentation of the operating expenses of Vonovia, as shown under Section → [\[B14\] Cost of Materials](#) in the Notes to the consolidated financial statements.

Pursuant to the requirements, we include expenses for upkeep and repair (maintenance) when defining the denominator. At Vonovia, maintenance measures are mainly carried out by the internal craftsmen's organization, which is why we also include these items (technicians' and administrative costs) in the denominator. Double counting is avoided due to the fact that capitalized shares, as capital expenditure, reduce maintenance costs accordingly. As a result, the denominator reflects the non-capitalized maintenance expenses. These maintenance costs and, in particular, the personnel costs associated with the company's own staff cannot be allocated separately to the individual buildings when posting expenses. In addition, the operating expenses incurred for the individual activities 7.2 to 7.7 cannot be attributed individually. Vonovia thus allocates all maintenance costs to activity 7.7. To determine the taxonomy-aligned data, we use an allocation factor for maintenance expenses based on the area of the building (in m²). This share is multiplied by the taxonomy-eligible operating expenses to calculate the numerator. The non-taxonomy-eligible shares, e.g., condominium administration maintenance expenses, are not taken into account. The share of m² of green buildings in relation to the total area is 18.0%. The increase as against the previous year (15.6%) is due to a higher proportion of taxonomy-aligned buildings.

In this case, operating expenses are comprised of € 685.9 million in maintenance (see → **[B14] Cost of Materials**), less € 574.6 million capitalized share and € 294.2 million from our own craftsmen's organization. € 15.6 million of the maintenance expenses is attributable to condominium administration. This activity is not taxonomy-eligible. As a result, the numerator is calculated as 18.0% of € 389.9 million. Overall, there was only a minimal change in OpEx of approximately € 20.5 million. The aligned share rose by € 6.3 million.

EU Taxonomy Regulation Reporting Forms

Overview

KPI	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities
	mio. €	%	mio. €	%
Turnover	6,746	97.7	1,442	21.4
CapEx	2,743	95.2	521	19.0
OpEx	406	96.1	70	17.3

Economic Activities	Code(s)	Proportion of Taxonomy eligible Turnover	Taxonomy aligned Turnover	Proportion of Taxonomy aligned Turnover
		%	mio. €	%
Construction of new buildings	CCM 7.1/CE 3.1	6.1	249	3.7
Acquisition and ownership of buildings	CCM 7.7	91.5	1,187	17.6
Electricity generation using solar photovoltaic technology	CCM 4.1	0.1	7	0.1
Sum of alignment per objective				
Total Turnover		97.7	1,442	21.4

Breakdown by environmental objectives of Taxonomy aligned activities

Climate Change mitigation	Climate Change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in previous year	Proportion of Taxonomy aligned activities in previous year
%	%	%	%	%	%	%	%	%	€ million	%
21.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,661	23.5
19.0	0.0	0.0	0.0	0.0	0.0	4.2	3.7	0.0	557	46.2
17.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	64	15.0

Environmental objective of Taxonomy aligned activities

Climate Change mitigation	Climate Change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
%	%	%	%	%	%	E	T	%
3.7	0.0	0.0	0.0	0.0	0.0			60.3
17.6	0.0	0.0	0.0	0.0	0.0			19.2
0.1	0.0	0.0	0.0	0.0	0.0			100.0
21.4	0.0	0.0	0.0	0.0	0.0			

	Code(s)	Proportion of Taxonomy eligible CapEx	Taxonomy aligned CapEx	Proportion of Taxonomy aligned CapEx
Economic Activities		%	mio. €	%
Renovation of existing buildings	CCM 7.2/CE 3.2	6.4	102	3.7
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1.0	27	1.0
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.1	2.7	0.1
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.4	12	0.4
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	2.7	74	2.7
Acquisition and ownership of buildings	CCM 7.7	82.4	304	11.1
Manufacture of low carbon technologies for transport	CCM 3.3	1.8	0	0.0
Manufacture of electrical and electronic equipment	CE 1.2	0.3	0	0.0
Sum of alignment per objective				
Total CapEx		95.2	521	19.0

	Code(s)	Proportion of Taxonomy eligible OpEx	Taxonomy aligned OpEx	Proportion of Taxonomy aligned OpEx
Economic Activities		%	mio. €	%
Acquisition and ownership of buildings	CCM 7.7	96.1	70	17.3
Sum of alignment per objective				
Total OpEx		96.1	70	17.3

Environmental objective of Taxonomy aligned activities

Climate Change mitigation	Climate Change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and eco-systems	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
%	%	%	%	%	%	E	T	%
3.7	0.0	0.0	0.0	0.0	0.0		T	58.1
1.0	0.0	0.0	0.0	0.0	0.0	E		100.0
0.1	0.0	0.0	0.0	0.0	0.0	E		100.0
0.4	0.0	0.0	0.0	0.0	0.0	E		100.0
2.7	0.0	0.0	0.0	0.0	0.0	E		100.0
11.1	0.0	0.0	0.0	0.0	0.0			13.5
0.0	0.0	0.0	0.0	0.0	0.0			0.0
0.0	0.0	0.0	0.0	0.0	0.0			0.0
19.0	0.0	0.0	0.0	0.0	0.0			

Environmental objective of Taxonomy aligned activities

Climate Change mitigation	Climate Change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and eco-systems	Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
%	%	%	%	%	%	E	T	%
17.3	0.0	0.0	0.0	0.0	0.0			18.0
17.3	0.0	0.0	0.0	0.0	0.0			

ESRS E1 Climate Change

E1-1 – Transition Plan for Climate Change Mitigation

Vonovia has a transition plan that aims to attain a climate-neutral housing stock by 2045, and has set several medium and long-term reduction targets to help it achieve this objective. In the long term, we want to reduce the greenhouse gas (GHG) intensity of our housing stock in Germany to below 25 kg CO₂e/m² of rental area by 2030, and to less than 5 kg CO₂ equivalents per square meter of rental area by 2045 (includes Scopes 1, 2 and 3.3). The emissions remaining in 2045 are to be offset by suitable measures that the company is still to define, achieving a CO₂ intensity of net zero. Binding interim targets have been defined for the next five years.

In the medium term, we also plan to reduce the absolute Scope 1 and 2 greenhouse gas emissions from all of our housing stock (Germany, Sweden and Austria) by 42% by 2030 compared to the base year 2021. Vonovia is also committed, by 2030, to reducing absolute Scope 3 greenhouse gas emissions from the categories “Fuel and energy-related activities,” “Use of sold products” and “Downstream leased assets” by 25% as against 2021.

In March 2024, the Science Based Targets initiative (SBTi) confirmed that Vonovia’s absolute target for Scopes 1 and 2

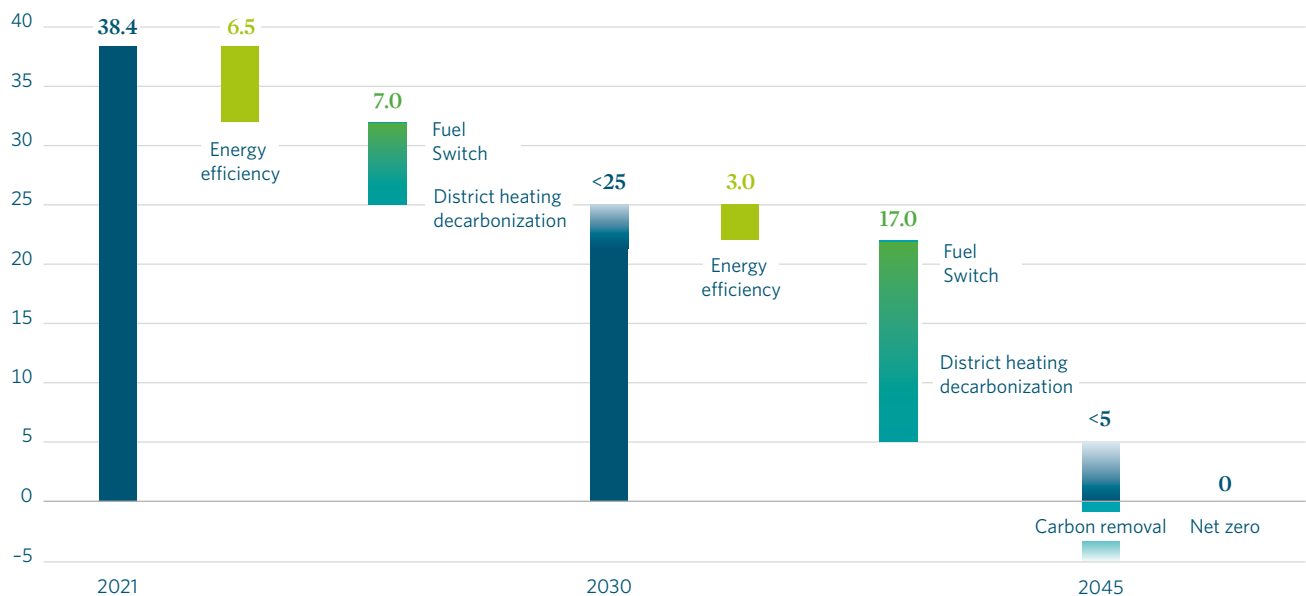
(near-term target) was in line with the 1.5 degree target set out in the Paris Agreement and that the absolute target for Scope 3 met the necessary SBTi criterion of “well below 2 degrees.” While the long-term target of reducing CO₂ intensity has not been validated externally, the emissions it encompasses are included in the absolute medium-term targets validated by the SBTi. Detailed information on the company’s climate targets can be found in Disclosure Requirement → E1-4.

The transition plan for our housing stock, our climate pathway, consists of **three decarbonization levers**:

1. Increasing efficiency and thus reducing energy demand for heat and warm water supply by way of energy-efficient refurbishment of the building envelope
2. Increasing the generation of renewable energies in the neighborhood by installing heat pumps and expanding power generation using photovoltaic systems on our buildings, and
3. Comprehensive transformation of the energy sector and supply of sufficient quantities of GHG-free district heating and electricity by the energy sector.

The CO₂ intensity of the housing stock represents the central indicator of our climate performance management.

Carbon intensity* in kg CO₂e/m²a



* Includes Scope 1 and 2 and Scope 3.3 “Fuel and energy-related emissions upstream”; referring to German housing stock; “Energy efficiency”: all measures on the building envelope, “Fuel Switch”: change in heat generation from decentralized fossil energy to heat pumps or district heating, shows the reduction in emissions in the first year of conversion; “Decarbonization of district heating”: according to the KNDE 2045 scenario of the Agora Energiewende, “Carbon removal”: natural and technological binding and long-term storage.

It is the most heavily weighted component of the Sustainability Performance Index (SPI) and therefore of the Management System and the remuneration paid to the Management Board and senior management.

Further information on the policies and actions for implementing the transition plan can be found in Disclosure Requirements → E1-2 and → E1-3.

To support and **implement our transition plan**, we **invested** a total of € 700.9 million in the reporting year, or 25.6% of our total capital expenditure in the reporting year. This amount represents the taxonomy-eligible CapEx in accordance with Delegated Regulation (EU) 2021/2178 in the business activities of energy-efficient renovation of existing buildings (7.2/CE3.2), the installation, maintenance and repair of energy-efficient equipment, the installation, maintenance and repair of charging stations for electric vehicles in buildings, the installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings, and the installation, maintenance and repair of renewable energy technologies (CCM 7.3 to 7.6) and well as the construction of new buildings for self rental purposes (CCM 7.7).

The GHG emissions that can be predicted to be emitted by the time the targets are reached in 2045 are to be understood as “locked-in GHG emissions.” By 2045, GHG emissions of around 7.8 million metric tons of CO₂e (Scope 1+2+3.3) are expected to be generated following the implementation of the transition plan. Around 15,500 metric tons of CO₂e also come from Scope 3.11 “Use of sold products.” This category contains the GHG emissions from the new residential units built for sale that were completed in the reporting year. A lifespan of 50 years has been applied.

Vonovia is continuously reducing greenhouse gas emissions in its housing stock and in its operations thanks to the GHG emission reduction targets it has set itself and the corresponding measures to boost energy efficiency and make the switch to renewable energies. The plans to reduce “locked-in GHG emissions” are described in detail in the transition plan. There is no threat to the reduction targets or any promotion of transition risks.

Vonovia has not set any target values for the key figures referred to in the EU taxonomy for 2025 or 2030. We are aiming to increase the proportion of taxonomy-aligned business activities (sales, CapEx, OpEx) on an ongoing basis.

Taxonomy-aligned capital expenditure is as follows, based on Vonovia’s business model: capital expenditure associated with the renovation of existing buildings (activity 7.2) that contributes to the transition plan always relates to energy-efficient modernization at Vonovia. We take the required 30% reduction in primary energy demand into account when designing projects. Capital expenditure on heating modernization, charging stations and wall boxes, metering technology and smart metering, and photovoltaic systems is generally treated as a direct climate change mitigation measure and is allocated to activities 7.3, 7.4, 7.5, and 7.6. Activity 7.7 “Acquisition and ownership of buildings” includes capital expenditure from acquisitions, Development to hold, investments not including energy efficiency measures (e.g., refurbishment of vacant apartments or major maintenance measures) or other internal expenses that can be capitalized. These qualify as taxonomy-aligned if the building-related technical screening criteria are met. Only investments in new buildings for self rental purposes are included as being relevant for contributing to the transition plan. The proportion of taxonomy-aligned activities will be steadily increased as the transition plan is implemented as a result of ongoing modernization measures. Vonovia did not make any significant investments in connection with economic activities related to coal, oil or gas in the reporting year. Vonovia is not excluded from the EU Paris-aligned benchmarks.

The transition plan has been fully integrated into the company’s business strategy and financial planning. The GHG emission reduction targets have been integrated into the management system as a sub-indicator of the Sustainability Performance Index (SPI). The SPI and all of its sub-indicators, such as CO₂ intensity, form part of the planning process, and the progress made as well as the forecast value for the fiscal year concerned are calculated and reported to the Management Board on a quarterly basis.

The neighborhoods and buildings to be modernized are selected in a targeted manner in cooperation with the regional business areas, and the optimal degree of modernization and modernization roadmap for each building is defined. The investments for the refurbishment programs and photovoltaics expansion are approved by the Management Board. The use of the investment funds required to implement the measures is mapped out as part of the five-year plan and the budget prepared for the following year, and is adopted by the Management Board before being confirmed by the Supervisory Board. The Supervisory Board discusses and approves the SPI targets proposed by the Management Board for the following year and the period covered by the Long-term Incentive Plan (LTIP; for four years in each case).

In the reporting year, the **CO₂ intensity for our housing stock in Germany** was 30.7 kg CO₂e/m² of rental area, down by around 1.6% year-on-year (2024: 31.2 kg CO₂e/m²), and 0.6% below the target for the reporting year (30.9 kg CO₂e/m²). In addition to the modernization measures implemented (building envelope and replacement of heating systems), this reduction can also be traced back to the inclusion of specific certificates for two district heating grids as well as the sale of buildings.

ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

Resilience of Our Business Model

The **resilience of Vonovia's climate change strategy** is reviewed on the basis of the climate risks identified as part of the risk management process. All risks identified for the Group as a whole that relate to climate change are marked as such. Both climate-related **transition risks** (e.g., increased costs due to regulatory requirements, substantial increase in the CO₂ price) as well as climate-related **physical risks** are taken into account. When assessing transition risks, the scenarios and assumptions used for the development of the relevant influencing factors, such as regulatory requirements, electricity or material prices, are selected by risk owners themselves. As far as the risk "substantial increase in the CO₂ price" is concerned, a scenario has been defined for the development of the CO₂ price in Germany that corresponds to a 1.5-degree pathway at national level.

Current medium-term planning confirms the long-term planning assessment over a period of ten years conducted in the previous year. In each case, scenarios using different assumptions were defined, e.g., with regard to the cost of capital and the level of investment in energy-efficient modernization. These scenarios can be triggered by a number of factors, such as the transition to a low-emissions economy. When assessing transition risks as part of the risk management process, changes in the relevant influencing factors that could emerge from the transformation into a low-emissions economy are also taken into account where possible. By way of example, growing concerns regarding climate change can result in changes in the regulatory environment, subsidy conditions and customer preferences, and can have an indirect effect by triggering changes in the relative prices of various commodities and materials.

The assessment of climate-related physical risks looks at the effects on the Group's entire housing stock (Germany, Austria, Sweden) up to the year 2045, taking various climate scenarios into account (RCP 2.6, RCP 4.5 and RCP 8.5). The climate risks examined are heat, drought, increases in precipitation, wind and storms, snow loads and flooding. The downstream value chain, and tenants in particular, is also included in the analysis of physical climate risks. The upstream value chain is not explicitly included.

The resilience of Vonovia's strategy and business model is analyzed and evaluated annually as part of risk management. This involves assessing all climate-related impacts, risks and opportunities and identifying appropriate measures to manage impacts and risks and to exploit opportunities. First-level executives below the Management Board are responsible for identifying and assessing risks within their areas of responsibility during the semiannual risk inventory process. The risk management horizon and the evaluation period extend five years beyond the reporting year, with assessments focusing on net risks, i.e., the risks after taking into account those measures that have already been taken, such as the implementation of the transition plan. The process involved in identifying material impacts, risks and opportunities is characterized by various uncertainties, such as the medium and long-term development of the regulatory framework, the prices for key technologies, materials and services, or the legally regulated CO₂ price.

Vonovia has not identified any material risk related to climate change when identifying impacts, risks and opportunities. Consequently, the company is unhindered in the ability to adapt its strategy and business model to climate change in the short, medium and long term.

Vonovia identifies and assesses climate-related impacts, risks and opportunities as part of a double materiality assessment pursuant to the ESRS. This procedure is described in detail in → **ESRS 2 IRO-1**. In order to be able to identify all relevant sources for greenhouse gas emissions, Vonovia carries out a comprehensive assessment of the relevant business activities and scopes of GHG accounting at regular intervals in accordance with the GHG Protocol and the criteria set out by the Science Based Targets initiative (SBTi). In case a new business is launched or acquired an assessment of greenhouse gases to be included is exercised. The Scope 3 categories were screened for any changes in their materiality in the reporting year.

Material Impacts, Risks and Opportunities

Within the scope of our materiality assessment, we identified **four material impacts, risks and opportunities (IROs)** related to the topic of climate change:

- > Contribution to the global increase in greenhouse gas emissions
- > Earnings potential through investments in modernization, heat pump cubes, serial refurbishment and PV expansion
- > Contributing to negative effects of climate change through new construction and densification
- > Contribution to urban climate resilience through climate change adaptation measures in the portfolio

We currently expect our actual material impact **“contribution to the global increase in greenhouse gas emissions”** to have an influence on our business model, strategy and value chain in the short term. Vonovia’s business activities, in particular property rental and management, including new construction and densification, cause GHG emissions due to the supply of heat and warm water, as well as through building materials and construction activities. Some of the GHG emissions are generated in Vonovia’s own buildings, while others result from the generation of power or district heating in the energy sector. GHG emissions in (new) construction activities are associated with the manufacture of building materials and the use of construction machinery and vehicles. These emissions contribute to the global greenhouse gas effect and to global warming, which, in turn, has far-reaching consequences for human beings and the environment in the long run. Vonovia has developed, and is implementing, a climate strategy to reduce this negative contribution.

By implementing the strategic initiatives that have a direct impact on GHG emissions (in particular serial modernization, heat pump cubes, photovoltaic expansion and electricity sales), the company can further increase its income by passing on modernization costs via rental income and by selling electricity from the PV expansion. This opportunity relates to our own operations in Germany. The opportunity could have a potentially significant positive effect on Vonovia’s financial performance in the medium term.

We currently expect our actual material impact **“promoting negative consequences of climate change through new construction and densification”** to have an influence on our business model, strategy and value chain in the short term. Part of Vonovia’s current and future business activities involves building new residential properties and performing densification measures in existing neighborhoods. This promotes the expected local consequences of climate change, such as local heat islands or reduced precipitation drainage. This can affect both the environment and human

beings in the immediate vicinity. Vonovia could incur higher operating costs for its buildings or the residential environment.

We currently expect our actual material impact **“Contribution to urban climate resilience through climate change adaptation measures in the portfolio”** to have an influence on our business model, strategy and value chain in the short term. Part of Vonovia’s current and future business activities involves further developing its neighborhoods, both buildings and the residential environment. Neighborhood development typically also involves unsealing areas, creating seepage areas, installing landscaped roofs and balconies, and taking other measures to create shade. This lessens the expected local consequences of climate change, such as local heat islands or reduced precipitation drainage. This affects both the environment and human beings in the immediate vicinity, also beyond the boundaries of our neighborhoods. The positive impact has a positive effect on our business model, as it leads to an increase in the value of our properties and higher levels of customer satisfaction.

The revision of our materiality assessment (for details, see → **ESRS 2 IRO-1**) resulted in the following changes for ESRS E1:

- > The material impacts in the previous year “Positive effect on greenhouse gas reduction through modernization as part of the core business” and “Positive contribution to the energy transition” are no longer defined as separate impacts. This is because a negative impact on the contribution to the increase in greenhouse gases has already been defined, and this takes account of aspects previously described as positive impacts as mitigating activities.
- > The material impacts in the previous year “Earnings potential as a result of the energy-efficient modernization of the housing stock/increase in modernization volume” and “Positive effects through mitigation of consequences of climate change” have been made more specific in terms of their content and are now referred to as “Earnings potential through investments in modernization, heat pump cubes, serial modernization and PV expansion” and “Contribution to urban climate resilience through climate change adaptation measures in the portfolio.”

EI-2 – Policies Related to Climate Change Mitigation and Adaptation

Climate Change Mitigation

With regard to the management of its material impacts related to the subtopic of climate change mitigation and the associated material opportunity, Vonovia has a Group-wide **climate, environmental and energy policy** in place covering the company's general principles and commitments on these three topics. The climate change mitigation **policy** also consists of the three levers of the transition plan (climate pathway):

- > Energy savings through energy-efficient modernization of the building envelope
- > Increasing the generation of renewable energies in our portfolio and
- > Comprehensive transformation of the energy sector.

The climate pathway is based on the principle of closely interlinking economic viability and the reduction of emissions. This **principle** is illustrated in the decarbonization tool (DCT) prioritization mechanism. The DCT reflects all relevant ecological and commercial aspects of the housing stock and determines how the refurbishments of individual buildings should be prioritized over time, which is then aggregated into an overall plan. The result of this prioritization is then set out in more specific detail in the plans for energy-efficient refurbishment and the energy concepts. In doing so, we adopt a holistic view at neighborhood level, examining both the modernization of the building envelope and the conversion of the energy supply to climate-friendly systems in their wider context. Our approach is shaped by the concept of sequential development. This means that, depending on the buildings' initial condition with respect to energy efficiency, the measures to enhance the individual buildings and advance towards the 2045 targets set in the climate pathway are staggered in some cases.

With regard to its Development business, Vonovia's strategy is to use its new construction activities to create urgently needed new and affordable homes with optimized energy efficiency profiles and a large proportion of renewable energy use. BUWOG has a sustainability standard for development. Guides, specifications and tools have been developed in 14 focus areas to address the full range of sustainability aspects in new construction. These include optimized heat supply in the neighborhood, the use of ecological building materials and designs for open spaces. The standard is based on the use of the German efficiency house standard or the basic criteria of Austria's "klimaaktiv" initiative as well as the criteria set out in the EU Taxonomy.

The average primary energy demand (non-renewable) of newly constructed buildings, in relation to rental area, is the most important non-financial performance indicator in development.

The integration of these policies into our **corporate management** is achieved via the Sustainability Performance Index (SPI), which includes the sub-indicators CO₂ intensity of the housing stock in Germany and average primary energy demand of newly constructed housing. Specific targets for all SPI indicators are defined during the budgeting and mid-term planning processes. These are closely linked to investment planning and are approved by the Management Board. The forecasting process is used to monitor target achievement. Measures to achieve the targets are implemented through dedicated investment programs and action plans in the relevant business and specialist units. For a detailed explanation of the SPI, see → **ESRS 2 GOV-3**. The Controlling and Strategy, Corporate Development & Sustainability departments have lead responsibility for implementation with the involvement of the Portfolio Management department and the Business Area Development. The sub-indicators and the SPI, as well as the progress made, are described in detail in the Annual Report (see chapter → **ESRS 2** and → **Management System**), the ESG Factbook and on [Vonovia's website](#).

The general **aim of the transition plan** is to achieve a greenhouse gas-neutral housing stock in Germany. The concept of the climate pathway and its incorporation into the Sustainability Performance Index cover the impacts and opportunities relating to the subtopics of climate change mitigation and energy.

The climate pathway refers to the housing stock in Germany. It looks at greenhouse gas emissions for the supply of heat and warm water (Scope 1 and 2) as well as the upstream chain involving the energy sources used in this regard (Scope 3.3). The climate pathway and its three levers were approved by the Management Board in 2021.

Climate Change Adaptation

In its climate, environmental and energy policy, Vonovia is committed to strengthening climate resilience and reducing climate and environmental risks. Regarding the management of its material impacts in connection with the subtopic of climate change adaptation, Vonovia pursues a policy founded on a neighborhood-based, holistic development approach, known as urban quarters (for a definition of the term and further details on the related policy, see → **ESRS S4**). The principle is that the neighborhood (or urban quarter) serves as the central management level at which the company's

business model and strategy are manifested (see the chapter on → [Corporate strategy](#)). The neighborhood approach allows us to develop socially and ecologically sustainable places for people to live together, improving our customers' quality of living in the process. This also includes adapting neighborhoods to deal with the expected effects of climate change, such as an increase in average temperature or extreme weather events.

Segmentation by urban quarters based on the definition above is only used for the German market segment at present. This means that 77% of the strategic portfolio is covered by the neighborhood concept, which equates to 755 neighborhoods. Neighborhood-based approaches are also pursued in Sweden and Austria, but based on different segmentation principles. The Management Board is responsible both for the decision to structure the portfolio and for the resulting segmentation into urban quarters and urban clusters. All measures resulting from this decision for a specific neighborhood area are planned and reviewed in the respective regional business areas before they are implemented, working in collaboration with the departments for investment, climate-neutral housing stock and corporate development.

E1-3 – Actions and Resources Related to Climate Change Policies

Vonovia implemented the following measures in the reporting year to address the policies described in → [E1-2](#) and the material impacts and opportunities described in that section:

Climate Change Mitigation

Energy-efficiency modernization to improve energy efficiency is an essential pillar of Vonovia's climate pathway. Using our decarbonization tool (DCT), an overall plan is prepared featuring an individual energy refurbishment and energy concept solution plan for each specific building. The energy efficiency measures, in particular insulating facades, cellar ceilings and lofts, and replacing windows, are implemented as part of the Upgrade Buildings investment program. As part of the strategic growth initiatives that we refined in 2025 (see chapter on → [Corporate strategy](#)), conventional modernization is to be supplemented by scaling up serial modernization. Following pilot projects in 2024, this approach was expanded further in the reporting year and is expected to lead to greater cost efficiency and shorter construction times in the medium and long term. 145 residential units underwent serial modernization work in the reporting year.

Another measure involves the digitalization of heat supply. In the reporting year, a further 1,800 gas-fired heating systems had already been connected to a digital solution developed in collaboration with the company Othermo, which detects heating system failures in real time and supports optimized adjustments to the system technology. This system offers the potential to save around 15% in energy and CO₂, with direct benefits for our customers. A total of 4,000 systems had been connected to the digital system by the end of the reporting year.

Another aspect of implementing the climate pathway is increasing energy generation from renewable sources. In particular, this includes the electrification of heat generation by using highly efficient air-to-water heat pumps. As well as installing heat pumps in boiler rooms, another strategic initiative was driven forward with the heat pump cube approach. The heat pump cube is a compact heat pump center that combines all of the necessary components in an external module, supplies several buildings and can be installed outside the buildings in a short space of time. During the reporting year, 29 heat pump cubes were installed in our neighborhoods. Vonovia's growth strategy envisages the large-scale use of heat pump cubes over the next few years. With this goal in mind, Vonovia entered into a strategic partnership with the companies EnerCube and DFA Demonstrationsfabrik Aachen in the reporting year that aims to mass-produce 1,000 cubes in the period leading up to 2029. These cubes are to be installed in Vonovia neighborhoods throughout Germany and will be able to supply around 20,000 residential units with heat and hot water. Vonovia is also continuing the program to expand electricity generation using photovoltaics. The focus here is on ensuring that the electricity generated is used directly in the neighborhood – by our customers and to operate heat pumps. The installation of these systems is therefore also closely interlinked with the heat pump initiative and the modernization program.

Our own energy supply company Vonovia Energie Service GmbH (VESG) provides our customers with electricity from renewable energies. Sales efforts will be stepped up as part of the growth strategy and additional sales capacity will be created in customer service. Our objective is to maximize the share of energy we produce ourselves for the benefit of our customers and the environment, and also to use it for our housing-related services, e.g., e-mobility. By providing solar power or certified green energy that has been generated in the neighborhood, we are supplying over 52,000 households with reasonably priced electricity and helping them to reduce greenhouse gas emissions. In this context,

we concluded two power purchase agreements in 2024, from which we obtained 27.4 million kWh of electricity generated from wind turbines in the reporting year. This equates to a avoidance of around 20,700 tons of CO₂ equivalents.

In the course of the reporting year, Vonovia installed around 1,750 new photovoltaic systems with an installed output of more than 53.4 MWp. Vonovia owns a total of more than 5,300 photovoltaic systems with an installed output of around 188 MWp. This fell short of the target of 213 MWp. We will continue to forge ahead with the expansion of photovoltaics going forward and are aiming for additional capacity of more than 94 MWp in the 2026 fiscal year. We aim to have installed around 400 MWp of capacity by 2028 and up to 700 MWp in the long term.

A further key lever for our climate pathway is the supply of sufficient quantities of **CO₂-free district heating** and electricity by the energy sector. This requires the energy sector to meet the targets set by policymakers for phasing out coal and increasing the share of renewable energies. Municipal heat planning will create both long-term security for planning and obligations to decarbonize heating networks.

Where it makes commercial sense, and provided that utility companies systematically decarbonize their heat generation systems, we are looking into connecting additional properties to district heating networks. This is an area in which Vonovia is working closely with major district heating providers and integrating their strategies into its own neighborhood planning.

The ability to implement the measures described depends on the availability and allocation of the corresponding investment funds and access to funding at affordable capital costs.

Like the climate pathway, the measures described refer to the housing stock in Germany and, as a result, largely to Vonovia's own operations. As the climate pathway also includes GHG emissions from the upstream chain involving the energy sources used (Scope 3.3), the measures also relate to part of the upstream value chain. Part of the downstream value chain is also included, as the expansion of photovoltaic capacity in conjunction with tenant electricity models also reduces our tenants' GHG emissions (Scope 3.13).

The implementation of the measures is designed to be permanent until the overarching climate target for 2045 is achieved.

The CapEx spent on the measures described in the reporting year consists of the investments within the Upgrade Buildings energy-efficiency modernization and heating replacement program, including investments in photovoltaic power generation capacity, and amounts to € 700.9 million. This equates to a 25.6% share of total CapEx in the reporting year.

Annual CapEx of around € 400 million to € 500 million a year has been earmarked for the implementation of all measures in the transition plan. In the reporting year, Vonovia expected the CO₂ intensity of its housing stock in Germany to fall slightly by -0.3 kg CO₂e/m² to 30.9 kg CO₂e/m² of rental area. This reduction target was achieved.

CapEx of € 700.9 million and OpEx of € 390 million were spent on implementing the climate protection measures in the reporting year.

Climate Change Adaptation

Vonovia systematically analyzes the relevant climate risks, which are mapped in an IT tool using the relevant climate scenarios developed by the IPCC (Intergovernmental Panel on Climate Change), assessing them with regard to the impact on our portfolio. During this process we also take into account the particular characteristics of the respective buildings and neighborhoods, such as existing sun protection or the degree of surface sealing.

Climate change adaptation is also taken into account in the planning guidelines for sustainable residential environment, which describe various components that can contribute, for example, to reducing heating in the neighborhood or improving drainage options. These guidelines must be taken into account as a mandatory requirement when planning open spaces in new neighborhoods.

We are taking various measures to make our existing neighborhoods more climate-resilient. These include, for example, the targeted planting of climate change-resistant tree species, the unsealing of parking areas and the establishment of seepage areas, as well as the creation of landscaped roofs.

E1-4 – Targets Related to Climate Change Mitigation and Adaptation

The climate change mitigation policies described in → E1-2 and → E1-3 and the measures implemented to realize them aim to reduce the impact on climate change. Vonovia has set itself several reduction targets that cover both direct and indirect emissions.

1. Vonovia is committed to reducing absolute Scope 1 and 2 greenhouse gas emissions by 42% by 2030 compared to the base year 2021. This applies to the GHG emissions from operation of the housing stock in Germany, Sweden and Austria, which together account for around 97% of the Vonovia Group's total Scope 1 and Scope 2 GHG emissions (based on the base year 2021). The target was developed in accordance with the SBTi criteria in line with the 1.5°C target set out in the Paris Agreement, using the absolute contraction approach for near-term targets (cross-sector approach). At the time of validation, there was no valid SBTi sector-specific approach. In the absolute contraction approach, the SBTi defines a reduction target value of at least -4.2% per year as a prerequisite for alignment with the 1.5°C target. In its independent validation, the SBTi confirmed that Vonovia's target meets the required ambition, meaning that it is considered science-based and compatible with a 1.5°C pathway in accordance with the Paris Agreement.
2. Vonovia is committed to reducing absolute Scope 3 greenhouse gas emissions from the categories "Fuel and energy-related activities," "Use of sold products" and "Downstream leased assets" by 25% by 2030. The GHG emissions in the Scope 3 categories included in this target (Scope 3.3, 3.11 and 3.13) cover around 80% of the total Scope 3 emissions in the base year. This target was also developed in accordance with the SBTi criteria using the absolute contraction approach for near-term targets (cross-sector approach). In the absolute contraction approach, the SBTi defines a reduction ambition of at least -2.5% per year as a prerequisite for compatibility with "well below 2 degrees." In its independent validation, the SBTi confirmed that Vonovia's target meets the required ambition, meaning that it is considered science-based and compatible with a "well below 2 degrees" pathway in accordance with the Paris Agreement.
3. Vonovia is committed to attaining a climate-neutral housing stock in Germany by 2045. The **CO₂ intensity** is to be reduced to less than 5 kg of CO₂ equivalents per square meter of rental area, with appropriate action being taken to offset any remaining, unavoidable emissions. By 2030, our interim target is to achieve a CO₂ intensity of less than 25 kg CO₂e/m². The target includes Scope 1, Scope 2 (market-based) and Scope 3.3 of the housing

stock in Germany. This is a specific absolute target value for the relevant target year, measured in kg CO₂e per m² of rental area. The target is based on the German Federal Climate Change Act (Klimaschutzgesetz) and is based on the science-based KNDE 2045 scenario of Agora Energiewende with regard to the development of the energy sector, which describes a pathway towards a climate-neutral energy and building sector. Minor changes in the housing stock due to sales or new construction measures have also already been reflected in the assumptions. The reduction ambition of the target is between -87% and -93% (assumption: target achievement of between 2.5 kg and 5 kg CO₂e/m² of rental area). The SBTi defines a reduction of -90% as consistent with a 1.5°C pathway. As a result, we consider the target to be compatible with the 1.5°C pathway. While the target has not been validated externally, all of the emissions it encompasses are included in the absolute medium-term targets validated by the SBTi.

All targets are based on the overall plan that was prepared using the decarbonization tool. This plan rests on the assumption that the current legislation will remain unchanged and that both demand and the technological options available will remain constant. The assumption has also been made that the investment funds for modernization measures will be put to optimum use in line with the applicable internal return requirements. For emissions that arise indirectly from the purchase of district heating and electricity, a continuous decrease in nationwide CO₂ intensity (location-based) is assumed over the target period, based on Agora Energiewende's climate-neutral Germany scenario. A similar trend is also assumed for the specific emissions (market-based) of the individual district heating suppliers. Regarding emissions from general electricity and electricity for heating (heat pumps and direct electricity-based heating), it has been assumed that the electricity will be supplied by self-generated power, as well as that the purchase of electricity from renewable sources will continue based on a Power Purchase Agreement (PPA) or in combination with guarantees of origin, resulting in an overall emission factor of 0 kg CO₂e/kWh. As far as the absolute reduction targets are concerned, assumptions were also made for the housing stock in Sweden and Austria regarding a reduction in the emissions intensity of electricity and district heating over the target period. In Sweden, the assumptions regarding the development of the GHG intensity of district heating are based specifically on the targets of district heating suppliers. In the case of Austria, the assumptions regarding the development of emissions from district heating and electricity are based on the scenarios of the Environment Agency Austria. The assumptions made regarding changes in the housing stock, demand and available technologies match those applied to the CO₂ intensity target.

Another target involves reducing the **average primary energy demand** (non-renewable share) of newly constructed buildings to less than 25 kWh/m² of usable building area by 2030. This target refers to all newly constructed buildings in Germany, Sweden and Austria, both to-sell and to-hold, with the exception of vertical expansion and purely commercial buildings. This is a specific absolute target for the relevant target year, measured in kWh per m² of usable building area, meaning that the reference year is always the current year. In the reporting year, the average primary energy demand came to 21.9 kWh/m² (previous year: 22.0 kWh/m²). This target does not relate directly to GHG emissions as a target unit, but rather influences the development in future GHG emissions in Scopes 1 and 2 as well as Scope 3 indirectly.

External stakeholders were not directly involved in setting the targets. Various departments were involved in-house.

Target achievement is monitored on an ongoing basis. CO₂ intensity and the average primary energy demand are part of the quarterly forecasting process, which illustrates the expected target achievement level throughout the year. The absolute GHG reduction target is monitored through the annual calculation of GHG emissions as part of the reporting process.

As GHG emissions are calculated based on the energy demand and consumption values shown in energy certificates at Vonovia, the values in the base year are robust in relation to external factors such as fluctuating weather conditions. They are representative because energy certificates are available for more than 92% of the housing stock. For buildings that do not have energy certificates, energy consumption was extrapolated based on the year of construction using empirical values for comparable buildings from Vonovia's own housing stock. Actual tenant behavior may lead to deviations from the calculated energy requirements of the energy certificates at building level.

GHG Emission Reduction Targets

	Base year 2021		2025	Target 2030	Target 2045
	Total	Thereof continuing operations	Total (continuing operations)		
GHG emissions Scope 1 and 2 market-based (metric tons CO ₂ e; housing stock DE, SE, AT)	973,911	973,911	800,980	-42%	-
GHG emissions Scope 3 (metric tons CO ₂ e; categories 3.3 + 3.11 + 3.13)	767,187	767,187	683,302	-25%	-
GHG emissions housing stock Germany (in kg CO ₂ e/m ² rental area)	38.4	38.4	30.7	< 25	< 5

Regarding the target for absolute GHG emissions, 62% are attributable in the base year to Scope 1 and 38% to Scope 2 (market-based method). Regarding GHG intensity in the German housing stock, 47% are attributable in the base year to Scope 1, 42% to Scope 2 (market-based method) and 11% to Scope 3.

Vonovia is aiming to offset the unavoidable emissions remaining in 2045 by taking suitable measures that the company is still to define, achieving a CO₂ intensity of net zero.

E1-5 – Energy Consumption and Mix

Energy Consumption and Mix

	2024		2025
	Total	Thereof continuing operations	Total (continuing operations)
(1) Fuel consumption from coal and coal products (MWh)	11,064	11,064	5,860
(2) Fuel consumption from crude oil and petroleum products (MWh)*	193,732	192,663	186,354
(3) Fuel consumption from natural gas (MWh)	2,538,800	2,498,007	2,501,330
(4) Fuel consumption from other fossil sources (MWh)	-	-	-
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	1,617,861	1,607,646	1,309,052
(6) Total fossil energy consumption (MWh) (Sum of lines 1 to 5)	4,361,456	4,309,381	4,002,597
Share of fossil sources in total energy consumption (in %)	81.01%	80.96%	76.05%
(7) Consumption from nuclear sources (MWh)	59,379	59,196	57,110
Share of consumption from nuclear sources in total energy consumption (in %)	1.10%	1.11%	1.09%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, biogas, renewable hydrogen, renewable sources, etc.) (MWh)	2,991	2,492	8,480
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	1,019,242	1,010,682	1,250,047
(10) Consumption of self-generated non-fuel renewable energy (MWh)	296	296	2,332
(11) Total renewable energy consumption (MWh) (Sum of lines 8 to 10)	1,022,528	1,013,469	1,260,860
Share of renewable sources in total energy consumption (in %)	18.99%	19.04%	23.95%
Total energy consumption (MWh) (Sum of lines 6 and 11)	5,383,985	5,322,850	5,263,457

* Correction of the figure for 2024 (due to energy consumption by the vehicle fleet not being taken into account), resulting in a minor impact on the total and subtotals based on this figure and the share of fossil and renewable sources for 2024.

Vonovia's energy production relates to the generation of electricity using photovoltaic modules. Vonovia generated 76,579 MWh (previous year: 21,468 MWh) of electrical energy from photovoltaics in the reporting year.

Energy Intensity per Net Revenue

	2024		2025	% 2025/2024
	Total	Thereof continuing operations	Total (continuing operations)	Total
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€ million)*	721	752	780	103.78%

* Correction of the figure for 2024 (due to energy consumption by the vehicle fleet not being taken into account).

The real estate sector was applied as a climate-intensive sector for the purposes of determining energy intensity.

Net Revenue for the Calculation of Energy Intensity (€ million)

	2024		2025
	Total	Thereof continuing operations	Total (continuing operations)
Net revenue from activities in high climate impact sectors used to calculate energy intensity	7,464	7,080	6,746
Net revenue (other)	-	-	-
Total net revenue (financial statements)	7,464	7,080	6,746

EI-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

Gross GHG Emissions, Scopes 1,2 and 3

	Base year 2021		2024
	Total	Total	Thereof continuing operations
Scope 1 GHG Emissions			
Gross Scope 1 GHG total emissions (t CO ₂ e)	-	548,394	539,867
Percentage of Scope 1 GHG emissions from regulated emission trading systems (in %)	-	-	-
Scope 2 GHG Emissions			
Gross location-based Scope 2 GHG emissions (t CO ₂ e)	-	341,016	335,518
Gross market-based Scope 2 GHG emissions (t CO ₂ e)	-	302,463	296,965
Significant Scope 3 GHG Emissions			
Total gross indirect (Scope 3) GHG emissions (t CO ₂ e)	-	1,057,399	1,054,582
1 Purchased goods and services	-	170,748	170,748
2 Capital goods	-	132,075	132,075
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	-	208,451	205,634
4 Upstream transportation and distribution*	-	-	-
5 Waste generated in operations*	-	-	-
6 Business traveling*	-	-	-
7 Employee commuting*	-	-	-
8 Upstream leased assets*	-	-	-
9 Downstream transportation*	-	-	-
10 Processing of sold products*	-	-	-
11 Use of sold products	-	48,557	48,557
12 End-of-life treatment of sold products*	-	-	-
13 Downstream leased assets	-	497,568	497,568
14 Franchises*	-	-	-
15 Investments*	-	-	-
Total GHG Emissions			
Total GHG emissions (location-based) (t CO ₂ e)	-	1,946,809	1,929,967
Total GHG emissions (market-based) (t CO ₂ e)	-	1,908,255	1,891,414

* Not significant.

** The combined GHG reduction targets for 2030 and 2045 can be found in section E1-4.

	Retrospective		Milestones and target year**		
	2025	% 2025/2024	2026	2030	Annual % target/ Base year
Total (continuing operations)	Total				
530,690	98.30%	-	-	-	
-	-	-	-	-	
356,108	106.14%	-	-	-	
270,290	91.02%	-	-	-	
904,891	85.81%	-	-	-	
143,033	83.77%	-	-	-	
78,556	59.48%	-	-	-	
197,948	96.26%	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
15,511	31.94%	-	-	-	
-	-	-	-	-	
469,843	94.43%	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
1,791,689	92.84%	-	-	-	
1,705,871	90.19%	-	-	-	

Greenhouse gases included in the calculation: CO₂ equivalents (greenhouse gases regulated in the Kyoto Protocol CO₂, CH₄, N₂O, SF₆, PFC and HFC).

Sources of emission factors for calculating emissions from the combustion of fossil fuels and location-based emissions for Scope 1, Scope 2 and Scope 3: GEMIS 5.1, Federal Ministry of Environment Germany, Federal Ministry of Environment Austria and Swedenergy (Swedish non-profit organization).

As actual measured values for the relevant reporting year are not available at the required time, we calculate the emissions on the basis of the valid energy performance certificates of the individual buildings. The energy consumption of those buildings that do not have energy performance certificates is extrapolated based on the age of the building and corresponding average values based on the rest of the portfolio.

The model calculates life cycles for all processes and scenarios, i.e., it takes into consideration all material steps from primary energy/raw material extraction to effective energy/material provision and also includes the auxiliary energy and cost of materials to produce energy plants and transport systems.

Vonovia does not have any GHG emissions that are subject to regulated emission trading systems.

For the extrapolation, measures and circumstances are considered as precisely as possible. The GHG emissions for the base year reported in the presentation of the GHG emission reduction targets and greenhouse gas balance (see → E1-4 and → E1-6) include Deutsche Wohnen's portfolio. When determining Scope 3 emissions for the upstream and downstream value chain, we use average data or proxies:

- a) The GHG emissions for Scope 3.1 are calculated using emission factors derived from representative measures in the German housing industry by the German Real Estate Economics Institute (Institut für Immobilienökonomie (IIO)) on behalf of the housing industry association VdW Rheinland. For the base year 2021, this process was only applied to Vonovia's portfolio at that time due to limited data availability.
- b) GHG emissions for Scope 3.2 are determined using emissions factors based on the building construction type, which were developed through a comprehensive life cycle assessment of a reference house conducted by a specialized architecture firm.

Even though extrapolations and average emission factors can lead to certain deviations, these methods help to reduce uncertainties and offer a well-founded basis for the analysis. The degree of accuracy is already high due to the use of actual measures and the high degree of detail inherent to model house calculations.

Market-based emission factors were used to determine Scope 2 emissions from district heating where these were available in qualified form. Otherwise, location-based emission factors were used. In the 2025 fiscal year, market-based emission factors accounted for 71% in relation to district heating supply. An emission factor of zero was used to determine Scope 2 emissions from electricity consumption (market-based), as the corresponding energy volumes are sourced from green electricity. In 2025, 78% (previous year: 85%) of the green electricity was covered by guarantees of origin, while 22% (previous year: 15%) was sourced through a power purchase agreement (PPA, for electricity from renewable wind energy).

The GHG emissions (Scope 1 and 2) indicated include all fully consolidated companies. Emissions from companies in which Vonovia holds a minority interest are to be allocated to Scope 3.15 Investments in accordance with the GHG Protocol. This category has not been classified as significant.

Scope 3 greenhouse gas emissions were mainly calculated based on emission factors from recognized databases. Primary data from suppliers or other partners in the value chain was not used.

Vonovia has defined the following Scope 3 categories as **significant**:

- > Scope 3.1 Purchased goods and services: GHG emissions from the production and installation of building materials and materials for maintenance, energy-efficient modernization, "Optimize Apartments" measures and heating system replacement. GHG emissions are calculated using emission factors created by external experts on the basis of typical measures taken by various companies in the housing industry. The emissions were calculated by multiplying the corresponding units of the measures implemented (modernized m² of living area) by the relevant emission factors.

- > Scope 3.2 Capital goods: GHG emissions from the production of building and other materials used for the new buildings completed in the fiscal year in question. GHG emissions are calculated using an in-house Excel tool for the integrated calculation of greenhouse gases, primary energy requirements and circularity (ÖBIGK) throughout the life cycle, which calculates the emissions using a reference house approach for various types of construction. The generic emission factors of the German Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR) are used for the individual materials and components used in the various types of building construction.
- > Scope 3.3 Fuel and energy-related emissions (not Scope 1 and 2): GHG emissions from the upstream chain of energy sources not reported as Scope 1 or Scope 2 emissions (e.g., for the extraction and transportation of fuels or the production and transportation of electricity and district heating) – both for the wholly owned housing stock and for apartments owned by Vonovia that belong to a residential property owners' association (WEG) (their Scope 1 and 2 emissions are reported as Scope 3.13 emissions).
- > Scope 3.11 Use of sold products: GHG emissions from the operation of newly constructed residential units sold in the relevant fiscal year (provision of heat and warm water) over a lifespan of 50 years (in line with the recommendation of the Association of German Housing and Real Estate Companies (GdW)). Declining GHG intensity of district heating and electricity is assumed over the course of the property's useful life. This matches the assumed trend for the company's own portfolio.
- > Scope 3.13 Downstream leased assets: GHG emissions generated from household electricity used by customers in their homes for electrical appliances (excluding general electricity or electricity required for heat and warm water). The corresponding electricity consumption is estimated based on a method developed at sector level, since real data is not available to the landlord. User electricity for commercial units was extrapolated based on average values for types of use. The national emission factor for electricity is used to calculate emissions (location-based). In addition, GHG emissions are taken into account. These result from the supply of heating and warm water to rental units that are owned by Vonovia and belong to a residential property owners' association (WEG).

The following Scope 3 categories have been classified as **insignificant**:

- > Scope 3.4 Upstream transportation and distribution: partly included in categories 3.1. and 3.2, emission level not material
- > Scope 3.5 Waste: emission level not material
- > Scope 3.6 Business travel: emission level not material
- > Scope 3.7 Employee commuting: emission level not material
- > Scope 3.8 Upstream leased assets: n/a
- > Scope 3.9 Downstream transportation and distribution: Vonovia does not sell any products that are transported
- > Scope 3.10 Processing of sold projects: Vonovia does not sell any products that are processed further
- > Scope 3.12 End-of-life treatment of sold products: emission level not material
- > Scope 3.14 Franchises: n/a
- > Scope 3.15 Investment: emission level not material

Vonovia does not currently have or finance any projects of its own aimed at decomposing or storing greenhouse gases, nor does it contribute to such projects in the upstream or downstream value chain. We are currently assessing which appropriate measures will be implemented in the future to achieve net-zero emissions.

Vonovia does not use any in-house CO₂ pricing system. External statutory CO₂ prices and assumption regarding their future development are included in the internal financial feasibility calculations.

GHG Intensity per Net Revenue

	2024		2025	% 2025/2024
	Total	Thereof continuing operations	Total (continuing operations)	Total
Total GHG emissions (location-based) per net revenue (t CO ₂ e/€ million)	261	273	266	97.4%
Total GHG emissions (market-based) per net revenue (t CO ₂ e/€ million)	256	267	253	94.7%

Net Revenue for the Calculation of Greenhouse Gas Intensity (€ million)

	2024		2025
	Total	Thereof continuing operations	Total (continuing operations)
Net revenue used to calculate GHG intensity	7,464	7,080	6,746
Net revenue (other)	-	-	-
Total net revenue (financial statements)	7,464	7,080	6,746

E5 Resource Use and Circular Economy

ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

Material Impacts, Risks and Opportunities

Within the scope of our materiality assessment, we identified **one material IRO** related to “resource use and circular economy”:

> Contribution to Resource Consumption

We currently expect our actual material impact “**Contribution to resource consumption**” to have an influence on our business model, strategy and value chain in the short term. Part of Vonovia’s current and future business activities involves further developing its neighborhoods, which includes modernizing and maintaining existing buildings, as well as constructing new ones. Construction products and building materials from primary production are used for these activities, which involves significant resource consumption (including concrete, steel, stone, sand, gravel, wood, insulation and synthetic materials). This contributes to overall resource consumption. This material impact affects the upstream value chain. In the long term, the negative impact could contribute to a future shortage of resources, which would have a negative effect on Vonovia in the form of rising material prices.

Resilience of Our Business Model

The resilience of Vonovia’s strategy and **business model** is analyzed and evaluated annually as part of risk management (see → **ESRS 2 GOV-2**). First-level executives below the Management Board are responsible for identifying and assessing risks within their areas of responsibility during the semi-annual risk inventory process. The risk management horizon and the evaluation period extend five years beyond the reporting year. Risk management assessments focus on net risks.

To assess the resilience of our business model in terms of its ability to cope with the material impact of its contribution to resource consumption, we analyze the services associated with material inflows in the areas of vacant apartment modernization, energy-efficiency modernization, maintenance/major repairs and new construction/development, as well as the quantities involved. As this analysis was conducted in this specific form for the first time in the reporting year, it is not yet possible to draw any conclusions from past experience. In the future, this process will allow us to identi-

fy, early on, which materials and crafts involve the most considerable inflow of resource and to take targeted action with partners in the value chain to reduce the proportion of virgin resources. No shortage of resources (suppliers and raw materials) or any major changes in regulatory requirements are expected in the short or medium-term period covered by our assessment. We do not anticipate any significant dependencies based on our current analyses.

E5-1 – Strategies Related to Resource Use and Circular Economy

Vonovia’s business strategy is geared toward **extending the life of our buildings** by modernizing buildings and neighborhoods with a view to the long term. This is why we are creating additional homes using resource-efficient strategies, namely by means of vertical expansion on top of existing buildings. This approach requires fewer resources than new construction, as existing building structures can be used and extra stories are usually added using timber frame construction methods.

Vonovia also has a **climate, environmental and energy policy** that addresses the issues of resource use and circular economy. In this policy, Vonovia expresses its commitment to promoting the use of resource-conserving and recyclable materials, products and services at all stages in its value chain. This applies to the impacts in both the upstream (reduction in resource use, use of materials made of secondary and renewable raw materials) and the downstream value chain (better options for reuse or recyclability). The climate, environmental and energy policy was approved by the Management Board and applies across the Group. The business areas are responsible for implementing it. The policy is published on both the intranet and the Internet, and can be consulted by all employees and external stakeholders.

We are aiming to establish the **circular economy** as an element of sustainable construction and, in the long term, to increase the use of renewable raw materials and reduce the use of virgin resources in our construction products as well as to promote a closed material loop in the building sector by using recycled materials.

In 2024, our development subsidiary BUWOG implemented a sustainability standard for development (NHSD) that is applied to all project developments. This sets out the requirement to extend the useful life of buildings by incorporating a large proportion of floor plans that are suitable for a large variety of lifestyles. To ensure the successful establishment of the NHSD, BUWOG has introduced a review of the

aspects covered by the standard within the milestones set as part of the planning process.

E5-2 – Actions and Resources Related to Resource Use and Circular Economy

Vonovia implements the following actions on a permanent basis across the Group to address the policies described in → E5-1 and the material impacts described in that section:

Space efficiency: When planning new builds, Vonovia takes care to ensure optimal space efficiency across the Group, with simple cubic volumes and compact floor plans that result in efficient resource and energy consumption per square meter of living area and per resident.

Floor plans suitable for a wide variety of lifestyles: During the planning stages, we pay particular attention to ensuring that floor plans are suitable for a wide variety of lifestyles. This means that we design buildings in such a way that rental apartments can be extended or reduced in size at short notice and with minimal spending on materials if need be at a later date, or converted into offices or doctors' surgeries, for example. These measures increase the appeal and lifespan of the property and reduce the resources required for any conversion work. As part of this action, we have developed an Excel tool for the integrated calculation of greenhouse gases, primary energy requirements and circularity (ÖBIGK), which determines the total quantities and recyclability of the various structural elements in our new builds in accordance with ISO 20887. This tool is used for all projects in the early planning phase.

Modular construction and modernization: a key lever for reducing resource requirements lies in the use of modular construction and modernization. Prefabricating building components optimizes the use of material and minimizes waste on the construction site. In series production, any quantities remaining, for example from blow-in insulation, can be collected and fed back into the production process. Vonovia has concluded a strategic partnership with Gropyus, a company that has developed an innovative manufacturing process for modular timber construction. In 2024 and in the reporting year, a total of four projects comprising 373 residential units were approved and launched. Thanks to prefabrication, these projects will reduce the use of mineral, non-renewable raw materials and increase the use of biological raw materials, such as wood and cellulose. Further projects using this method are in the planning stages.

When it comes to modernization, too, we are increasingly focusing on a high degree of prefabrication, which also saves resources compared to conventional modernization methods and significantly reduces waste on the construction site. In the reporting year, we performed serial modernization work on 145 residential units in various locations. Work also commenced on a further 265 residential units in the reporting year. As part of the growth strategy and contribution to Vonovia's climate pathway, the company will continue to expand its serial modernization efforts significantly over the coming years.

Promoting innovation: Vonovia launched the Vonovia Construction Contest in 2024 to identify innovative construction products and materials. The evaluation criteria used in the competition include the recyclability of the solutions, either through the extensive use of recycled materials or through the particularly good reusability or recyclability of the construction products.

Minimum standards for suppliers and business partners: in general, all contractors working on our construction sites are also contractually obliged, under our Business Partner Code, to comply with the statutory provisions governing the separation, recycling and disposal of materials.

E5-3 – Targets Related to Resource Use and Circular Economy

Vonovia has not set any specific targets for resource use and the circular economy at present, as an appropriate pool of data has to be created and commercial viable solutions have to be developed first.

E5-4 – Resource Inflows

The **main resource inflows associated with our operations** relate to construction products and building materials used in new construction, modernization and maintenance. They include, for example, concrete, steel, stone, insulation materials, windows, roof tiles, tiles, plaster and other finished construction products made of plastic, ceramics and metal. The most important biological building material is wood. As Vonovia is the client, and not the executing company, in the area of development/new construction, it does not purchase the building materials and products used itself. Our contractors generally purchase building products through retailers, or directly from manufacturers. Modernization and maintenance work is carried out either by the company's own technical service, Vonovia Technischer Service GmbH, or by subcontractors. In both cases, the building materials tend to be purchased via retailers. Information on the proportion of biological materials from sustainable sources and the quantity of recycled materials is kept in the upstream value chain and is not usually communicated along with other product specifications. To date, Vonovia has neither imposed requirements on subcontractors and retailers regarding these aspects nor has it requested information in a structured and systematic manner. This is why, at the level of our own operations, the information required to verify sustainably sourced biological materials and reused or recycled secondary components, products and materials is not available to us. Vonovia plans to implement suitable procedures for obtaining this information in the future.

Resource Inflows

	2025
	Total (continuing operations)
Total resource inflows (thousand metric tons)	788.9
New Construction	536.5
Modernisation and Maintenance	252.3

The **resource inflows in new construction** are calculated using an in-house Excel tool for the integrated calculation of greenhouse gases, primary energy requirements, mass and circularity (ÖBIGK) throughout the life cycle, which calculates the various parameters using a reference house approach. This involves determining the structural components and their corresponding mass based on the type of construction and the areas on which the project is being implemented (above ground and underground). The total mass of a project is allocated to the year in which the project was completed, even if the building was constructed over more than one period. This ensures consistency with general reporting and GHG accounting.

As far as data on **mass in connection with modernization and maintenance** is concerned, the data taken as a basis includes the service items invoiced in Germany and recorded in the system in the reporting year. This information is used to define those service items that, according to criteria including the type of service, number of entries per service item in the reporting year and minimum weight per unit, involve a significant inflow of resources. The weights of the materials used were obtained from manufacturer specifications or comparable reference products, e.g., from the ÖKOBAUDAT platform provided by the Federal Ministry of Housing, Urban Development and Building (BMWSB). Services that were not invoiced using unique service numbers were extrapolated using product category-specific factors. The data for Austria and Sweden was extrapolated based on the assumption that new construction and modernization work is carried out in the same way and using the corresponding investment volumes.

The data calculated, in particular for modernization and maintenance, is based on a series of assumptions and contains a significant share of extrapolations and estimates based on reference products and average weights per product category. Although this method creates a certain degree of uncertainty, it represents the best possible approximation, with reasonable outlay, given the variety of materials used. Due to the component-based reference house approach, the model house calculation reveals a higher degree of accuracy for new construction resource inflows than the data on modernization.

ESRS S1 Own Workforce

ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

Material Impacts, Risks and Opportunities

Within the scope of our materiality assessment, we identified **six material impacts, risks and opportunities (IROs)** related to our own workforce:

- > Employee satisfaction due to fair remuneration
- > Employee satisfaction based on work-life balance
- > Employee satisfaction through opportunities for participation
- > Lack of a sense of belonging due to insufficient promotion of diversity
- > Employee satisfaction through professional development opportunities
- > Lower employee turnover and targeted recruitment of skilled workers through working conditions that are tailored to the needs of employees and the company

In order to successfully implement Vonovia's business strategy and model in all business areas (see → [ESRS 2 SBM-1](#)), a broad-based workforce comprising highly qualified employees is a must. This is why Vonovia's HR strategy is aimed at recruiting suitable employees for the company and its new business areas in a targeted manner as well as to retaining existing employees and providing them with further training. This allows the HR strategy to support change processes within the company and support the company with its transformation. It contributes to all material IROs relating to Vonovia's own workforce. Employee satisfaction plays a key role in this respect. It is influenced by various factors.

The positive impact "**Employee satisfaction due to fair remuneration**" aims to boost employee productivity and reduce/counteract employee turnover. This is to be ensured through fair and transparent pay for all occupational groups. This impact is directly linked to Vonovia's business model, as qualified employees are required for the company's operations and to implement transformation processes, and ensuring competitive pay for these very employees has a direct impact on personnel expenses.

Comprehensive social management, flexible working hours models and appropriate investment in employee issues have a positive impact on "**Employee satisfaction based on work-life balance.**" This means they can help give the company a competitive edge in terms of recruiting and retaining relevant employee groups.

We prioritize co-determination as a topic in our overarching HR strategy and continuously take action to achieve the positive impact of "**Employee satisfaction through opportunities for participation.**" Within this context, social dialogue as well as general information for, and representation of, the workforce regarding employee rights, are strengthened by works council members.

We see diversity as an important part of our corporate culture and have made it a firm component of our corporate mission statement. Vonovia's various business areas, spanning different countries and urban areas, call for a diverse workforce, both professionally and personally, and comprehensive diversity management. This makes promoting diversity essential for our business model. It is a separate component of our HR strategy and addresses the negative impact of a "**Lack of a sense of belonging due to insufficient promotion of diversity.**" As a result, we take ongoing action to avoid scenarios in which diversity is not given the priority it deserves among managers and in hiring or promotions, for example. If a corporate culture that is free from discrimination is not promoted proactively and only insufficient internal diversity targets are set, this has a direct impact on our employees, e.g., in the form of potential individual cases of discrimination and a reduced sense of loyalty to the company. Promoting diversity will become even more important going forward as the shortage of skilled workers becomes more pronounced. If a lack of a sense of belonging leads to employee turnover and staff shortages, this could have an impact on the continuation of our rental business and the associated service quality. This means that the action Vonovia takes to promote diversity has a material impact on the sense of belonging and, as a result, on reducing this negative impact.

The positive impact “**Employee satisfaction through professional development opportunities**” results from the long-term career prospects offered by various training and career paths as well as further training opportunities for all Vonovia employees. Well-trained employees in both the technical trades and in commercial positions within our core business are crucial for our business model, especially in light of innovations in business operations with regard to the energy and heating revolution, and new regulatory requirements. We have also established a comprehensive training and development approach as a central component of our HR strategy. First, our efforts serve to increase expertise and knowledge as well as to foster an exchange of experience among employees, which gives them more opportunities for advancement. This results in higher levels of satisfaction and longer staff tenure. What is more, our customers benefit from improved service quality thanks to better trained employees.

The impacts described above mean that implementing a successful HR strategy opens up the material financial opportunity of “**Lower employee turnover and targeted recruitment of skilled workers through working conditions that are tailored to the needs of employees and the company.**” By securing jobs in the long term and creating fair working conditions, Vonovia can position itself as an attractive employer, enabling it to keep employees at Vonovia as it competes with other companies on the labor market. At the same time, a differentiated and efficient recruitment strategy as well as action to strengthen the employer brand and reputation can have a positive impact on the recruitment of new skilled employees and, as a result, on our transformation and growth process. This can also increase the level of professionalism and innovation potential in the workforce, improve service quality and feed into higher levels of customer satisfaction as a result. Making our employees more likely to stay with our company also reduces employee turnover and, in doing so, reduces transaction costs. As a result, we expect to see a positive impact on our financial position, financial performance and cash flows. The period spanning the current or following reporting year is too short to allow us to pinpoint any major positive financial effects on Vonovia’s financial position.

Resilience of Our Business Model

In general, the resilience of Vonovia’s strategy and **business model** is analyzed and evaluated annually as part of risk management (see **ESRS 2 GOV-2**). In order to evaluate the resilience of our business model in terms of its ability to cope with the material impacts and opportunities, we monitor the development of our key performance indicator “employee satisfaction” on an ongoing basis. As a central KPI, it provides information regarding our appeal as an employer, which, in turn, is important for the targeted recruitment of skilled workers and for reducing employee turnover. The development in this KPI shows that employee satisfaction remains at a high level. The half-yearly risk assessment carried out by Risk Management identified the shortage of skilled workers as a potential risk with regard to the company’s own workforce. This risk is closely linked to employer attractiveness and employee satisfaction. It is, however, currently considered to be low in terms of both potential damage and probability of occurrence. We can therefore conclude that our existing measures strengthen the resilience of our business model with regard to the workforce, and prevent material risks from emerging for our business model.

Target Groups

All individuals in Vonovia’s workforce who could be affected by the company’s material impacts are covered by the disclosures made in accordance with → **ESRS 2** and are therefore included in them.

Vonovia’s employees can be split into two categories: **employees working in the technical trades and employees with commercial and administrative roles**. Only individuals employed by Vonovia are included in the analysis of the workforce affected by those impacts that have been identified as material. Self-employed workers, non-salaried employees, workers of third-party companies and agency workers may be involved in Vonovia’s core business in Germany in both a commercial/administrative and technical/trades-based role. However, our strategic concepts and measures in response to the impacts are primarily applicable to our in-house employees who are directly employed by Vonovia. As they have fixed employment contracts with Vonovia, they are legally bound by our employment agreements and conditions and have access to our company user infrastructure.

The impacts described affect the two groups of employees as follows: Tasks that are central to our value chain – from caretaker work and green space maintenance to the implementation of modernization work – are largely carried out by our own **technical and trades employees**. Despite a targeted insourcing strategy aimed at ensuring the availability of skilled tradespeople and technical workers on construction sites, the shortage of skilled workers is, however, having a significant impact on the skilled trades at Vonovia. We will therefore only be able to prevent quality restrictions, mounting workloads and, as a result, dissatisfied employees who end up leaving the company, if we manage to position ourselves as an attractive employer.

Our **commercial and administrative employees** work in particular in administration, customer service and portfolio management in our business areas. As we place particular emphasis on fast and reliable customer service, we have our own customer service centers in Essen, Dresden and Berlin, where over 1,000 employees deal with our customers' concerns on a daily basis and in several languages. These areas of activity are also being impacted by demographic change, meaning that we expect to see a shortage of qualified staff here, too, in the future.

As part of the **transition plans to reduce any negative impact on the environment** and achieve environmentally friendly and greenhouse gas-neutral activities, there is an opportunity for Vonovia's employees to explore new (training) occupations, fields of activity and training areas. Our measures to achieve a greenhouse gas-neutral housing stock by 2045 include the refurbishment of building structures/envelopes and the installation of photovoltaic modules and heat pumps, which require the appropriate technical expertise in the trades for installation and maintenance. Commercial employees also require expertise in areas such as sustainability strategy, innovation management, digitalization and HR, which will also call for corresponding changes to existing job profiles and the creation of new functions.

Ambitious transition plans combined with a shortage of skilled workers in the areas concerned could, however, create a heavy workload for employees in these areas.

In our [Declaration of Respect for Human Rights](#), we specifically highlight the relevance of global human rights standards to us. Neither we, nor any of our partners tolerate forced or child labor under any circumstances. We also make sure to comply with all relevant legislation in Germany, Austria and Sweden. We make sure that all changes to the law are reflected in our processes. Our [Code of Conduct](#) provides clear expectations for how the company and its employees are expected to behave.

We strive for full transparency in our compliance with human rights and all relevant standards along the entire supply chain. Our stakeholders, too, increasingly expect this transparency – from raw material extraction to sales. We therefore oblige external partners and service providers to comply with the following requirements:

- > [Business Partner Code](#),
- > General Terms and Conditions of Purchasing,
- > Vonovia SE's general terms and conditions for building services
- > Vonovia SE's general terms and conditions for planning services
- > Individual agreements as part of our structured supplier management

In the context of the overall statutory framework set out above and thanks to the precautions taken, no cases of forced labor or child labor have come to light at any of our business locations in Germany, Austria or Sweden, or in any area of activity within our value chain. Given the preventive measures taken, we do not anticipate any elevated risk of forced labor or child labor.

Lower employee turnover and targeted recruitment of skilled workers through working conditions that are tailored to the needs of employees and the company presents a financial opportunity for the company in connection with its entire workforce.

The revision of our materiality assessment (for details, see [→ ESRS 2 IRO-1](#)) resulted in the following changes regarding the material IROs for ESRS S1:

- > The title of the material positive impact "Promotion of employees' professional development" used in the previous year has adjusted and is now referred to as "Employee satisfaction through professional development opportunities."

> In order to provide the best reflection of our HR strategy, the material impacts identified in the previous year, “Employee dissatisfaction due to lack of co-determination,” “Employee satisfaction through co-determination” and “Promotion of diversity in the workforce” were re-phrased as “Employee satisfaction through opportunities for participation” and “Lack of a sense of belonging due to insufficient promotion of diversity.” At the same time, the positive impacts relevant to our HR strategy, namely “Employee satisfaction based on appropriate remuneration” and “Employee satisfaction based on work-life balance” were identified as material.

> The material opportunity “Financial opportunity through appeal as an employer” was refined linguistically and renamed “Lower employee turnover and targeted recruitment of skilled workers through working conditions that are tailored to the needs of employees and the company.”

SI-1 – Policies Related to Own Workforce

All of the material IROs identified as part of the materiality assessment for the subtopics “Working conditions” and “Equal treatment and opportunities for all” are embedded in our long-term HR strategy, which aims to attract and retain highly skilled and satisfied employees in the long term. The HR strategy supports Vonovia’s business strategy.

Vonovia has identified a material financial opportunity in **lower employee turnover and targeted recruitment of skilled workers through working conditions that are tailored to the needs of employees and the company**, which will help it combat the prevailing **shortage of skilled labor**. This opportunity is directly linked to the material impacts on employee satisfaction

- > through professional development opportunities,
- > through opportunities for participation,
- > due to fair remuneration and
- > based on work-life balance.

The various subcomponents of our **HR strategy** address these impacts identified as described above, as well as the opportunity. The strategy was approved at Management Board level and is implemented, managed and developed centrally throughout the Group by the HR department. This also includes the business areas in Austria and Sweden.

The overarching objectives of this strategy are to secure the long-term success of Vonovia’s business and the associated jobs and, as a result, to attract qualified employees to Vonovia and keep them with the company in the long term.

This overarching strategic concept for HR has been integrated into our corporate management, with regard to sustainability aspects, via the **Sustainability Performance Index (SPI)**, which includes two **sub-indicators: employee satisfaction and the proportion of women in management positions at the first and second level below the Management Board**. For detailed information on the SPI and the tracking of targets, please refer to → **ESRS 2 GOV-3** and → **SI-5**.

In our quest to achieve our goals, we are using recruitment, targeted HR resource planning and the insourcing of skilled workers in technical areas and the trades to counteract the shortage of skilled workers and demographic change. Part of the concept also involves **promoting the development of skilled workers and employees and retaining them at the company (talent management)**. At the same time, we are working on our **organizational development** and on establishing an **innovative, open and dynamic corporate culture**. This includes short, medium and long-term implementation and management phases embedded in a steering cycle at Management Board and Supervisory Board level that is supported by an overarching internal strategy process and is monitored by both this entity and the HR department with regard to the progress made.

Vonovia’s business strategy is bolstered by strategic HR modules, which manifested themselves in three parallel “horizons”: in the short term, the foundation is laid for good staff performance and its immediate requirements are prioritized and addressed, such as remuneration and recruitment issues, as well as the topic of equality and equal opportunities (first horizon). Our aim is to strengthen employer branding, establish talent and performance management processes and provide existing employees with even more targeted training, support and development opportunities as they progress on their individual career paths. In the medium term, strategic recruitment is to be used to attract further qualified specialists for new roles in the company’s core business, for example in procurement, sales, modernization and development, in order to provide HR support to Vonovia’s growth strategy. In addition, we intend to make increasing use of digitalization potential – including

AI-supported solutions – to be able to meet the challenges of recruiting, which are brought about by the shortage of skilled workers, even more efficiently in the future (second horizon). In the long term, our HR strategy will focus on further developing and further establishing those aspects that promote leadership and corporate culture, in particular moves to promote gender equality and equality of opportunity within the company, as well as creating links with leadership concepts (third horizon).

The HR strategy is presented and made available as part of the steering cycle and in the corresponding implementation phases at management level. The responsible managers are tasked with implementing the measures derived from the strategic components referred to above in their business areas. Affected employees are also informed of any relevant strategic developments, changes and new features relating to their employment relationships before they are implemented through topic-specific information channels such as the intranet, video calls and (executive) emails. Regular employee surveys and the involvement of employee representatives allow employee interests to be incorporated into the (further) development of the HR strategy.

Vonovia uses the [Code of Conduct](#), as the basis for addressing the material negative impact of a lack of a sense of belonging due to insufficient promotion of diversity and the associated strategy for “Promoting Workforce Diversity,” as a central guideline for behavior that is consistent with Vonovia’s values and regulations. The [Code of Conduct](#) sets out provisions governing aspects such as conduct, preventing corruption, conflicts of interest, information and data protection, discrimination, environmental protection and protecting company property. It applies to all Vonovia employees in Germany and has also been adopted in Austria and Sweden, with modifications to take account of country and organization-specific differences. In addition, reports of non-compliance (e.g., in suspected cases of discrimination or violence in the workplace) are submitted using the relevant whistleblowing channels (see [S1-3](#)) and, if the facts are confirmed, sanctions are imposed based on formalized processes.

Operational responsibility for the implementation, monitoring and further development of this concept is shared between the HR, Legal, Compliance and Data Protection, Corporate Communications and Internal Audit departments. Ultimate responsibility lies with the Management Board. The [Code of Conduct](#) takes the form of a Group works council

agreement that was drafted and signed as a collaborative effort between the company and the Group Works Council.

The European legal framework in which Vonovia operates with its business model is strictly regulated and overseen in the markets in Germany, Austria and Sweden. This applies in particular to **fundamentally enshrined human rights**, to which Vonovia attaches great importance irrespective of the legal framework. Compliance with, and the fostering of, these rights is reflected in our ethos and mission statement. We adapt our guidelines to changing conditions as needed on a case-by-case business.

In our [Declaration of Respect for Human Rights](#), which applies throughout the Group, 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, the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises as well as complying with the Universal Declaration of Human Rights (UDHR). Our [Code of Conduct](#) also takes account of our stance regarding respect for human rights. We make both documents available on our [corporate website](#).

From a human rights perspective, Vonovia’s business model means that **compliance with labor and social standards** on construction sites is of particular relevance. Some trade/construction activities in Germany are carried out by the company’s own technical service – and therefore by our employees. This lessens the risk of non-compliance with labor and social standards.

A **due diligence process** to avoid scenarios in which business activities have negative impacts on people and the environment forms the core of compliance with the minimum safeguards. Taking the OECD Guidelines as a basis, Vonovia has implemented all of the recommended due diligence steps. The analyses conducted in 2023 and 2024 with regard to human rights and environmental risks for our own operations and the supply chain are reviewed annually to ensure they are up to date and adjusted if necessary.

To address risks identified in relation to topics such as fair working conditions (adequate remuneration and social protection), freedom of association or anti-discrimination and equal treatment, we develop measures that we regularly review for appropriateness and effectiveness. Since 2023, for

example, we have been offering an e-learning program to raise awareness of our human rights due diligence obligations among our employees. Vonovia has set up various confidential procedures that allow reports on potential abuses (such as human rights violations) by both internal and external parties, including anonymous reports. We conduct in-depth investigations, or have an external reporting office conduct them, into indications of human rights violations within our own operations or in the supply chain that come to our attention via the various formal **reporting channels** (see → **S1-3**). Whistleblowers are given full protection from retaliation throughout the entire process.

As Vonovia operates in geographical areas (Germany, Austria and Sweden) where child labor, human trafficking and forced labor are prohibited and punishable by law, these issues are considered to entail low risks for the company based on a due diligence analysis. Consequently, these issues are not the main focus of Vonovia's HR strategy. Vonovia complies stringently with the statutory provisions that apply in its business areas and explicitly rules out these forms of human rights violations by means of corresponding Group policies. As a result, there is no risk of human trafficking, forced labor or child labor. Nevertheless, we carry out regular risk analyses, and ad hoc risk analyses if required, for our own business and for our supply chain. We describe our approach to risk analysis and the risk areas in our Declaration of Respect for Human Rights, which we update on a regular basis.

The company uses its professional **health and safety management policy** to minimize potential hazards and promote a working atmosphere that effectively protects all employees from health risks in the workplace. We design working processes and structures that are conducive to good health and offer preventive health care programs as part of our corporate approach to health management.

Our **Group guideline on occupational safety** defines the occupational safety standard that applies throughout the Group. The company undertakes to assess health hazards in the workplace and to implement the necessary safeguards based on this assessment. The guideline thus serves to protect employees from possible risks and hazards as they go about their individual, day-to-day work as well as to prevent potential hazards in advance to the greatest extent possible. It defines the associated responsibilities and duties at Vonovia. The resulting instructions help managers to live up to their occupational safety responsibilities. In line with our Group policies, the Management Board is informed once a

year about all occupational health and safety measures and the accident figures for the previous year.

Vonovia's HR strategy, which explicitly includes preventing discrimination, covers the following grounds for discrimination: ethnic origin, skin color, gender, sexual orientation, gender identity, disability, age, religion, political opinion, national origin or social background, as well as other forms of discrimination covered by EU and national law.

A general ban on discrimination against people with disabilities is enshrined in Article 3 (3) of Germany's constitution, the Basic Law (Grundgesetz), and in the Federal Participation Act (Bundesteilhabegesetz). This ban is substantiated by the objective of enabling participation and self-determination for people with disabilities, including in areas relevant to the labor market.

The German **General Act on Equal Treatment (AGG)** provides a framework - in Germany - for access to advertised jobs through the prohibition of discrimination under labor law. As a result, it also influences the management of recruitment and hiring processes, working conditions and the area of continuing professional development at Vonovia by virtue of the ban on discrimination under labor law. The Federal Disability Equality Act (BEinstG) in Austria and the Swedish Anti-discrimination Act (Diskrimineringslag) apply in a comparable framework. In addition to a strict ban on discrimination, Vonovia, as a private-sector company, is obliged to implement appropriate strategies to promote the employment of individuals with disabilities in its own operations. These are set out in a corresponding Group works agreement (the "Inclusion Agreement") between the Group Works Council and the Group with regard to various areas of application (e.g., integration and employment of people with disabilities, management training, workstation design and professional development). The various Group companies (e.g., the holding company, customer service, engineering, etc.) also have dedicated representatives for severely disabled employees who are on hand to answer formal or work-related questions. If cases of discrimination arise, individuals with disabilities can use our reporting channels (e.g., AGG mailbox, hotline, ombudsperson), which are used to record and investigate suspected cases and take appropriate action if a case of discrimination or harassment is confirmed (see also → **G1-3**).

SI-2 – Processes for Engaging with Own Workforce and Workers' Representatives about Impacts

Through an annual **employee satisfaction survey** conducted via an online questionnaire, we provide our workforce with a platform for dialogue and a space to give anonymous feedback – also in subsequent team workshops – allowing employees to share their views on working conditions, collaboration and company culture. This approach specifically addresses the management of our material positive impact, “Employee satisfaction through opportunities for participation,” while also contributing to our material financial opportunity associated with “lower employee turnover and targeted recruitment of skilled workers through working conditions that are tailored to the needs of employees and the company” by enabling employees to actively shape their working conditions and voice their opinions. The underlying questionnaire is developed and regularly updated with the support of an external service provider. Our target is to achieve a participation rate of at least 70%. A full survey was conducted in the current fiscal year. This is held every two years with partial surveys being conducted in the years in between. The participation rate in the fiscal year under review stood at 84%, as against 77% for the last interim survey in 2024. After the last partial survey conducted in 2024, interdepartmental formats were launched for improving Group-wide collaboration and measures were initiated to facilitate systematic follow-up in teams with low levels of employee satisfaction, among other action. This should have a positive impact on the strategy and the underlying objectives of increasing employee satisfaction.

Annual and systematic **feedback discussions** foster a culture of continuous improvement, appreciation and mutual trust. In addition to annual performance reviews, employees participate in a summer feedback session. As part of the annual summer appraisal process, employees provide their managers with direct feedback on their leadership behavior using an anonymous, voluntary digital questionnaire with the aim of improving both this behavior and teamwork. Following this, the entire team and the respective manager hold a meeting to jointly agree on actions to strengthen collaboration. This appraisal is used by the majority of Vonovia employees across the entire Group (excluding trainees, (working) students, marginal employees, temporary staff and interns).

Employee representatives, understood as works councils under the Works Constitution Act (BetrVG), are included in the sustainability statement. At Vonovia, the SE Works Council of Vonovia SE serves as the representative body, with regular updates also provided to the Group Works Council in Germany. The Vonovia SE Works Council includes employee representatives from Germany and Austria. The Swedish subsidiary's employees have not yet established employee representation. The SE Works Council is informed annually about changes to reporting content due to new materiality assessments, significant adjustments to the survey process and the implementation of recommendations from the external auditor's review of the sustainability statement. Employee representation also features a representative body for people with severe disabilities and representatives for young employees and trainees.

Our employees are also free to form trade unions and exercise their statutory right to **freedom of association**.

Responsibility for engaging with employee representatives and incorporating their input into company policies lies with the Chief Human Resources Officer (CHRO) and the Head of HR at Vonovia.

Vonovia and the Group Works Council have adopted a company-wide [Code of Conduct](#) that explicitly includes respect for human rights. The Code of Conduct allows the Group Works Council to negotiate with the Management Board on its interpretation and application. It also provides consultation options with compliance officers or representatives from departments such as Internal Audit or HR. This ensures that employee perspectives are consistently considered.

Vonovia evaluates the effectiveness of collaboration with its employees through the annual employee satisfaction survey. The effectiveness of collaboration with the Works Council is not reviewed. However, managers on the first, second and third levels below the Management Board are surveyed every year regarding their satisfaction with Works Council management.

SI-3 – Processes to Remediate Negative Impacts and Channels for Own Workforce to Raise Concerns

Vonovia strives to create fair and transparent working conditions while offering employees avenues to address individual workplace concerns anonymously and in compliance with data protection regulations. Employees can engage with representatives such as works councils or seek mediation in conflict situations.

Vonovia has implemented a comprehensive **complaint management system**, which includes channels for reporting potential cases of corruption, discrimination and human rights violations (see → G1-3). Reports of potential or actual misconduct can be directed to beschwerdestelleagg@vonovia.de, the responsible ombudsperson, or a hotline managed by an external law firm, which is also available to employees. The Labor Relations/Labor Law team handles access to the AGG mailbox and case-specific processing is carried out by this team, HR Business Partners or Compliance employees. Individuals also received targeted training on the subject of sexual harassment in 2025 in order to provide an additional personal reporting channel in a quest to foster trust. The names of these individuals are available on the intranet. Any suspected cases reported are investigated immediately and, if confirmed, individual sanctions are imposed.

Our **employee survey** did not point to any lack of a sense of belonging due to insufficient promotion of diversity among our employees. This allows us to conclude that the action we have taken adequately addresses this impact.

We asked questions regarding compliance functions within the company as part of our employee satisfaction survey. Among other things, the questions allow us to draw conclusions regarding knowledge of the reporting channels available. If most employees are aware of these channels, it will demonstrate their effectiveness – through the direct involvement of our workforce – in enabling the reporting of potential or actual misconduct by employees. In addition, individuals who submit reports via the whistleblowing system (BKMS) are asked how satisfied they are with the system.

Anonymous reporting channels are communicated to employees and business partners through training and the company website. Reports, particularly those that could reveal the identity of the reporting individual, are treated confidentially and handled exclusively by selected and specially trained staff. Further details are provided in → G1-3. We ensure that our employees are familiar with and trust these channels by actively communicating about them and using them regularly.

SI-4 – Taking Action on Material Impacts on Own Workforce, and Approaches to Managing Material Risks and Pursuing Material Opportunities Related to Own Workforce, and Effectiveness of Those Actions

We take targeted action to implement our HR strategy to address our material opportunity associated with **lower employee turnover and targeted recruitment of skilled workers through working conditions that are tailored to the needs of employees and the company**, which results directly from the material impacts of employee satisfaction

- > due to fair remuneration,
- > based on work-life balance,
- > through opportunities for participation and
- > through professional development opportunities.

The necessary measures are determined based, in particular, on the evaluations of our employee satisfaction survey. This survey and our other formats, like qualitative surveys and turnover analyses, allow us to ensure that our established measures remain effective and appropriate and do not entail any negative impacts on our employees. Our efforts enhance Vonovia's image as a secure and trustworthy employer, increasing our ability to recruit and retain skilled workers long-term. This means that they contribute to the overarching objective of our HR strategy: to find suitable and satisfied employees for, and retain them within, the company, and to support the corporate change processes.

In the reporting year, our comprehensive package of measures for successful **recruitment** continued to focus on the further development of our application and recruitment process, our training concept, the recruitment of specialists from abroad, and the targeted further training of skilled technical and auxiliary staff. We are implementing these measures for our own operations in Germany. As the shortage of skilled workers looks set to continue over the coming years, we aim to keep enhancing our processes in this area.

In the reporting year, we successfully implemented the visual employer brand that was developed on the basis of persona development, market analyses and expert interviews, and communicated it both internally and externally. This process involved developing a comprehensive, target group-oriented creative concept that takes account of all focus groups relevant to Vonovia. Our plan for 2026 is to further expand the rollout of our employer brand, strengthen Vonovia's visibility as an attractive employer in Germany and further increase our standing among our focus target groups. We expect to have the first set of reliable impact and success indicators for the action taken at the end of 2026.

Given the tight labor market, we aim to keep our employee turnover as low as possible. In the 2025 fiscal year, this employee turnover was 15.3%, which corresponds to a decrease of 1.4 percentage points compared to the previous year. To combat the skills shortage while promoting workforce diversity, we will continue to focus on recruiting skilled workers from Colombia for roles in electrical installation, landscaping, photovoltaic system expansion and technical services in Germany.

As a specific measure to achieve high **employee satisfaction** and employer attractiveness, as well as to reduce employee turnover, we offer the majority of our workforce permanent employment contracts. Over 90% of our employees across the Group held such contracts during the reporting year. We only employ agency workers in exceptional cases. Additionally, only regular employment relationships exist within the Group; we do not employ seasonal workers or pseudo self-employed individuals. We have a corresponding Group guideline in place in Germany to ensure this. In Sweden, the involvement of the HR department in the commissioning process ensures that the statutory requirements governing bogus self-employment are reviewed and complied with.

In the reporting year, more than 99% of Vonovia employees across the Group were covered by **collective agreements**. Collective agreements, renegotiated regularly, safeguard workers' interests.

To safeguard our employees' purchasing power, we have introduced a compensatory inflation bonus which became a permanent feature of gross monthly salaries starting in 2025. In addition to fixed salary components, all employees who have been with the company for at least one year as of December 31 of the previous year are eligible to participate in the employee share program. A large number of employment contracts also feature other variable salary components, which generally include both performance-related and company results-related components. These measures apply to the majority of Vonovia employees in Germany (excluding trainees, temporary staff and marginal employees).

A works agreement was also concluded and introduced in 2025 for employees of Vonovia's holding company (excluding executives, students on sandwich courses, working students, interns, trainees and marginal employees) to launch a grading system and a functional architecture. This grading system creates a transparent framework that highlights the development prospects and career opportunities open to employees in various career models. This sort of framework can also serve as a starting point for ensuring

remuneration that is commensurate with market standards and for attracting and retaining skilled workers.

Initial and further training are highly relevant both to Vonovia's commercial success and to satisfaction among our employees. As a company that offers a large number of traineeships, Vonovia invests in the structured development of its young employees. With this goal in mind, we completed our craft academy in Berlin, focused on vocational training and education, in the reporting year to support and create ideal training conditions. The academy is equipped in line with state-of-the-art technical and digital standards, and will serve as a blueprint for the opening of further training sites based on the same model. Three further locations in Germany are already in the concrete planning stages for 2026.

Digitalization plays an increasingly important role in our traineeship approach. We have implemented digital learning platforms, such as the Ulmer Learning Portal for gardener apprentices. In addition, we expanded our training software and digital learning management systems for Germany during the reporting year. Beyond this, we will continue to optimize and standardize our training processes.

To boost **employee satisfaction through professional development opportunities**, suggestions from the employee survey were incorporated into the immediate design of new offerings and digital learning formats as part of the Vonovia Academy's expansion during the reporting year. The **Vonovia Academy** centrally organizes the entire range of training, qualification and development formats for employees in Germany (including those who work part time) into an online catalog. Our traineeship offerings aim to build and expand the skills and knowledge of employees, focusing on specific roles, functions and needs. In addition to traditional formats like e-learning, online, hybrid and in-person training, we also offer materials for on-the-job learning and peer learning. Thanks to the wide range of development measures available, our employees are able to complete targeted professional, methodological and personal training and obtain professional certifications or qualifications. We also cooperate with external university partners and offer advanced qualifications in the skilled trades as well as part-time and sandwich study programs. By aligning selected initiatives with specific business areas and roles, we ensured that training offerings were tailored to needs during the reporting year. These include, in particular, training and skill requirements arising from societal megatrends such as climate change. On-demand and e-learning programs, such as digital training within our leadership development pro-

gram, as well as additional programs for our employees, aim to make upskilling at Vonovia an even more flexible and personalized experience in the future. For example, managers can discuss ideas and receive advice from professional coaches on specific aspects and challenges associated with change processes. During the reporting year, new training courses, curated learning content and guidelines were continually being added to the wide range of programs in Germany to ensure that current and future requirements are met. As part of our extensive development program for managers, core competencies, among other things, covering all aspects of good leadership and basic knowledge on innovation topics (e.g., on integrating sustainable action into one's own area of responsibility), are to be taught in line with the leadership philosophy.

Our range of individual development opportunities will be expanded in Germany in the future to include a program to support young, talented individuals. This program has been in the development stages since this year and is scheduled to be established for the first time in 2026. This program aims to support young high-performers and high-potentials, assisting them in areas such as making a decision on whether to pursue a career as an expert or in management.

In order to address satisfaction regarding **opportunities for participation**, we conducted annual and systematic **feedback sessions** (both bottom-up and top-down) throughout the Group in addition to the employee satisfaction survey in the reporting year (see → S1-2 and → S1-13). These are intended to foster a culture of continuous improvement – among both employees and managers – of appreciation and mutual trust as well as to improve teamwork.

In terms of **work-life balance**, we are focusing on **more flexible working models and working environments** that are tailored to our employees' individual needs. Our HR processes support more flexible working through works agreements that enable mobile working. These works agreements apply to administrative staff at Vonovia Holding, Customer Service, Technical Service, Residential Environment Service and BUWOG. We also offer our employees temporary and permanent part-time contracts, care leave, etc. as well as the use of various flexitime models. We are also driving the gradual expansion and further development of digital processes at Vonovia. This includes making mobile devices available, ensuring secure data traffic outside the office infrastructure and using digital meetings, which are available to the majority of our employees throughout the Group.

In order to further develop future collaboration in modern working environments in the reporting year, Vonovia implemented the "New Work @ Vonovia" project, which focuses on the corporate headquarters in Bochum and aims to offer our employees an attractive working environment that meets their individual needs. The initiative covers a total of four focal topics, including the structuring of various working models, state-of-the-art workplace design, digital tools and technologies, and training concepts for managers and employees alike.

To better **support work-life balance**, Vonovia also offered benefits beyond monetary remuneration to employees in Germany during the reporting year. These include offers such as Jobrad bike leasing, our company pension scheme, vacation apartments, and various partnerships with sports and fitness providers as well as advisory services, for example related to our corporate approach to health management.

Since measures to create working conditions geared toward employee needs are part of a continuous process and are regularly adapted to current circumstances, no specific timeline for completion exists, unless a timeline has been defined for individual measures.

The **effectiveness** of the strategies and actions described in → S1-1 and → S1-4 is tracked with the help of various analyses. The effectiveness of our **work-life balance** measures is ensured by analyzing the results of our employee satisfaction survey, which allows employees to provide feedback and suggest improvements. A sub-indicator in the full survey, which assesses employees' perspectives on the compatibility of work and family life, also provides further information on satisfaction in this area. In the reporting year, approval for this sub-indicator was at 85%.

We measure the success of our training program and Vonovia's appeal as a **training provider** based on training numbers and the training rate. The number of trainees in Germany once again increased in 2025 from 662 in 2024 to 735. This value corresponds to a training rate of approximately 5.8% (in Germany).

We track how successful our **recruitment measures** have been based on the number of new hires. Our aim is to ensure that the number of new hires remains at least at the same high level seen in the previous year. In the current reporting year, we hired 2,355 new employees (2024: 2,075). For 2025, one of our goals was to bring additional skilled workers from Colombia into employment at Vonovia. Currently, there are

already 80 electrical installation and landscaping workers from Colombia (2024: 65) employed at Vonovia.

The determination of the necessary and appropriate measures to address the material impact “**Lack of a sense of belonging due to insufficient promotion of diversity**” is first of all based directly on our objective to ensure equal opportunities for women in particular, i.e., to increase the proportion of women in management positions at the first and second levels below the Management Board. Second, suggestions provide us with corresponding incentives, which we receive from our workforce in our employee satisfaction survey. This also ensures that the action we take does not have a negative impact on our workforce. Appropriate and necessary measures are also identified, evaluated and implemented following thorough assessment. If, for example, an increased number of discrimination cases are reported through our complaint channels, this also prompts adjustments to our measures.

As part of its commitment to a discrimination-free working environment, Vonovia has implemented a comprehensive **complaint management system**, which was operational across the Group during the reporting year (see section → S1-3). For example, affected employees can report incidents of discrimination through the whistleblowing hotline – a web-based reporting system – or to an appointed ombudsperson. In Austria, a works agreement addressing discrimination, sexual harassment and bullying in the workplace has been in effect at BUWOG since spring 2024. This agreement defines discrimination and harassment in the workplace and establishes mechanisms for reporting and addressing incidents to prevent and respond to incidents of discrimination effectively.

We are continuously implementing further measures in this context and adapting our actions to changing conditions. Vonovia regularly updates its **training programs for discrimination-free behavior**. Since 2023, employees in Germany have had access to free e-learning on “Recognizing and reducing biases and stereotypes.” In order to more firmly anchor the issue of diversity at the strategic level of the company, Vonovia offers a voluntary leadership development program focused on topics like unconscious bias. Simultaneously, diversity has been established as a key criterion in the management development program.

We believe that **increasing equality of opportunity** for women in the company is particularly important. In Austria, the company is aiming to be awarded another equalitA seal of approval, which recognizes measures to promote women’s career advancement within companies, and the necessary documentation was submitted during the reporting year. In Germany, there are no fewer than three programs to promote equality of opportunity for women: the Women’s Network, the Female Leadership Forum and a mentoring program for high-potential female employees. More than 300 participants (2024: around 200) were involved in the Women’s Network in the fiscal year under review. The emphasis is on cross-company networking, e.g., through meetings that involve an introduction to the trade academy in Berlin and the Customer Service in Essen as well as the organization of business lunches. 138 (2024: 135) women have joined the Female Leadership Forum’s distribution list. The central aim of this program, beyond networking, is to increase the visibility and raise the profiles of the female participants, for example through targeted mentoring. The mentoring program was launched for the very first time in the fiscal year, involving eight high-potential female employees. We also have other networks aimed at dialogue and the promotion of diversity, for example addressing issues relating to the LGBTQ community.

By recognizing the ILO core labor standards, which we made binding for the entire Group in 2020 as part of our Group Human Rights Policy, Vonovia showcases its commitment to **gender-equitable pay**. In order to identify and eliminate discrimination regarding pay, we analyze our salary system and disclose our gender pay gap at regular intervals (see → S1-16). Since we introduced this metric at Vonovia back in 2020, we have regularly identified a gender pay gap in favor of female employees. This is because men predominantly work in lower-paid technical and construction roles, while administrative roles, which offer higher remuneration, have a more balanced gender ratio. Consequently, the gender pay gap at Vonovia does not stem from discrimination against male employees but rather from the inherent comparison of different occupational groups with varying educational backgrounds and job-specific remuneration levels.

In addition, the gradual harmonization of social benefits aims to ensure corresponding **equal rights for all employees** in their respective countries of employment. An employee share program, for example, has been launched in Austria, mirroring the program that is already in place in Germany. The regulations on the program have been laid down in a BUWOG works agreement. Following the introduction of a new, standardized retirement pension scheme in 2021, this offer was also available to most Vonovia employees in Germany during the reporting year. In Sweden, the 2025 employee survey showed that 87% of Victoriahem employees believe that all employees have equal opportunities and rights.

Work-life balance is a particularly important focus for Vonovia, which is why all leadership roles are advertised with part-time options. BUWOG in Austria also provides various offerings to support employees in balancing family and work responsibilities. The same applies to Victoriahem in Sweden. The topic of caring for relatives is a key issue that we raise with employees at information events and via the “because we care” app. In 2023, BUWOG also successfully achieved recertification as a family-friendly company by the Austrian Federal Ministry for Labor, Family and Youth. This recertification, valid for three years, remains in effect in 2025 and will continue until the next recertification in the 2026 fiscal year. In Sweden, Victoriahem was singled out as a “Karriärföretagen 2026” (Careers Company) in the reporting year for its inclusive and welcoming work culture and its focus on welfare, participation and sustainable development.

Since measures to prevent discrimination and promote equality of opportunity are part of a continuous process and are regularly adapted to current circumstances, it is generally the case that no specific timeline for completion exists.

The **effectiveness** of our strategies and measures to promote equality of opportunity is monitored using the SPI sub-indicator “Proportion of women in management positions.” For further details, refer to section → **S1-5**. Additionally, the regular collection of data on gender pay gaps (see → **S1-16**) provides overarching insights into the success of our measures to harmonize remuneration models. For further details, as well as information on effectiveness and target achievement regarding discrimination, see section → **S1-3** and **G1-3**.

Overall, we consider our current measures adequate for reducing our material negative impact and contributing to our material positive impacts. Negative impacts from our measures would be reflected in our employee satisfaction survey or through our grievance mechanisms. Based on the results and feedback from these measures (see sections → **S1-3**, **S1-4** and **G1-3** for more information), no such negative impacts have been identified. Our regular, Group-wide review of impacts, opportunities and risks related to our workforce and other material business activities within our value chain ensures early identification of potential future negative impacts and appropriate responses (for more details, see → **ESRS 2 SBM-2** and → **SBM-3**).

Negative impacts from the transition to a more environmentally friendly, greenhouse gas-neutral economy on our workforce could arise if the shortage of skilled labor leads to employee overload due to increased workloads. Other potential impacts include the transformation of specific business areas due to new climate protection regulations, such as transposition of the Energy Performance of Buildings Directive (EPBD) into German law, or emerging market technologies that affect our business processes. This could result in an increased need for recruitment, training and education to implement, manage and further develop new technologies in our core business. The business-related need for energy-efficient renovations and new construction to reduce greenhouse gas emissions creates high demand for skilled workers in both technical and administrative fields. We mitigate these impacts by providing further training for employees in these areas, encouraging long-term retention at Vonovia and recruiting new skilled workers. At the same time, these industry-specific factors could negatively impact employment in certain business areas (e.g., modernization and development) at Vonovia.

Managing these material impacts involves the CHRO and the Head of HR at the highest level. With regard to the management of identified impacts, we have implemented structural measures in the HR department. The topics of remuneration and equal opportunities are specifically addressed and systematically pursued by the relevant organizational units within the department.

SI-5 – Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities

Our overarching targets for a successful transformation and growth process call for a successful HR strategy for recruiting and retaining employees. One of the challenges we face in this regard is the shortage of skilled workers. To maintain our appeal as an employer at least at the same level as the previous year and as such to counteract the negative effects of the skilled-labor shortage, retain employees at Vonovia in the long term and recruit new hires, we pursue the overarching goal of **consistently high employee satisfaction**. Employee satisfaction is also one of the six management-relevant sub-indicators of the Group-wide Sustainability Performance Index (SPI), which we use to track our target achievement. We can evaluate potential areas for improvement by analyzing our employee satisfaction survey. Employee satisfaction is also directly linked to working conditions at Vonovia, which result from our following material IROs:

- > Employee satisfaction through professional development opportunities,
- > Employee satisfaction through opportunities for participation,
- > Employee satisfaction due to fair remuneration, and
- > Employee satisfaction based on work-life balance.

The satisfaction score relates to the entire Group and is based on the aggregated approval rating, the so-called Retention Index, in the employee survey (agreement with the overarching question: “All in all, I can say that this is a great place to work.”). The retention index (2025: 84% / 2024: 78%) itself consists of five questions and, in combination with the employee turnover rate, is a suitable tool for measuring the impact that our HR measures have on employee retention. Since the methodological structure of the survey is tailored specifically to Vonovia’s personnel measures and employee structure, the consolidated approval rating can only be compared to a limited extent with survey methods used by other companies. The SPI targets are set within the framework of five-year planning for each sub-indicator. Target achievement is determined at the end of

the year based on the actual values achieved. For 2030, we are pursuing the medium-term goal of achieving and maintaining an **approval rating of at least 77%**. The baseline value for progress measurement is the previous year, with the current reporting year serving as the baseline year. The approval rate came to 85% in the reporting year (2024: 79%). No changes were made to our targets during the reporting period. This means that the actual value of employee satisfaction improvement in the reporting year corresponds to the planned value. Since this is a sub-indicator of the SPI (for further information, see → [ESRS 2 GOV-3](#)), it is monitored directly by the Management Board.

Regarding the objective of achieving gender equality and empowering women within the company, we have set the target of increasing and maintaining the **proportion of women in management positions** at the first and second levels below the Management Board to **at least 30% by 2030**. When setting the target, we were guided by the representation of women in the Group as a whole. The metric that we use to track our progress toward this target and determine whether any adjustments need to be made to the action we are taking applies to the entire Group and is directly linked to our material impact, namely a lack of a sense of belonging due to insufficient efforts to promote diversity. As another sub-indicator incorporated into the SPI, the proportion of women in leadership positions is subject to the five-year planning target value. The baseline value for progress measurement is the previous year, with the current reporting year serving as the baseline year. In the reporting year, our proportion of women in management positions stood at 26.7% (2024: 25.8%). This means that the actual value for the reporting year does not match the planned value of 29.5%. We nevertheless still consider it realistic that we will be able to achieve the medium-term target of at least 30% by 2030. Since this is a sub-indicator of the SPI, it is monitored directly through reporting to the Management Board. No changes were made to our targets during the reporting period.

Both targets directly reflect the goal of the policy formalized within our overarching HR strategy, which is to:

> use a growth and transformation campaign to secure the long-term success of Vonovia's business and the associated jobs and, as a result, to recruit and retain skilled employees at Vonovia over the long term and

> develop and establish an innovative, open, and dynamic corporate culture that promotes equal treatment and opportunities over the long term.

No employees or employee representatives were involved in the target-setting process.

S1-6 – Characteristics of the Undertaking's Employees

Characteristics of the Company's Employees

Number of Employees	2024		2025
	Total	Thereof continuing operations	Total (continuing operations)
Employees by gender			
Male	9,506	8,571	9,040
Female	6,462	3,485	3,668
Other	-	-	-
Not reported	-	-	-
Total number of Employees	15,968	12,056	12,708

Characteristics of the Company's Employees

Number of Employees	2024		2025
	Total	Thereof continuing operations	Total (continuing operations)
Employees by country			
Germany	15,076	11,164	11,849
Austria	367	367	365
Sweden	525	525	494

Characteristics of the Company's Employees

	2024				2025			
	Male	Female	Other	Total	Male	Female	Other	Total
Number of employees								
Total	9,506	6,462	-	15,968	9,040	3,668	-	12,708
Thereof continuing operations	8,571	3,485	-	12,056	9,040	3,668	-	12,708
Number of permanent employees								
Total	8,435	5,703	-	14,138	8,179	3,285	-	11,464
Thereof continuing operations	7,661	3,095	-	10,756	8,179	3,285	-	11,464
Number of temporary employees								
Total	1,071	759	-	1,830	861	383	-	1,244
Thereof continuing operations	910	390	-	1,300	861	383	-	1,244
Number of non-guaranteed hours employees								
Total	-	-	-	-	-	-	-	-
Thereof continuing operations	-	-	-	-	-	-	-	-
Number of full-time employees								
Total	8,655	3,715	-	12,370	8,546	2,575	-	11,121
Thereof continuing operations	8,071	2,454	-	10,525	8,546	2,575	-	11,121
Number of part-time employees								
Total	851	2,747	-	3,598	494	1,093	-	1,587
Thereof continuing operations	500	1,031	-	1,531	494	1,093	-	1,587

Employee Turnover

	2024		2025
	Total	Thereof continuing operations	Total (continuing operations)
Number of employees who have left the undertaking during the reporting period*	2,709	1,953	1,885
Employee turnover in the reporting period in %	17.7	16.7	15.3

* In addition, there were 285 departures in the care segment in 2025. This results in a total number of departures in the financial year of 2,170.

For the disclosure of data on employee characteristics, we use headcount instead of full-time equivalents. The number of employees is determined according to the counting method of the German Commercial Code (HGB). This includes part-time employees and excludes the Supervisory Board, the Management Board, trainees, employees whose employment relationship is suspended due to parental leave and employees in the absence phase of phased retirement.

The HGB counting method has also been applied to employees in Austria and Sweden.

For employee turnover, all exits are considered based on HGB counting, excluding temporary workers, working students and employees in marginal employment. The number of exits takes into account the Care segment that was sold during the fiscal year up until the date of the business area's discontinuation. The employee turnover rate is only calculated on the basis of continuing operations. We apply the definition of the European Public Real Estate Association (EPRA) for calculating turnover: exits during the fiscal year (excluding integration-related exits) / number of employees as of December 31, 2025 x 100%. We do not use average values but rather a reporting date assessment as of December 31, 2025.

Typically, employees at Vonovia are hired on permanent contracts. In Germany, Austria and Sweden, employees have a legal entitlement to part-time work, and part-time requests must be considered. As a result, the part-time rate is driven by individual employee needs rather than HR strategy.

The same data collection method as in → S1-6 is applied for the disclosure of employee figures in other sections of this business report.

S1-7 – Characteristics of Non-Employees in the Undertaking's Own Workforce

Vonovia employs a total of 52 non-employees (2024: 63), primarily in the "employment placement and temporary staffing according to NACE Code N78 (temporary agency workers)" sector. The company does not employ self-employed contractors.

The fluctuations as against the previous reporting period are due to different project requirements. The number of temporary agency workers remained stable during the year.

The counting method for non-employees follows the approach used in → S1-6 of this standard, based on HGB headcount disclosures as of December 31, 2025.

Vonovia primarily deploys temporary agency workers to handle workload peaks in project contexts or short-term surges in demand. They do not replace regular employment relationships, and their numbers generally remain below 1% of the total workforce. Fluctuations result from varying project needs.

S1-8 – Collective Bargaining Coverage and Social Dialogue

Collective agreements cover 99% of Vonovia employees. Some employees at Vonovia Germany are subject to multiple agreements, including a collective agreement for the establishment of works councils and a wage agreement.

Employee representation within the framework of social dialogue covers 99% of Vonovia employees.

There is an SE Works Council based on a corresponding agreement, as well as a Group Works Council in Germany.

Collective Bargaining Coverage and Social Dialogue

	2024				2025			
	Collective Bargaining Coverage		Social dialogue		Collective Bargaining Coverage		Social dialogue	
	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non-EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
	Total	Thereof continuing operations	Total	Thereof continuing operations	Total	Thereof continuing operations	Total	Thereof continuing operations
Coverage rate								
0–19%								
20–39%								
40–59%								
60–79%								
80–100%	Germany	Germany			Germany	Germany		

SI-9 – Diversity Metrics

Diversity Metrics

	2024			2025	
	Total	Thereof continuing operations	In %	Total (continuing operations)	In %
Gender distribution at top management*					
Male	186	173	68.6	170	73.3
Female	85	60	31.4	62	26.7
Other	-	-	-	-	-
Age distribution of employees					
Under 30 years	2,095	1,621	13.1	1,741	13.7
Between 30 and 50 years	7,822	6,168	49.0	6,518	51.3
Over 50 years	6,051	4,267	37.9	4,449	35.0
Unknown	-	-	-	-	-

* First and second levels below the Management Board.

S1-10 – Adequate Wages

As in the previous year, Vonovia ensures adequate wages for all employees in line with applicable benchmark values.

The company adheres to the legally established minimum wage in Germany, and to the collectively agreed minimum wage for the occupational group or sector concerned in Austria and Sweden, in accordance with Directive (EU) 2022/2041 of the European Parliament and Council.

S1-11 – Social Protection

Legal requirements in the countries where the Group operates ensure full social protection for all Vonovia employees (100%, also 100% in 2024). This coverage includes protection against loss of earnings due to illness, unemployment, occupational accidents, incapacity to work, parental leave, and retirement.

S1-12 – Persons with Disabilities

Persons with Disabilities

in %	2024		2025
	Total	Thereof continuing operations	Total (continuing operations)
Percentage of own employees with disabilities*			
Male	3.5	3.3	3.1
Female	4.1	3.2	3.0
Other	-	-	-
Total	3.8	3.3	3.1

* According to the social law definition for disabled status pursuant to SGB IX Chapter 2 in Germany or BEinstG, Art. II Chapter 2 in Austria (degree of disability of at least 50%). In Sweden, the collection of data regarding people with disabilities is not permitted for legal reasons. The figures refer to Germany and Austria, taking into account the total number of employees for both countries according to S1-6.50.

S1-13 – Training and Skills Development Metrics

Training and Skills Development Metrics

	2024			2025	
	Total	Thereof continuing operations	In %	Total (continuing operations)	In %
Employees who have received a performance and career development review					
Male	3,080	2,915	34.0	5,938	65.7
Female	2,797	2,231	64.0	2,383	65.0
Other	-	-	-	-	-
Total	5,877	5,146	42.7	8,321	65.5
Percentage of target checks in %	81.8	93.0	-	81.1	-
Average number of training hours*					
Male	5.4	5.5	-	5.8	-
Female	7.7	10.3	-	7.5	-
Other	-	-	-	-	-
Total	6.3	6.9	-	6.3	-

* Includes only training/education recorded by the Vonovia Academy.

SI-15 – Work-Life Balance Metrics

Work-Life Balance Metrics

in %	2024		2025
	Total	Thereof continuing operations	Total (continuing operations)
Percentage of employees entitled to family-related leave*	83.8	96.2	96.5
Percentage of eligible employees who have taken family-related leave			
Male	3.4	3.4	3.4
Female	5.3	7.0	6.9
Other	-	-	-

* A legal entitlement exists in Austria and Sweden for all employees. No 100% entitlement to leave for family reasons exists in Germany, as there is no statutory right to paternity leave.

SI-16 – Remuneration Metrics (Pay Gaps and Total Compensation)

Remuneration Metrics (Pay Gaps and Total Compensation)

	2023		2024		2025
	Total	Thereof continuing operations	Total	Thereof continuing operations	Total
Total gender pay gap in %*	2.5	-5.7	-0.4	-6.7	-1.8
Ratio of the annual total remuneration of the highest-paid individual to the median annual total remuneration of all employees**	-	-	96.4	-	104.1

* Calculation: (Hourly Pay male - Hourly Pay female)/Hourly Pay male.

** Determination of the denominator according to HGB methodology. For employees without time tracking, actual working hours were estimated.

The gender pay gap measures the difference between the average earnings of female and male employees, regardless of job profile.

At Vonovia, the gender pay gap favors female employees, as men predominantly work in lower-paid technical and construction roles, while administrative roles, which offer higher remuneration, have a more balanced gender ratio. Consequently, the gender pay gap at Vonovia does not stem from discrimination against male employees but rather from the inherent comparison of different occupational groups with

varying educational backgrounds and job-specific remuneration levels.

To calculate the average salary used in determining the gender pay gap, Vonovia considers the actual gross salary, where measurable, including elements such as benefits in kind, pension contributions, capital-forming benefits, and non-cash benefits such as company cars. This is assessed in relation to the actual paid working hours, which include paid absences such as vacation and continued wage payments during illness.

SI-17 – Incidents, Complaints and Serious Disputes Related to Human Rights

In the fiscal year, 26 (2024: 7) incidents of discrimination, including harassment, were reported. These include any cases reported within the Care segment before the segment ultimately left the Group.

Additional complaints regarding human rights violations received via our whistleblowing channels amounted to 6 (2024: 0) during the fiscal year.

No significant fines, sanctions, or compensatory payments related to the above-mentioned incidents and complaints were incurred during the reporting year or the previous year. Consequently, our income statement does not include any expenses in this regard.

During the reporting period, no serious incidents relating to human rights were identified in connection with the company's own workforce.

ESRS S4 Consumers and End-Users

ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

Material Impacts, Risks and Opportunities

Within the scope of our materiality assessment, we identified **four material impacts, risks and opportunities (IROs)** related to consumers and end-users:

- > Contribution to affordable homes
- > Housing tailored to tenants' needs
- > Influence of accessibility and service quality on customer satisfaction
- > Increased quality of living for tenants through contribution to neighborhood development and infrastructure

All four material IROs have an impact on our tenants and, as a result, on our customer relationships.

The tangible and positive impact **"contribution to affordable homes"** first of all outlines the effects of strictly adhering to regulatory rent-related frameworks (e.g., rent indices, standard local comparative rents, rent caps, price controls) on the reliability and stability of landlord-tenant relationships, thereby securing affordable homes.

Second, the impact relates to additional measures for various customer segments – such as special vested rights for tenants over the age of 70, hardship management, the use of social managers, offering publicly funded housing – that allow us to address low-income and vulnerable customer groups so that they can remain in their apartments for as long as possible or continue to have access to affordable homes.

By creating new, demand-oriented and – in part – subsidized homes in neighborhoods, we are helping counteract the shortage of available homes and mitigate rising rents, also for existing tenants. This relates to local markets where we can offer new construction to a variety of target groups. This impact is tied primarily to urban agglomerations characterized by high demand for homes.

The rental of homes forms the core business of Vonovia. In order to be able to provide these homes in the long term, Vonovia relies on stable rental development. Rent indices, particularly qualified ones, are based on recognized scientific methods and provide us with the guidance we need. In Germany, rent indices are compulsory for cities with more than 50,000 inhabitants. For a stable and reliable housing market, such regulatory frameworks are thus essential to ensure security and continuity for customers and landlords.

Given the massive housing shortage and the fact that there are no signs of the market situation easing, we do not believe that there is currently any need to adjust our business model or strategic alignment.

Our focus on different customer segments is reflected both in our development activities and in our portfolio and the products we offer, which cater to customer demand for modern home amenities. We combine freely financed and price-controlled new home construction for our own portfolio (Development to hold) and for sale (Development to sell). We also remain focused on reducing construction costs to provide sustainable, affordable homes for diverse target groups while introducing a share of subsidized homes to the market.

The positive impacts on customer relationships are thus rooted in the company's strategy and business model. In addition to the short-term impact, we also expect to see a medium to long-term positive follow-up effect for our customers, as our business model is stable, we plan to build new homes to hold in our own portfolio, and both leases and rent trends also have an impact in the medium to long term.

By offering **"Housing tailored to tenants' needs,"** in particular by creating homes that meet people's needs as they age, we can significantly increase the length of time that people with physical disabilities can stay in their own residences. This extended autonomy positively impacts their living conditions and health as they age. Targeted measures (e.g., accessible housing) enable us to retain existing tenant groups and attract new ones. This creates direct impacts on our customers.

By 2035, demographic change in Germany will have created a need for around 3.7 million fully accessible homes. Only around 1.2 million senior-friendly homes are available at present. This gap is already evident today and will only become more pronounced in the coming years. Even low-threshold (structural) measures can have a positive impact and increase the supply of suitable housing. This is reflected in our product range for accessible partial modernization and new construction, which we have integrated into our long-term investment strategy and business model.

The positive impacts associated with the **“influence of accessibility and service quality on customer satisfaction”** result from ensuring consistently high service and product quality and from swiftly processing customer inquiries. This allows customers’ varying needs to be identified and addressed in a timely manner. As (potential) tenants are the core target group in our business model, their satisfaction has a key impact on our strategy, our value chain and our processes. It makes a decisive contribution to the acceptance of, and demand for, the housing we offer among tenants and individuals looking for an apartment. As changes in customer satisfaction can have tangible effects in the short term – e.g., in the form of lower demand, more complaints – we survey customer satisfaction levels on a quarterly basis and respond to negative trends with targeted measures at the regional and neighborhood levels. We continuously work on improving service quality and implement corresponding measures (see here section → **S4-4**). These measures therefore make a major contribution to this impact, and have a direct effect on our customers, whose satisfaction depends on their implementation.

The positive impact **“Increased quality of living for tenants through contribution to neighborhood development and infrastructure”** encompasses the effects of neighborhood development that is specifically geared to the needs of stakeholders as well as positive synergy effects resulting from better neighborhood infrastructure. This benefits not only our customers, but also other users of the neighborhood (downstream value chain).

Neighborhood development activities help to develop socially and ecologically sustainable places for people to live together in central urban locations and in metropolitan areas, improving the quality of living of the people who live there. In the long run, this can result in a more needs-based or environmentally friendly portfolio, better infrastructure connections, greater diversity or a higher level of education/average income in the neighborhood. This allows for a reduction in the anticipated costs – for example through modernization measures that are optimized at neighborhood

level – and accelerates sustainable neighborhood development.

The holistic neighborhood approach is mirrored in the company’s strategy and business model: around 77% of Vonovia’s strategic portfolio in Germany is located in around 755 contiguous neighborhoods. In this context, we understand a quarter – as per the definition of the German Housing and Real Estate Companies (GdW) – as a visually coherent urban development structure that is seen by its residents as a distinct area and that represents an area for action in which the residential real estate company can make a difference and see positive effects. It generally comprises at least 150 apartments (see → **Portfolio in Rental Business**). Vonovia’s investment, rental and development programs tie in with this portfolio composition – particularly along our strategic climate pathway (see → **ESRS E1**). This makes the holistic neighborhood approach the management level for all ecological, infrastructure-related, rental-related and social measures. The same also applies to our new construction and development activities. Consequently, this approach has – and indeed will continue to have – a significant influence over the company’s strategic direction. Our neighborhood development measures are a direct result of Vonovia’s business strategy and are consistent with the overarching goal of providing housing that meets the needs of all individuals.

The observation period for this impact is limited to a short-term horizon, as it is influenced to a significant degree by the neighborhood-focused investments made in the fiscal year, or planned for the following year. A long-term positive impact can also, however, be expected if several effects related to improved quality of living at neighborhood level are interrelated and reinforce each other in a positive way.

The higher Vonovia’s share of homes in contiguous neighborhoods and the more extensive the measures initiated, the more direct and impactful the neighborhood infrastructure measures will be and the more they will foster customer satisfaction.

In the 2024 reporting year, we reported separately on the two company-specific disclosures “Living at fair prices” and “Neighborhood development and contribution to infrastructure.” As part of the **revised materiality assessment process** (see → **ESRS 2 IRO-1**), the allocation was adjusted and the topics were incorporated into ESRS S4. As a result, the corresponding IROs – “Contribution to affordable homes” and “Increased quality of living for tenants through contribution to neighborhood development and infrastructure” – as reported under ESRS S4 as of the 2025 reporting year.

The revision also resulted in the following changes for ESRS S4 in particular:

- > The material negative impact reported on in 2024 – “Reduced tenant satisfaction due to limited accessibility and service quality” – was dispensed with. The title of the other material positive impact reported in the previous year – “Improved customer satisfaction through better accessibility and service quality” – has been amended and the impact is now referred to as “Influence of accessibility and service quality on customer satisfaction” (still classified as material).
- > The material opportunities reported in the previous year, namely “Reduced tenant turnover through the creation of homes that meet people’s needs” and “Financial opportunity from increased customer satisfaction and service quality”, were no longer classified as material in the reporting year.
- > The impacts classified as material in the reporting year – “Contribution to more affordable homes for tenants by adhering to regulatory frameworks” and “Contribution to more affordable homes for tenants through new construction and development activities” – have been combined in one impact, “Contribution to affordable homes,” as their content overlaps.

Resilience of Our Business Model

In general, the resilience of Vonovia’s strategy and business model is analyzed and evaluated annually as part of **risk management** (see → [ESRS 2 GOV-2](#)).

To evaluate the resilience of our business model in managing our key impacts, we continuously analyze trends in **customer turnover** and **customer satisfaction**. This analysis has shown that our customer turnover remains consistently low and our customer satisfaction consistently high. Our management platform provides customers with both a centralized customer service department and local contacts (e.g., caretakers, craftsmen, real estate managers, technicians and landlords), enabling us to constantly address customer needs and concerns.

The high **demand for affordable housing in metropolitan areas** and the existing gap between supply and demand is not set to change in the medium term.

This ensures that our current measures strengthen the resilience of our business model, with no material risks identified.

Target Groups

The core target group comprises tenants in Germany, Austria and Sweden as well as potential tenants and buyers and customers for property-related services such as green electricity, insurance and multimedia. The information provided in the ESRS S4 reporting framework generally applies to all (potential) tenants and buyers.

Our customers are not end-users of products or services that are harmful to health, increase the risk of chronic diseases or could have a negative impact on rights such as rights to privacy, data protection, freedom of speech or non-discrimination. They do not require detailed product or service information to avoid potentially harmful use and do not belong to particularly vulnerable groups, such as children or financially vulnerable individuals who could be adversely affected by marketing or sales strategies. When it comes to “homes that meet people’s needs,” older or physically impaired tenants represent a customer group that has special needs regarding the homes they live in. These needs are taken into account without any material IROs related to impacts on the health of this target group being identified.

S4-1 – Policies Related to Consumers and End-Users

Affordable Housing Tailored to Tenants’ Needs

As a responsible company, we want to meet the **basic human need for housing** and provide affordable housing that is tailored to tenants’ needs as part of this quest. We express this in our Business Philosophy.

We aim to offer **long-term homes** to as many people as possible. The challenge here lies in being able to offer a broad supply of housing at fair, transparent and market-oriented prices, even in a more challenging environment, while at the same time pursuing our climate objectives, which include a greenhouse gas-neutral housing stock by 2045. At the same time, our aging society, a result of demographic change, means that our customers’ needs are changing, too. Our annual investment program for accessible (partial) modernization is our way of implementing our policy for creating housing that is senior-friendly/tailored to tenants’ needs. This policy targets the senior-friendly refurbishment of vacant apartments (during tenant transitions). By 2030, we are aiming to ensure that **approximately 27% of apartments rented out annually in Germany have**

been (partially) modernized to make them accessible (see → S4-5). The approach also includes fully accessible new construction.

Social responsibility and the transparency of our rents are decisive factors in this context. Through investments in core business activities – rental, refurbishment and new construction – we aim to ease the current housing market situation.

Compliance with regulatory requirements is a must for us. Applying the relevant regulation helps us to offer fair rents – particularly in tense rental markets – and to rent properties out without discriminating against any particular group. This offers particular benefits for our new customers, to whom we can offer reliable rental conditions. However, we also recognize the potential risk of regulatory frameworks for rents and rent caps as well as (construction) standards and regarding potential restrictions on the recoverability of investment expenses and ancillary costs, or the transfer of residential properties to public ownership, developing in an unfavorable direction for Vonovia, directly influencing the company's financial performance. In our rental operations, we always observe the applicable country-specific legislation, monitoring compliance through our local regional organization and systematic support from our central portfolio management team.

Our policy for creating affordable homes applies across the entire Group and relates to our own operations. An exception is Sweden, where rents are generally set as part of a binding, consensual process involving negotiations between tenants' associations and landlords. Increases tend to occur annually and after refurbishment to a higher standard. In Sweden, the scope for rental pricing is narrower than in other markets, particularly Germany, resulting in less pronounced implementation of these policies there.

The policy for creating senior-friendly homes also applies to the company's own operations, but is limited to Germany and focuses on the target group of older customers.

The Management Board makes the key decisions regarding the strategic direction of the rental business. The same also applies to our investment program aimed at accessible (partial) modernization. Following approval by the Management Board, the concrete planning and execution of measures are carried out by local representatives in the different regions.

Customer Satisfaction

Customer satisfaction is instrumental in the success of a company. This means we **aim to maintain consistently high customer satisfaction**, reflected in the positive development of the Customer Satisfaction Index (CSI). The CSI is a sub-indicator of our non-financial performance indicator, the SPI (for more information on the SPI, please refer to → **ESRS 2 GOV-3**). For us, it is closely tied to customers being happy with our service quality and the accessibility of our customer service. In this regard, Vonovia has implemented a **central and digital property management platform**. This is an ERP-based application with company-specific configurations that enables the efficient and effective management of our housing portfolio (own business area) in Germany. This platform also forms the basis for the successful digitalization of our process chains. This fully end-to-end digitalized process ensures significant efficiency advantages and scalability, represents substantial cost benefits and serves as a key differentiating factor in the competitive market. Vonovia has adapted the expertise from this platform and its centralized and local property management processes for the property management business in Austria and Sweden, in line with the requirement profiles that apply in those markets. The implementation of this policy is overseen by the Management Board.

The management platform and access to a large customer base represent a material intangible resource for Vonovia.

Quality of Living Through Neighborhood Development and Infrastructure

The **size of the overall portfolio and Vonovia's presence** in neighborhoods in (major) cities and metropolitan areas enable a neighborhood-based, holistic management and development approach. Portfolio enhancement measures are planned holistically and implemented sequentially in a neighborhood context to develop socially and ecologically sustainable places for people to live together in central urban locations and in metropolitan areas, improving our customers' quality of living in the process. We use corresponding synergy effects to achieve energy-efficient building refurbishment in line with our climate pathway, contribute to the energy revolution and actively drive the infrastructure transition, without losing sight of the need to ensure commercial viability that any private-sector company has to meet.

This approach also applies, in particular, to our new construction activities, which, to the greatest extent possible, are aligned with the neighborhood concept and are already designed as part of the planning process such that holistic measures can be applied.

The size of the portfolio – in tandem with the neighborhood approach – represents a key intangible resource for Vonovia.

The neighborhood approach is embedded in various **investment programs** (including modernization, heating system replacement, photovoltaics, senior-friendly housing, maintenance) and is reflected systemically in the geographical categorization by urban quarters/clusters. Both the decarbonization tool (DKT, see → **ESRS E1**) and the portfolio management investment calculator are based on the segmentation of the portfolio into neighborhoods.


Segmentation by urban quarters based on the definition above is only used for the German market segment at present (see → **Portfolio in Rental Business**). Neighborhood-based approaches are also pursued in Sweden and Austria.

The Management Board (and in particular the CRO) is responsible both for the decision to structure the portfolio and for the resulting segmentation into urban quarters and urban clusters as well as for fundamental investment decisions. All measures resulting from this decision for a specific neighborhood area are planned and reviewed in the respective regional business areas before they are implemented, working in collaboration with central portfolio management.

Policy Availability

We convey our core values externally through our corporate principles and mission statement, which are publicly available on our website, as well as our communications and public relations efforts. Additionally, our customer website provides direct access to information and contact options, such as those related to our social management initiatives. We determine tenant satisfaction regarding rent levels through customer surveys, which offer customers the opportunity to highlight any issues. Similar surveys are conducted for new construction projects, allowing us to gather customer feedback at those locations on the product.

Respect for Human Rights

All human rights-related obligations and frameworks applicable to Vonovia also apply to our customers. In our  **Declaration of Respect for Human Rights**, which is binding throughout the Group, we communicate our clear conviction for a pluralistic democratic society and zero tolerance of human rights violations along with our commitment to respect human rights in all aspects of our business. This includes the exclusion of discrimination of any kind, for example in the allocation of housing.

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 as well as complying with the Universal Declaration of Human Rights (UDHR).

Compliance with these principles is a top priority when it comes to implementing the policies described above. Please refer to → **ESRS 2 GOV-4** for more information on the monitoring process.

In the markets where we operate, there are also extensive legal protection mechanisms in tenancy law and social charters to safeguard customers against human rights violations.

Consumers or end-users are not directly involved in this process. However, customers can report violations of human rights or suspected cases of discrimination through various channels. Reported cases are followed up immediately, ensuring our customers are indirectly involved in monitoring compliance with the stated principles and guidelines. By handling rentals primarily through our own employees, who are directly bound to follow the stated principles and guidelines, rather than external brokers, we minimize the risk of non-compliance. During the reporting year, we did not become aware of any cases of non-compliance with the guiding principles described above.

Further details about our whistleblower channels can be found in → [S4-3](#) and → [G1-3](#).

[S4-2 – Procedures for Engaging with Consumers and End-Users Regarding Impacts](#)

Vonovia actively involves its customers in decision-making and activities through quarterly **customer surveys** conducted by an external service provider. The Customer Satisfaction Index (CSI), based on 25 individual questions, measures customer satisfaction. This index is specifically tailored to Vonovia and is therefore not comparable to other customer satisfaction analyses or indices. The CSI also evaluates the effectiveness of collaboration with customers, allowing them to provide positive or negative feedback, which we use to respond and adapt accordingly.

The surveys address topics such as service and product quality (e.g., apartment amenities, noise levels, safety and cleanliness in the residential environment and housing estates), brand perception, customer loyalty, and overall satisfaction. Feedback helps us refine customer care, respond to customer needs, and assess maintenance, modernization measures, and repair activities for buildings, outdoor areas, and neighborhoods. The results are then analyzed by all of our operational departments. Measures are then derived based on customer feedback, implemented and reviewed at the neighborhood level to further improve the quality of service and quality of life.

Ongoing **dialogue with tenant and consumer protection organizations** on an ad hoc basis are also particularly important to us so that we can address and respond to tenant interests in a consolidated and targeted manner. This process is focused not only on dialogue with the central top-level associations, the German Tenants' Association, the Austrian Tenants' Association and the Swedish Tenants' Union, but is also implemented at regional or local level with tenants' associations and neighborhood advisory councils in particular. Customers can also communicate directly with Vonovia employees during tenant meetings, modernization meetings, or through on-site caretakers. The Management Board and our Corporate Communications team (Public Affairs) lead exchanges at the central level, while Vonovia's regional managers handle local contact. Interactions with political and administrative bodies also ensure customer concerns are brought to our attention.

We take as many requests and suggestions from tenants, cities and municipal authorities into account as possible when planning our neighborhood measures. We therefore inform them of our plans ahead of time, in addition to inviting them to discuss projects and take an active role in shaping them (for example, at information events, neighborhood walks, through our caretakers and neighborhood managers, participation mailboxes or tenant consultations).

In addition to engaging with tenant and consumer advocacy organizations, we maintain contact with welfare service providers and other charitable organizations and associations. Dialogue and resulting collaborations help us understand the concerns of specific groups, such as older people and those at risk of or experiencing homelessness, and translate these insights into tailored offerings. This applies especially to individuals with refugee backgrounds.

[S4-3 – Processes to Remediate Negative Impacts and Channels for Consumers and End-Users to Raise Concerns](#)

Customer concerns can vary widely, requiring either straightforward or more complex procedures to address them effectively.

Strict protocols and standard processes are in place to manage risks and ensure compliance with safety obligations, particularly to prevent health and safety hazards. If a customer concern involves a hazardous situation, immediate measures are taken, such as eliminating mold, addressing Legionella contamination or repairing water damage.

Most concerns relate to tenancy issues or the cleanliness and condition of buildings and their surroundings. Customer service or local caretakers can resolve issues directly or refer them to the appropriate internal department for further action. These representatives/customer service employees are accessible via phone, the customer app, digital contact forms on the website or, in the case of local contacts, also in person. The primary tool for evaluating the effectiveness of our corrective measures and feedback channels is our customer satisfaction survey. We also evaluate customer tickets and analyze processing times when customers contact us. All of our customers also have access to our **whistleblower and complaints channels** (see → [G1-3](#)).

In order to raise awareness of this among regional managers responsible for rental operations and to protect potential customers, we developed the brochure “Fair play in new rentals” back in 2022 and distributed it to all relevant functions within the company. Among other things, it clarifies the right procedure for dealing with demands for commission from third parties and explains which channels can be used to report misconduct and who the correct contact is for questions and reports. The brochure continues to serve as a guide for employees.

Staff handling complaints are bound by confidentiality and are the only ones with access to complaints and related communications. Data is stored only as long as necessary for its intended purpose. After reviewing reported incidents, individual, proportionate measures are taken on a case-by-case basis. The whistleblower system is easily accessible via the [company's website](#). By ensuring anonymity, the system protects individuals from retaliation. Regular use of the channels indicates that customers are aware of them and consider them to be reliable. This trust is supported by low-barrier access to whistleblower channels, which are available in eight languages (see also [G1-3](#))

[S4-4 – Taking Action on Material Impacts on Consumers and End-Users and Approaches to Mitigating Material Risks and Pursuing Material Opportunities Related to Consumers and End-Users, and Effectiveness of Those Actions](#)

Since all of the measures that are outlined below are part of a continuous process, there is generally no specific timeline for their completion, unless a timeline has been defined for individual measures.

[Actions for Affordable Homes that Meet Tenants' Needs](#)

In order to implement our policy of providing affordable homes that meet tenants' needs for as many people in society as possible, we take the following actions with regard to the impacts that have been classified as material:

As regards **housing affordability**, we focus on **fair rent pricing**. Our rental prices are based on local rent prices, and, if available, on certified rent indices. Our involvement in rent index commissions, including providing data, in numerous locations helps ensure their accuracy and fairness. We monitor compliance with all applicable regulatory frameworks through our central rental management team.

Across the Group, the average rent price came to € 8.38/m² (2024: € 8.01/m²) in the 2025 fiscal year, and in Germany to € 8.19/m² (2024: € 7.89/m²), which corresponds to an organic increase in rent of 4.1% (2024: 4.1%).

Index-linked rents, i.e., rents linked to inflation, make up just around 2% of our lease agreements. The average rent excluding ancillary expenses in our portfolio remains below 30% of the average disposable household income of tenant households in Germany.

In Germany, the costs of energy-related refurbishments can be passed on in the net rent – within a specific framework. The government has limited companies' ability to pass on costs to € 3/m² (€ 2 in the case of rents under € 7/m²). The resulting increase in the rent is balanced out for customers through a reduction in heating costs. When passing on refurbishment costs, we are always mindful to ensure that the burden placed on our customers is socially just and offer individual solutions as part of our social management system. That said, reasonable compromises must be made in favor of additional climate change mitigation measures. In the 2025 fiscal year, an average of € 0.75/m² in refurbishment costs was passed on (2024: € 1.25/m²).

We also offer **publicly funded housing**. Our business model ensures that we are always integrated into the urban society where we offer homes. In numerous cities and municipalities, we also offer subsidized and independently financed homes for people on low incomes – in Germany around 27,000 (2024: 33,700) of our homes are currently price-controlled – and are responding to specific challenges with services tailored to local needs.

The supplementary voluntary agreements that we conclude with cities and municipalities include, for example, provisions governing fair rental conditions, the construction of new apartments or the strengthening of municipal housing construction companies and joint neighborhood development.

We also offer price-controlled homes in Austria and Sweden. Almost 18,400 (>90%) apartments in Austria and 100% of our approximately 40,000 apartments in Sweden are price-controlled. In total, around 16% of our entire portfolio is therefore subject to rent caps. By **creating new, demand-oriented and – in part – subsidized homes** in neighborhoods, we are helping counteract the shortage of available homes and mitigate rising rents, particularly for existing tenants. Through our development subsidiary, BUWOG, Vonovia constructs homes for both portfolio retention and sale, focusing on highly sought-after urban areas. A total of 2,090 (2024: 3,747) residential units were completed in this area in 2025, 800 (2024: 1,276) units for our own portfolio and 1,290 (2024: 2,471) units to be sold to third parties.

The **use of public subsidies** helps us to make existing and new housing affordable for our customers and, at the same time, to implement climate protection measures. This contributes to a balanced tenant structure in our neighborhoods. We remain focused on optimizing construction costs and we have adopted the “Basic House” policy (see → **ESRS E1** and → **ESRS 2 SBM-1**) to provide sustainable, affordable homes for diverse target groups while introducing a share of subsidized homes to the market.

Accessible construction and refurbishment allows us to create **homes that meet tenants’ needs** – particularly for people with restricted mobility. In our portfolio, low-threshold structural measures as part of a (partial) modernization to create accessible spaces are often sufficient to significantly increase the level of living comfort in old age. Homes that are completely barrier-free, according to German industry standard DIN 18040-2, are only necessary in very rare cases. As an additional measure, we have developed a criteria catalog for construction measures for barrier-free (partial) modernization. This catalog is applied following an assessment of existing properties to determine potential areas for reducing barriers and the scope of modifications. Additionally, portfolio tenants can request age-appropriate upgrades through our program “Age-appropriate modernizations in response to tenant requests.” If a care level is determined, partial costs can be recovered by the respective health insurance. As a further measure, we plan our new buildings to make them highly accessible and wheelchair-friendly.

In addition to structural measures, the social infrastructure in the neighborhood also plays a key role. As a result, we have introduced further measures to address our impact on “Housing tailored to tenants’ needs,” such as **senior-friendly apartments, services and neighborhood meet-ups**, for example.

Vonovia also has a **comprehensive hardship and social management system in place**. Our objective is to support people’s ability to pay so that they can stay in their homes and their homes remain affordable. To this end, we offer individual support measures ranging from rent rebates to assistance with housing allowance applications and relocation assistance. A team of social managers who have been trained specifically to assist with such matters are on hand to help.

We do not want our customers above the age of 70 to have to worry about their livelihoods due to rising rent levels. We really don’t want them to lose their homes with us. This is why we support people aged over 70 if the standard local comparative rent changes. We support customers who feel that their apartment is too large but would like to stay in their neighborhood, for example, by switching apartments.

As part of our hardship regulations, we apply uniform standards based on those of welfare associations in the event of refurbishment work. These standards were developed in collaboration with the tenants’ association and other residential real estate companies, and help to ensure greater reliability and transparency in cases of hardship. In recent years, we have been able to achieve a positive outcome in the vast majority of hardship claims and provide direct assistance to the affected customers, for example by reducing or waiving the modernization allocation.

We are committed to ensuring that the rules of the game are followed in the housing market. This also applies in scenarios involving illegal subletting or apartment misuse, which can make it difficult for everyone to access the rental market fairly and can also place additional strain on the rental markets. In order to curb the associated abuse of the system, we take appropriate measures to combat fraud within the context of the applicable data protection regulations.

Finally, we offer **homes for vulnerable target groups**, i.e., for people who are homeless or at risk of becoming homeless, as well as refugees. The “Housing First” approach ensures that homeless people are provided with a standard tenancy agreement with all of the normal rights and obligations, regardless of any mental or physical health conditions that they might have. It is only after this that they are offered help in order to get some stability into their lives. Vonovia provides homes for this purpose across Germany as part of numerous cooperative initiatives. This is also a focus of our support for refugees.

The measures relate primarily to the German market, but also apply to some extent in Austria and Sweden.

The investment program for accessible (partial) modernization is implemented in this form exclusively within the German portfolio. The elimination of barriers is also, however, taken into account in the relevant building regulations in Austria and Sweden.

We allocate **significant financial resources** to manage our considerable influence on “housing tailored to tenants’ needs.” In the fiscal year under review, for example, € 807.5 million was invested in modernization measures/our portfolio. An additional € 354.0 million was invested in new construction (to hold) and € 811.2 million in maintenance. The total amount of € 1,972.7 million corresponds to the figures disclosed in the financial report. Investments at a similar level are planned for the coming fiscal year (see the → [Forecast Report](#)).

Measures for fair rental pricing (impact “Contribution to affordable homes”) do not lead to significant operational or capital expenditure. Instead, they tend to limit revenue, as potential margins are not fully realized. New construction, on the other hand, involves operational expenditure. In 2025, this came to € -30.0 million (2024: € -25.0 million, see → [Earnings performance – Development segment](#)). Investments in new construction (to hold) rose considerably to € 354.0 million in the reporting year (2024: € 224.5 million, see → [Earnings performance – Rental segment](#)).

Customer Satisfaction Measures

Our actions to boost customer satisfaction are aimed at **continuous service and product improvements, quick response and processing times within the customer service department and enhanced accessibility**, such as expanding digital channels.

One key measure in relation to the policy for customer satisfaction is our **centralized customer service centers, supported by decentralized local contacts** in Germany, which ensure fast and reliable service, directly contributing to our goal of a high level of satisfaction. Our central, multi-lingual and long-term customer service centers in Essen, Dresden and Berlin act as the first port of call, whereas our caretakers, craftsmen and landlords look after the needs of customers on location. This structure allows us to identify customer dissatisfaction early and respond immediately.

We also maintain a **central and permanent knowledge and training management system** to enhance customer satisfaction. We continued our focus on developing the skills of our employees throughout the Group as a whole during the reporting year to meet the needs of our customers. The Training & Quality department collaborates here with HR to provide a comprehensive training catalog of around 120 training modules tailored to employees’ learning needs. Regular dialog formats ensure performance and quality. The aim is to guarantee the same level of quality for the entire portfolio in Germany. A high level of service and quality in turn contributes to our overriding goal of a high level of satisfaction as part of the management policy on customer satisfaction.

Our digitalization policy during the reporting year included implementing **self-service functions** across the Group, with a particular focus on tenant apps. We can use these customer apps as a particular example of how we map the full customer journey: from the apartment search process, including arranging viewing appointments, to the digital conclusion of contracts and all other issues affecting existing customers, such as ancillary expense bills, through to the concerns of customers moving out of our properties and former customers. The Mein Vonovia and DeuWo Digital apps have already been downloaded over 1.7 million times, with approximately 260,000 active users. The app portfolio also includes the BUWOG-Kunden app. The app features are being continually enhanced.

We also focus on **extensive supplemental communication** across the Group, including during the reporting year. For example, our website provides comprehensive, multilingual information on important housing-related topics, such as energy-saving tips for our customers.

We provide **extensive personnel resources** to manage customer satisfaction and our key impact “Impact of accessibility and service quality on customer satisfaction.” Over 1,000 employees work in our customer service centers, and additional local staff, including caretakers, craftsmen, and landlords, directly contribute to managing this material impact. This structure enables customers to directly assess how we manage this material impact, either on site or through our customer service centers.

Actions to Increase Quality of Living for Tenants Through Contribution to Neighborhood Development and Infrastructure

Environmental and social aspects go hand in hand as part of our central, holistic neighborhood approach. Vonovia is equally committed to both aspects and to promoting social interaction in the local community. Measures to strengthen shared living and measures to drive the greenhouse gas-neutral transformation of the housing stock only become manageable, effective and efficient through the neighborhood approach. With our multidimensional neighborhood development approach, which targets the actual impact we have identified as material, different strategic components are applied individually to each neighborhood. These measures relate to the German market and focus on the clustering by neighborhoods (urban quarters) described in → [ESRS 2 SBM-3](#) in our strategic portfolio:

We perform **building upgrades aimed at energy efficiency** and install **photovoltaic systems** on our own properties. Sequential energy-efficient upgrades to our own housing stock in line with our climate pathway, the use of innovative heating and electricity concepts (e.g., district heating grids and our heat pump cubes), the expansion of renewable energy supply systems (especially using photovoltaics) and establishing smart links between these systems within the neighborhood are central elements of our climate strategy, which are particularly effective in the neighborhood thanks to the exploitation of synergy effects and economies of scale (see → [ESRS E1](#)).

We are also expanding our **neighborhood infrastructure** (green and communal areas, playgrounds, establishment of local suppliers, educational and social facilities). A large number of diverse measures are being developed in order to meet the needs of the neighborhood concerned.

The **provision of premises for social facilities** plays a key role. Freely accessible space that can be used by the public can be seen as a key criterion for neighborhoods that offer quality of living and, thanks to additional opportunities for networking and the diverse ways in which spaces can be used, increases the variety of services on offer and quality of life for all users in the immediate vicinity. This is why, in the 2025 fiscal year, we made 88,000 m² or 13.9% of our commercial space available for social and community purposes (e.g., senior citizens’ centers, day-care centers, rooms for childcare, etc.). With our flexible “freiRaum” neighborhood concept, we also offer free, low-threshold locations for local initiatives and groups to allow people to get involved in social events and to network in our neighborhoods.

We also take **action to promote state-of-the-art mobility concepts**. These measures support the mobility transition towards lower-emissions (electric) mobility in our neighborhoods. When designing new construction projects, we pay attention to good public transport connections, focus increasingly on bicycle parking spaces and consider providing charging facilities for electric mobility right back at the planning stages. To date, we have installed 128 neighborhood charging stations for electric mobility in our existing neighborhoods, 119 of which are already in operation. We are planning a further 100 locations in 2026. Car and bike sharing services (including for electric vehicles) round off our offering. We are aiming to gradually connect our neighborhoods to municipal cycle path networks.

In the 2025 fiscal year, **we invested a total of € 648 million (2024: € 510 million) in our urban quarters in Germany.**

For 2026, we expect to invest approximately € 907 million in urban quarters.

Effectiveness of the Measures

The **insights from the customer satisfaction surveys** provide the operational departments and management with a **fundamental basis** for decision-making on customer satisfaction. The results give us an insight into whether our actions are appropriate and address our material impacts. The assessments of the satisfaction survey are discussed quarterly in Germany in the regional business areas on site (and directly with the specialist departments in Austria) and measures are developed at the neighborhood/building level. They also include our customers' satisfaction with the neighborhood environment, enabling us to evaluate our neighborhood development measures. In Sweden, too, customer satisfaction is a fundamental benchmark for all business processes.

We use **metrics that are commonplace in the housing industry** to analyze and evaluate the effectiveness and appropriateness of our measures in relation to our contribution to affordable housing that meets tenant needs. Key examples include vacancy and turnover rates, as well as the rent collection rate, which is used to measure payment defaults. We evaluate applications submitted as part of our hardship and social management system to draw conclusions as to the prevalence of these cases and the effectiveness of our supporting measures to protect customers.

Our **Group policies** and our [Code of Conduct](#) mean that we are obliged to comply with all legal requirements. Rent pricing in particular is subject to stringent regulation to prevent exorbitant rents, for example. As part of the customer surveys, analyses of response and processing times are also conducted. Our experience shows that accessibility, speed and transparency in service are decisive factors for achieving customer satisfaction. These analyses allow us to identify weaknesses in our service commitments and address them effectively.

No serious incidents relating to human rights have been reported to us in connection with the implementation of our actions.

We use selected additional metrics to track the effectiveness of our measures and the extent to which they meet our objectives. For more information, see [→ S4-5](#).

S4-5 Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities

Affordable Homes That Meet Tenants' Needs

Vonovia has not set any specific targets for the metrics linked to the impact "Contribution to affordable homes," namely "Average rent per square meter," "Number/proportion of price-controlled apartments" and "Average modernization cost allocation (in Germany)". This is because compliance with regulatory standards is not a quantifiable metric but rather reflects the company's fundamental alignment and its dependency on the design of regulatory frameworks, over which the company has no direct influence. The chosen metrics serve as a benchmark to demonstrate the nature of responsible rent setting, particularly in comparison to industry benchmarks.

Additionally, we consider the planned organic rent increase for the following year to be an appropriate approximation for a target metric. This increase aligns with customary local rents or rent indices. Central rental management monitors the development process and all regulatory requirements. For 2026, we anticipate an organic rent increase of approx. 4.2% compared to the 2025 base year.

The metric "**average rent per square meter**" represents the average rent across all rented apartments in Germany, Austria and Sweden. Currency conversion for Sweden is based on the reference date of December 31, 2025. A separate figure covering all rented apartments is reported for Germany as it is Vonovia's core market. The average rent per square meter reflects the monthly contractual rent divided by the rented area. An average value is calculated across all rental properties, with the figure given in euros.

The metric "**Number/proportion of price-controlled apartments**" describes the total number of apartments classified as "price-controlled" within Vonovia's portfolio. To determine the percentage of price-controlled apartments, the number of such apartments is compared to the total portfolio. In Germany, rent restrictions typically apply to publicly subsidized apartments, subject to contractual or statutory cost-based rent limits. In Austria, price controls are based on the applicable rental model outlined in the lease agreement or unit classification. Price controls are generally tied to the organizational structure of the company (at the time the apartment was built). In Sweden, base rents are negotiated annually with local tenants' associations. They must be reasonable and cost-based, leading to collective restrictions that classify all rents or apartments managed by Vonovia in Sweden as price-controlled.

The metric “**Average modernization cost allocation (in Germany)**” represents the average rent increase per square meter for all modernized apartments in Germany during the reporting year. In Germany, the costs of energy-related refurbishments can be passed on in the net rent – within a specific framework. As this cost allocation model does not exist in Austria and Sweden, the KPI applies only to the German portfolio, with the figure given in euros.

The core indicator for adapting apartments to meet the needs of an aging population is the **proportion of accessible (partially) modernized newly rented apartments in Germany**. This includes both measures in the event of a change of tenant and modernizations at the request of the tenant. We assess new rentals based on comparable portfolios and exclude newly constructed homes.

Our medium-term **goal for 2030 is to modernize around 27% of newly rented apartments every year** so that they meet the demands of an aging society. This quantified goal directly aligns with our policy objectives for housing tailored to tenant needs. The reference year for tracking progress on this and all other sub-indicators of the Sustainability Performance Index (SPI) is always the current year. The metric covers all modernization measures carried out as part of the relevant investment program during the reporting year. The criteria for “accessible” align with the product catalog of the German Development Bank (KfW). This KPI applies specifically to the German portfolio.

In the fiscal year under review, we achieved our target, (partially) modernizing approximately 12,900 apartments to be accessible (2024: 11,100 apartments), representing 36.8% (2024: 29.5%) of new rentals in Germany. Since this is a sub-indicator of the SPI (for further information, see → **ESRS 2 GOV-3**), it is monitored directly by the Management Board.

Customer Satisfaction

The core indicator we use to measure customer satisfaction is the CSI. The KPI is derived from 25 questions included in customer surveys. These questionnaires remain unchanged over time to ensure comparability. Approximately 31,000 customers are surveyed each quarter. The CSI applies specifically to Germany. The satisfaction level we use as the basis for calculating the improvement is expressed as a percentage, while the change compared to the previous year is given in percentage points.

Our medium-term **goal for 2030 is to maintain our high level of satisfaction**, which we define as a satisfaction index above 73%, and we aim to achieve this target annually. The target is derived from the peer benchmark provided by the external service provider conducting the satisfaction survey. This quantified goal directly aligns with our policy objectives for customer satisfaction. The reference year for tracking progress on this and all other sub-indicators of the Sustainability Performance Index (SPI) is always the current year. In 2025, we increased customer satisfaction by 1.3 percentage points compared to the previous year, achieving a satisfaction score of 76.5%. Since this is a sub-indicator of the SPI (for further information, see → **ESRS 2 GOV-3**), it is monitored directly by the Management Board.

Quality of Living Through Neighborhood Development and Infrastructure

Regarding the impact associated with “increased quality of living for tenants through contribution to neighborhood development and infrastructure,” we monitor how effective our actions and targets are using the metrics “Neighborhood investments (in Germany),” “Tenant satisfaction with the neighborhood environment (in Germany)” and “Share of socially used commercial space (in Germany).”

The “**Neighborhood investments**” are based on the approach set out in GRI (2016) 203-1, which reflects the status of the development of major infrastructure investments and services supported. It describes the investments in euros that Vonovia made in its strategic portfolio located in urban quarters in Germany as of the reporting date of December 31, 2025. It is calculated as the sum of investments made within this portfolio structure during the reporting year in building upgrades (measures for modernization of energy efficiency and heating), refurbishment of vacant apartments (partial or full modernizations of apartments for full accessibility), capitalized maintenance, new construction completed for our own portfolio (including added stories to existing buildings), and the expansion of photovoltaics. Based on this definition, Vonovia invested approx. € 548 million (2024: approx. € 510 million) in neighborhoods in Germany in 2025.

“Tenant satisfaction with the neighborhood environment in (Germany)” comprises a subset of three questions from the CSI questionnaire for measuring customer satisfaction (see “Customer Satisfaction”). These are added up – with equal weightings – to produce a score. The figure is expressed as a percentage of the average annual value of all “rather good” or “very good” responses from the four CSI questionnaires in a given year. Only Vonovia tenants in Germany are included in the survey. The aim is to maintain this satisfaction figure at a consistently high level (> 80%) in the medium term. The value for 2025 came in at 83.8% (2024: 83.4%).

The “Share of socially used commercial space (in Germany)” is derived from an analysis of the usage type of commercial units. It extracts data covering all types of use of commercial units actively rented out by Vonovia in Germany that were classified in advance as “social.” These include types of use such as a neighborhood office, meeting point, day-care center or use of a space for other educational purposes. These are expressed in relation – in terms of square meters of space – to all rented commercial units in Germany with confirmed usage type. Large commercial units are excluded from this metric. The metric is based on the approach taken in GRI (2016) 413-1, which shows the percentage of operations (in this case rented commercial units) where local community engagement measures were implemented. According to this calculation, around 88,000 m² of commercial units were allocated to social facilities as of the reporting date of December 31, 2025 (2024: around 100,000 m²). This corresponds to 13.9% (2024: 14.0%) of all let commercial units in Germany.

Investments in neighborhoods make up the central framework for action in connection with the material sustainability aspect of “neighborhood development” and the associated impact: “Increased quality of living for tenants through contribution to neighborhood development and infrastructure.” Vonovia has not set any targets for this metric due to the varied nature and number of the various individual measures, which are taken depending on the needs of the neighborhoods concerned. We consider the planned budget targets for the following year, however, to be a suitable approximation tool for investments in neighborhoods in Germany. Successful infrastructure projects and the resulting improved quality of living in cities and neighborhoods can be quantified most specifically – alongside other meaningful indicators – by the investments made in their development.

Further Explanations of the Remuneration-relevant S4 Indicators

The indicators “proportion of accessible (partially) modernized apartments among new rentals in Germany” and “customer satisfaction in Germany” are part of our **Sustainability Performance Index (SPI)**. They are two of the six KPIs linked to remuneration in the sustainability area (see → **ESRS 2 GOV-3**).

The Management Board has set the SPI’s individual indicator targets for 2030, which are closely tied to the company’s five-year investment planning. The relevant key figures are recorded quarterly by Controlling and used in our external reporting and for communication with the capital market. Target achievement is determined at the end of the year based on the actual values achieved. For details about the SPI, refer to → **ESRS 2 GOV-3**. Scientific findings were not considered in setting the targets mentioned under ESRS S4. Additionally, consumers or end-users, or their representatives, were not directly involved in setting the sub-indicator targets of the SPI, tracking performance toward these targets, or identifying areas for improvement.

ESRS G1 – Business Conduct

ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

Material Impacts, Risks and Opportunities

Within the scope of our materiality assessment, we identified **two material impacts, risks and opportunities (IROs)** related to business conduct:

- > Violations of applicable bribery and corruption regulations undermine the confidence that relevant stakeholders place in the company's integrity
- > Positive impacts on employees through the Code of Conduct and the development of a corresponding corporate culture

The two IROs are closely linked to our strategy, as adherence to our [Code of Conduct](#) and the promotion of a corporate culture aligned with it can be positively influenced internally through strategic initiatives and targeted measures. By ensuring that our Code of Conduct is put into practice, we reduce the potential for violations of bribery and corruption regulations. Disregarding these regulations may result in strategic adjustments.

Moreover, our corporate culture and Code of Conduct have direct impacts on people, especially our employees, who benefit from a culture of trust and respect, business conduct that considers the interests of all parties and strict adherence to legal requirements. The negative impact also has direct implications for our employees and other stakeholders (e.g., business partners, customers, shareholders).

Violations of bribery and corruption regulations can have a negative impact on the trust placed in Vonovia's integrity and accountability, particularly with regard to the reliability of management decisions, governance structures and the effectiveness of the compliance culture. Consequently, violations of this nature could have a negative impact on Vonovia's reputation, which could present various challenges for the business model, mainly a decline in its appeal as an employer or a scenario in which shareholders and business partners decide they no longer wish to be involved with Vonovia. As a result, any reported violations are promptly investigated and, if necessary, sanctioned. Further details can be found in the "Resilience of Our Business Model" section and under Disclosure Requirement [→ G1-3](#).

A strong corporate culture, on the other hand, can enhance our appeal as an employer and help address the challenge of skilled labor shortages as well as promoting equality of opportunity (also because the Code of Conduct bans any sort of discrimination).

Our corporate culture strategies have to be viewed in the context of our HR strategy (see [→ ESRS S1](#)).

Resilience of Our Business Model

In general, the resilience of Vonovia's strategy and business model is analyzed and evaluated annually as part of **risk management** (see [→ ESRS 2 GOV-2](#)). To evaluate the resilience of our business model in managing our material impacts, we continuously monitor potential violations of our [Code of Conduct](#) and the number of confirmed cases of corruption and bribery. Analyses from past reporting periods indicate that our systems for detecting bribery, corruption, and violations of the Code of Conduct remain effective in the short, medium and long term. Reported violations are promptly investigated and, if necessary, sanctioned. In the event of a serious corruption or bribery incident, appropriate and effective measures are implemented, including internal investigations into each allegation. The necessary resources are immediately allocated by the Management Board. We also take a preventive approach by raising awareness of compliance topics among employees through mandatory online training on the Code of Conduct and other relevant policies, as well as face-to-face training in some cases. We continuously monitor legal developments to ensure our training programs and policies, such as the [Code of Conduct](#) and [Anti-Corruption Policy](#), are promptly updated in response to any regulatory changes. Our annual risk analysis also helps us identify compliance risks and implement mitigating measures. We can therefore conclude that our current measures strengthen the resilience of our business model and ensure that no material risks emerge for our business model. Although the functionality of our measures is assured, complete protection against such incidents cannot be guaranteed.

The revision of our materiality assessment (for details, see → [ESRS 2 IRO-1](#)) resulted in the following changes regarding the material IROs for ESRS G1:

- > The material risk reported in the previous year “Financial risk from corruption and bribery” is no longer classified as material. This is to ensure consistency and connectivity between the Sustainability and Risk Reports, as this risk is not classified as material in the latter. As no material financial impacts resulting from potential bribery and corruption incidents are expected at Vonovia, this risk is not classified as material and is not included in the Sustainability Report.
- > The negative impact “Violations of applicable bribery and corruption regulations undermine the confidence that relevant stakeholders place in the company’s integrity” was classified as material in the current fiscal year. Although no material financial effects are expected to arise due to potential violations of corruption and bribery regulations, there may be an impact on Vonovia’s various stakeholders if potential violations attract significant media attention. Vonovia addresses this issue by reporting on the material impact of “Violations of applicable bribery and corruption regulations undermine the confidence that relevant stakeholders place in the company’s integrity” in the current fiscal year.

G1-1 – Corporate Culture and Policies for Business Conduct

Vonovia defines corporate governance as responsible, sustainability-driven business conduct and oversight based on trust and transparency encompassing all areas of the company. The Management Board and the Supervisory Board have made a comprehensive commitment to the principles of corporate governance as set out in the German Corporate Governance Code.

These principles are the basis for the sustainable success of the company and serve as guidelines for conduct in the company’s daily management and business. Good corporate governance strengthens the trust of our shareholders, business associates, employees, customers and the general public, boosts corporate transparency and strengthens our Group’s credibility. With balanced corporate governance, the Management Board and the Supervisory Board want to secure Vonovia’s competitiveness, strengthen the trust of the capital market and the general public in the company and sustainably increase the company’s value.

Our **comprehensive set of policies and measures** aimed at preventing compliance violations in connection with corporate governance is consolidated within our **Compliance Management System (CMS)**. The CMS at Vonovia encompasses all policies, regulations and works agreements. The CMS is based on three pillars: prevention, detection and response. Individual aspects of the CMS are reviewed by Vonovia’s Internal Audit department at regular intervals, generally every three years. At the top of our internal compliance framework is the → [Group Compliance Policy](#), which serves as a binding framework linking all policies and regulations to create a unified compliance structure. The Compliance Policy is supplemented by other Group policies, such as those on anti-corruption and whistleblowing.

The CMS applies across the Group and ensures that all transactions and processes comply with all legal and internal requirements. Whenever legislation in Austria or Sweden conflicts with Group-wide rules, a different rule is adopted for the subgroup in the form of a national guideline. The ultimate responsibility for this lies with the respective managing directors.

Vonovia implements the policies described below to address the material impacts and promote its corporate culture. Since the measures to implement the policies that are also outlined below are part of a continuous process and are always adapted to current (legal) circumstances, there is generally no specific timeline for their completion, unless a timeline has been defined for individual measures.

Operational responsibility for the implementation, monitoring and further development of the policies relating to corporate culture, bribery and corruption is shared between the Human Resources, Legal, Compliance and Data Protection, Corporate Communications and Internal Audit departments. Ultimate responsibility lies with the Management Board. The Chief Compliance Officer, who leads the Compliance and Data Protection department, is responsible for identifying compliance risks as well as implementing appropriate preventive and risk minimization measures.

Corporate Culture

Our approach to promoting corporate culture is outlined in our [Code of Conduct](#). On the basis of the Code of Conduct, we define the ethical and legal framework within which we act, ensure commercial success and aim to achieve positive impacts on our employees through a positive working atmosphere and a trusting, constructive management style. It reflects our corporate values and applies to all employees at Vonovia. The focus is on dealing fairly with each other, in particular with our customers, business partners and investors. That is also why we place such an emphasis on compliance with applicable legislation, without exception. Adhering to the legal framework conditions and regulations does not just apply to our own employees but also for the suppliers and service providers we work with.

We also communicate in our [Declaration of Respect for Human Rights](#), which has the same status as a Group policy and which applies throughout the Group, our clear conviction for a pluralistic democratic society and zero tolerance of human rights violations as well as 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, the OECD Guidelines for Multinational Enterprises and the principles of the UN Global Compact, which we committed to in 2020. Our Code of Conduct also takes account of our stance regarding respect for human rights.

Through our policy of “Positive impacts on employees through the Code of Conduct and the development of a corresponding corporate culture,” Vonovia aims to foster a corporate culture that supports continuous development and individual potential, promotes diversity, and helps us attract and retain talent. Our corporate culture ensures fair wages and considers principles such as respect and diversity as fundamental. We are also committed to creating a future-oriented, attractive and safe working environment that provides the foundation for our joint success and contributes to the satisfaction of our employees.

Our corporate culture is founded on **transparent reporting and corporate communications**, on corporate governance aimed at the interests of all stakeholders, on fair and open dealings between the Management Board, the Supervisory Board and employees as well as on compliance with the law. Employees are regularly trained on diversity topics (see → [S1-4](#) for details) to raise awareness of inclusion and equality of opportunity, with dedicated programs such as the Women’s Network, Female Leadership Forum, and mentorship initiatives for high-potential female employees (see → [S1-4](#) for details).

Another key **measure** for the promotion of corporate culture is the [Business Partner Code](#), which outlines our expectations and requirements for suppliers, who are required to sign it. These requirements relate to compliance with human rights – from legal conformity and the fulfillment of legal standards for working conditions to an assurance of freedom of association and the exclusion of child labor, forced labor and discrimination. Minerals, and particularly conflict minerals, are also to be procured responsibly in accordance with OECD guidelines. We also expect our business partners to subject their own business partners at all stages in their supply chain to the obligation to comply with the same standards and principles. As part of the needs-based evaluation of our major suppliers and contractors via our partner portal, we strive to ensure that the criteria stated in the Business Partner Code are complied with. In the event of incidents and breaches, a structured management of measures is activated, which – once all other resources have been exhausted – may result in blocks on orders or the blocking of a particular supplier. Long-term cooperation with contractual partners is the responsibility of the Procurement department, enabling any misconduct to be addressed. In Germany and Austria, contractual conclusion is preceded by an automatic check against relevant sanctions lists, with the Compliance and Data Protection department informed immediately in the event of a hit. In Austria, the Procurement department reviews all new creditors and regularly reviews existing ones on a half-yearly basis as part of a compliance check that also includes an inspection of sanctions lists (via KSV1870). Vonovia’s Business Partner Code of Conduct applies across the entire Group. However, local adaptations are permitted within the subsidiaries in Austria and Sweden if required by country-specific or operational considerations.

Corporate culture is a multifaceted topic that cannot be fully captured through singular or multiple quantitative targets, which is why we have not set **measurable, outcome-oriented targets**.

Nevertheless, two **quantitative indicators** of “employee satisfaction” and the “proportion of women in leadership roles” (both of which are sub-indicators of the SPI) serve as reference points for evaluating the effectiveness of our corporate culture policies and actions. Our corporate culture and Code of Conduct make a significant contribution to high levels of employee satisfaction. A large proportion of women in management positions points to a corporate culture that promotes diversity and helps the company to retain talent.

We are aiming to achieve the target of at least 77% employee satisfaction by 2030. The Management Board proposes these targets as part of the LTIP planning process, with validation by the Supervisory Board. Similarly, our target for the proportion of women in leadership roles (first and second levels below the Management Board) is to reach at least 30% by 2030. Additional details can be found in → [S1-5](#).

Four compliance questions were included in the employee satisfaction survey in 2025 for the first time in order to establish a compliance KPI. The specific results are to be used as an opportunity to draw conclusions as to the level of awareness, accessibility of the reporting options and trust in the compliance function. If necessary, appropriate actions are to be taken in 2026 to further develop the three criteria referred to above.

The Compliance Committee also meets quarterly to discuss topics including corporate culture, the current status of the Compliance Management System (CMS) and any necessary adjustments. New policies and measures are developed as needed.

Bribery and Corruption

Vonovia addresses the material negative impact “Violations of applicable bribery and corruption regulations undermine the confidence that relevant stakeholders place in the company’s integrity” through the [Code of Conduct](#), the [Human Rights Policy](#), the [Compliance Guidelines](#), the [Whistleblowing Policy](#), the [Anti-Money Laundering & Terrorist Financing Prevention Policy](#) and the [Group Anti-Corruption Policy](#). These **policies** apply across the Group and are reviewed by Internal Audit as part of a risk-based approach, with local adjustments being made in Austria and Sweden.

The aim is to prevent and combat bribery and corruption to avoid any negative impacts such as bad press, damage to the company’s image and employer brand, rating downgrades, stakeholder trust erosion, and increased costs for Vonovia’s customers, employees and business partners, and to prevent any violations of the law.

Our policies align with IDW (Institute of Public Auditors in Germany) standard PS 980 (September 2022) “Principles of proper auditing of compliance management systems,” which largely corresponds to the United Nations Convention against Corruption. Our **objective** of preventing and combating bribery and corruption, as well as avoiding related incidents, is pursued through the **quantitative indicators** of the “number of convictions and the amount of fines for violation of anti-bribery and anti-corruption laws” and the “total number of confirmed cases of corruption and bribery,” covering both our employees and business partners (for details, see → [G1-4](#)).

Vonovia has implemented several **measures** to support its anti-bribery and corruption objectives, including:

- > implementing an annual analysis of compliance risks which analyzes bribery and corruption among many other potential risk areas,
- > an extensive complaints management/whistleblowing system (see → [G1-3](#)) and
- > extensive training programs, particularly for functions-at-risk.

The compliance risk analysis, which explicitly covers bribery and corruption risks, has been conducted every year (previously every two years) since the 2024 fiscal year. In addition to a horizontal analysis, this process also includes a root cause analysis and vertical analysis of potential compliance risks for the Group. An analysis and evaluation of compliance risks in the Swedish and Austrian companies is also scheduled on a recurring basis, usually every three years. A decentralized compliance structure with **local contacts** enables direct, easy-to-access support in the various business areas. The Compliance and Data Protection department provides these individuals with ongoing training and support.

Vonovia also established a comprehensive **complaints management system** that allows employees and externals, such as customers and business partners, to report corruption, bribery and other forms of misconduct. Reports are processed by a specially trained, independent team. Details are outlined in Disclosure Requirement → [G1-3](#).

Regular Group-wide training sessions are the cornerstone for preventing misconduct before it happens. A comprehensive catalog of regular and mandatory training events is firmly established and has been adapted to suit internal target groups.

In Germany, all employees (including part-time employees) with access to a company digital device must complete an annual 60-minute training session covering the Code of Conduct (basic compliance knowledge) as a matter of principle. Employees without such devices receive the Code of Conduct as an annex to their employment contract. In Austria and Sweden, all employees are given training on compliance issues (including the Code of Conduct and bribery and corruption) when they join the company and then every year in a 45 to 60-minute refresher session.

In addition to training on the prevention of corruption and bribery, Vonovia also provides its employees in Germany with training on other topics every two years, such as anti-money laundering, data protection, whistleblower protection and the policy for handling inducements and donations/sponsorship arrangements. In addition, the Sales departments in Austria receive two one-hour training sessions a year on preventing money laundering and terrorist financing, and also complete a 45 to 60-minute online training course on preventing corruption.

Further details regarding the anti-corruption and anti-bribery training conducted in the fiscal year can be found under disclosure requirement → [G1-3](#).

Functions-at-risk at Vonovia, with regard to the risk of corruption and bribery, include all managers.

[G1-3 – Detection of Corruption and Bribery](#)

As a **measure** to implement our policy for managing the material impact associated with “Violations of applicable bribery and corruption regulations undermine the confidence that relevant stakeholders place in the company’s integrity,” Vonovia has implemented an extensive Group-wide **complaints management** system (see also → [G1-1](#)). Our Swedish subsidiary operates its own whistleblowing system.

Reports of corruption and bribery can be submitted via the whistleblower portal, which is available in eight different languages; a satisfaction survey promotes engagement of the stakeholders (using the system) and ensures efficiency. The portal complements and extends the existing system of the independent ombudsman and has been integrated into the Business Partner Portal. The ombudsperson is selected and appointed by the Compliance Committee. Reports can also be sent by email or telephone to the compliance hotline set up by the external law firm GSK, the works council, the HR department or the mailbox compliance@vonovia.de. The effectiveness of the system is ensured through various accessible reporting channels, which were intentionally established to provide multiple options for submitting reports. As part of the whistleblowing system (BKMS) process, users are also surveyed on topics such as communication channels for compliance matters, familiarity with compliance processes and support provided by Compliance. Positive feedback was received in all areas. The technical and organizational accessibility of at least one digital and one analog reporting channel for every employee is ensured by the Group, with external support when necessary.

Complaints are treated as confidential and are only processed and evaluated by authorized individuals. Information from the system is not shared with third parties, except when absolutely necessary for processing, in the context of investigations, court proceedings, or when information has to be disclosed due to statutory requirements. Data is stored only as long as necessary for its intended purpose. Our guidelines and the anonymous reporting system provide our employees with full protection against reprisals.

We provide our employees with proactive information on the various reporting channels available. This is achieved on the one hand through mandatory compliance training and on the other, via the intranet or in ad hoc articles published in-house and in employee newsletters. The employee survey also included questions on compliance culture and employees’ understanding of compliance. The use of the channels and feedback from the departments and the works council indicates that our employees are aware of them and consider them to be reliable. After reviewing reported incidents, individual, proportionate measures are taken on a case-by-case basis.

The CEO is responsible for implementation of the entire CMS, including all the policies and measures described. A Compliance Committee comprising the Chief Compliance Officer, compliance officers, the ombudsperson, representatives of the Internal Audit, Risk Management and HR Management departments, the works council and the companies outside of Germany meets on a quarterly basis and regularly adapts the system to current requirements. In this context, the **Chief Compliance Officer** acts as a **central contact point** within the company for compliance matters and suspicions. The Chief Compliance Officer serves as the primary contact for compliance-related questions and concerns, maintaining independence by reporting directly to both the CEO and the Supervisory Board's Audit, Risk and Compliance Committee. In addition, the Chief Compliance Officer is not subject to instructions from other company departments. His activities are supported by the compliance officers and managers in the individual departments.

The Chief Compliance Officer reports directly to the CEO at least once a month and immediately if necessary. The Management Board receives quarterly reports, while the Audit, Risk and Compliance Committee is provided with extensive information semi-annually about compliance issues and corruption as well as existing guidelines and procedures. The compliance report provides information on suspected cases, measures and other compliance-relevant and data protection issues. If required, the entire Supervisory Board is informed.

Information on corporate governance and reporting channels is available to internal and external parties on both the [Investor Relations website](#) and the [corporate website](#). Our employees also receive compliance information on the intranet, while business partners receive it via the [Business Partner Code](#).

In order to address the material negative impact "Violations of applicable bribery and corruption regulations undermine the confidence that relevant stakeholders place in the company's integrity," Vonovia takes further **action** by conducting several **mandatory training sessions** to prevent corresponding violations of applicable corruption and bribery regulations. These training sessions, typically conducted virtually, last between 45 and 60 minutes and cover legal requirements and practical case studies to help employees recognize and appropriately address potential fraud and corruption risks. In Germany, all employees are required to complete an annual 60-minute training session on the content of the [Code of Conduct](#) (basic compliance knowledge), which also covers topics including anti-

corruption and conflicts of interest, among other things. In Austria and Sweden, our employees receive annual compliance training covering anti-bribery and anti-corruption topics as part of a combined training program (for further details, see the explanations on Code of Conduct training under [→ G1-1](#)).

Functions-at-risk are also required to complete additional, mandatory and individually tailored training. In Germany, all managers complete a 45 to 60-minute online anti-corruption training session every two years (in Austria, this training is provided annually). In Sweden, all employees are given training on compliance issues (including bribery and corruption) when they join the company and then every year in a 45 to 60-minute refresher session. Specific employee groups are assigned additional compliance training if they are considered exposed to particular risks. Employees involved in sales, in particular, undergo a 60-minute AML training course every two years.

The training sessions described above were introduced across the Group in the fiscal year, with training for functions-at-risk introduced in Sweden in April 2025.

Functions-at-risk are defined as those with specific exposure to corruption and bribery risks due to their job functions. These risks are mitigated through the assignment of relevant training. This encompasses all managers at Vonovia. In the Group as a whole, around 75% of employees in functions-at-risk have completed the anti-corruption training sessions.

The Management Board undergoes the same mandatory training as all Vonovia employees; the Supervisory Board is not required to participate in compliance or anti-corruption training.

G1-4 – Incidents of Corruption and Bribery

To assess the effectiveness and performance of our anti-bribery and anti-corruption policies, Vonovia tracks the **number of legal convictions** related to bribery and corruption. In the fiscal year, the number of court convictions for bribery and corruption offenses was zero (2024: zero). During the fiscal year, no convictions were recorded, and consequently there were no fines for violation of anti-corruption and anti-bribery laws.

In line with our objective of maintaining the company free of corruption and bribery, we set an annual **quantitative target** of achieving zero corruption and bribery incidents resulting in court convictions. This applies to both our own operations

and our business partners. Stakeholders were not involved in setting these targets. This quantified target directly aligns with our policy objectives for maintaining a corruption-free organization. Since no convictions for bribery and corruption occurred during the fiscal year, we have achieved our objective in this regard.

Ongoing investigations are not included in this metric. The Compliance and Data Protection department monitors compliance with applicable regulations across the Group and oversees any ongoing legal proceedings and related outcomes to ensure target achievement. In the event that Vonovia is subject to fines for bribery or corruption violations, the Compliance and Data Protection department immediately informs both the Management Board and the Supervisory Board. The department also receives monthly reports from subsidiaries in Sweden and Austria.

Since there were no bribery or corruption convictions during the fiscal year, no individual case-specific measures were taken to address breaches of procedure and standards to combat anti-corruption and anti-bribery.

The number of **confirmed incidents of bribery and corruption**, both among our employees and business partners, was 7 in the fiscal year (2024: 2). The number of confirmed bribery and corruption cases takes into account the Care segment that was sold during the fiscal year up until the date of the business area's discontinuation. The cases that materialized in 2025 concerned the rental of apartments in exchange for commission payments. One case involved potential fraudulent actions related to collaboration with subcontractors. The investigations that Vonovia launched without delay resulted in appropriate action being taken. Overall, the number of confirmed cases in this fiscal year is attributable to the further development of the compliance management system and process improvements. In line with our objective of maintaining the company free of corruption and bribery, we set an annual **quantitative target** of achieving zero confirmed corruption and bribery incidents. This applies to both our business operations and our business partners. Stakeholders were not involved in setting these targets. This quantified target directly aligns with our policy objectives for maintaining a corruption-free organization. Since seven confirmed cases of bribery and corruption occurred during the fiscal year, we did not achieve our objective.

The metric refers to confirmed incidents submitted through the compliance mailbox or other whistleblowing channels, which were verified by the Compliance and Data Protection

department through an internal investigation or confirmed by a legally binding court ruling.

Just as with the number of convictions, the Compliance and Data Protection department monitors compliance with applicable regulations across the Group and oversees any ongoing legal proceedings and related outcomes to ensure target achievement. In the event that Vonovia employees are convicted of corruption or bribery and subsequently receive a written warning or are dismissed, or business partners of Vonovia are convicted of corruption or bribery, the Compliance and Data Protection department informs the Management Board. The department also receives monthly reports from subsidiaries in Sweden and Austria. In cases of confirmed corruption involving business partners, the business relationship is terminated or not renewed.

All of the compliance-related concerns reported during the fiscal year, where these were confirmed, were minor. This does not include two cases from 2023 and 2024 as well as one case of bribery and corruption from the current reporting year. In the fiscal year, own employees were dismissed or disciplined in two cases due to corruption or bribery allegations.

There were two confirmed cases in the reporting year related to contracts with business partners that resulted in these contracts being terminated or not renewed.

No public legal proceedings were initiated against the company or its employees during the reporting period. As regards a matter dating back to 2023, criminal proceedings commenced in the reporting year, culminating in the conviction of two former Vonovia employees in January 2026. Vonovia itself was involved in the proceedings as the injured party and joint plaintiff.

Opportunities and Risks

Risk Management Structure and Instruments

The market environment and the overall statutory/regulatory conditions to which Vonovia is subject are constantly changing. Vonovia is adapting to this environment by developing its strategy and, within this context, its business activities on an ongoing basis. Vonovia also reacts to ESG influences from a wide variety of stakeholders by adjusting its corresponding ESG targets. These changes mean that additional opportunities and risks arise on a regular basis, and that the extent of existing opportunities and risks can change at any time.

As a result, Vonovia has implemented a comprehensive risk management system that ensures that all of the risks that are relevant to the company (and to the environment and society at large) can be identified, evaluated and managed. This reduces risk potential, secures the company's survival,

supports its strategic further development and promotes responsible entrepreneurial action.

Risks are defined as possible events or developments that could have a negative impact on the company's expected economic development and, as a result, could lead to a negative deviation from the short-term plans (budget and forecasts) and the company's medium-term plans (five-year plan). Any deviations from the company's ESG objectives also pose risks to its economic development.

Opportunities are defined as possible events or developments that could have a positive impact on the company's expected economic development and, as a result, could lead to a positive deviation from the short-term plans (budget and forecasts) and the company's medium-term plans (five-year plan). Deviations from the company's ESG objectives can also give rise to opportunities. Opportunities are not quantified for internal management purposes.

5 Pillars of Risk Management at Vonovia

Management Board (Strategy, Requirements/Goals, Control Environment, Monitoring)				
1 Performance Management	2 Compliance Management	3 Risk Management System	4 Internal Control System	5 Internal Audit
Controlling > Budget > Forecast > Results <hr/> Operational Areas > Performance management > Technical integrity	Compliance Officer > Guidelines, regulations > Contracts > Capital market compliance > Data protection <hr/> Operational Areas > Ensuring compliance	Controlling > Risk management process > Risk reporting <hr/> Operational Areas > Risk identification and evaluation > Risk control	IT > Process documentation Accounting > Accounting-based internal control system <hr/> Operational Areas > Documentation of core processes > Control activities > Control self-assessment	Internal Audit > Process-oriented audits > Risk-oriented audits <hr/> Operational Areas > Process improvements

Vonovia's risk management system is based on an integrated five-pillar risk management approach.

(1) Performance Management

Detailed corporate planning and appropriate reporting on deviations in the operational and financial key figures from Controlling constitute the backbone of the early warning system used at the company. Analyses are made of the business performance compared with the plans approved by the Supervisory Board and the previous year. Furthermore, forecasts are prepared regularly which take appropriate account of the effect of any potential risks and opportunities on the development of business.

Reporting includes detailed monthly controlling reports for the Management Board and the Supervisory Board. The operational business is described in regular reports on key figures, some of which are drawn up on a weekly or daily basis. On the basis of these reports and the deviations that they highlight between the actual and target figures, countermeasures are initiated and implemented and then checked in subsequent reporting periods to ensure they are effective.

(2) Compliance Management

Compliance means that the company, its bodies and employees act in line with the applicable rules and regulations. For the Management Board, compliance with statutory law and the observance of internal guidelines are the basis of corporate management and culture. Compliance is to ensure the integrity of employees, customers and business partners and avoid possible negative consequences for the company as well as for the environment and society at large.

The management and monitoring of Vonovia is based on the relevant statutory requirements, the Articles of Association and the rules of procedure for the Supervisory Board and the Management Board. They form the basis for the company's internal rules and guidelines, adherence to which is monitored by a central compliance management system and administered by a guideline management team that forms part of the Compliance & Data Protection department.

The guidelines describe clear organizational and monitoring structures with specified responsibilities and appropriately installed checks. The legally compliant behavior of all employees in the business processes is ensured by suitable control procedures and supervision by managers.

The company has also put in place a compliance management system based on IDW (Institute of Public Auditors in Germany) PS 980 and has created a central function, the Chief Compliance Officer, whose remit focuses on identify-

ing compliance risks, taking suitable measures to avoid and detect these risks and taking appropriate action in response to compliance risks (compliance program). This individual also acts as the company's human rights officer.

In terms of specific content, the main features of the compliance management system are Vonovia's Code of Conduct, which focuses on ethical values and statutory requirements and reinforces the personal responsibility of employees, Vonovia's Compliance Guidelines and a Business Partner Code setting out requirements that the company's contractual partners have to meet. An external ombudsperson and a compliance hotline at an external law firm are available to answer questions on all compliance matters. These systems also feature an anonymous whistleblower hotline in eight languages. All of the whistleblower contact options are available not only to employees, but also to external groups, such as customers and business partners.

(3) Risk Management System

Vonovia's strategy has a sustainable and long-term focus. As a result, Vonovia pursues a conservative risk strategy in its business activities. This does not mean minimizing risks, but rather promoting entrepreneurial and responsible action and ensuring the necessary transparency with regard to any possible risks.

The risk management system supports all employees in their day-to-day work in accordance with Vonovia's mission statement. It ensures the early identification, assessment, management and monitoring of all risks within the Group that exceed the short-term financial risks dealt with by the Performance Management pillar and could pose a risk not only to the company's results of operations and net assets, but also to intangible assets.

The risk management system explicitly includes sustainability risks. In connection with the introduction of reporting in line with the European Sustainability Reporting Standards (ESRS), information was collected and evaluated, as part of the materiality assessment, on the impacts that the company's business activities have on people and the environment, as well as the sustainability-related risks and opportunities for the company, and this information was incorporated into the risk management process (see → [ESRS 2-IRO-1](#)). This means that potential risks which might impair the value and/or development of the company, or have an impact on people and the environment, can be identified at an early stage. The risk management system takes account of early warning indicators that are specific to the environment and the company, as well as the observations and regional knowledge of our employees.

In organizational terms, risk management is assigned directly to the Management Board. It has overall responsibility and decides on the organizational structures and workflows of risk management and provision of resources. The operational management of the risk management system falls within the remit of the Head of Controlling, who is responsible for Risk Controlling. The Head of Controlling reports to the Chief Financial Officer (CFO). Risk Controlling initiates the software-supported, periodic risk management process and consolidates and validates the risks reported. It is also responsible for validating the risk management measures and monitoring their implementation. Risk Controlling works with the individual risk owners to define early warning indicators that are used to monitor actual developments with regard to certain risks.

The risk owners are the managers at the level directly below the Management Board. They are responsible for identifying, evaluating, managing, monitoring, documenting and communicating all risks in their sphere of responsibility. They are also responsible for recording and reporting all risks in the company's risk tool based on the defined reporting cycles.

Based on a half-yearly risk inventory taken in the second and fourth quarters of a fiscal year, Controlling prepares a risk report for the Management Board and the Supervisory Board. It also simulates material risk developments and their impact on the corporate plans and objectives. The Management Board approves the documented risk management findings, takes account of them in steering the company and reports them to the Supervisory Board. The Audit Committee of the Supervisory Board monitors the effectiveness of the risk management system.

Should significant risks, i.e., risks with a considerable impact on economic development (risks entailing possible losses in Adjusted EBT of more than € 50 million or a possible balance sheet loss of more than € 600 million) occur unexpectedly, they are reported directly to the Management Board and the Supervisory Board on an ad hoc basis.

As part of the process involved in preparing the annual financial statements, the risks identified in the fourth quarter are reviewed by Risk Controlling to ensure they are up-to-date and – if necessary – updated, with newly identified risks being added. New risks can arise in the context of the budget and five-year planning process. These are coordinated and evaluated bilaterally between Risk Controlling and the responsible risk owners as part of the planning process.

Vonovia's risk management system includes a simulation model to calculate the company's risk-bearing capacity. As part of this analysis, risk management evaluates the interdependencies between major risks on an annual or ad hoc

basis and defines the parameters for risk aggregation. A Monte Carlo simulation model based on the statistical distribution functions relevant to the risks is used to determine the company's overall risk position. The resulting overall risk position is compared to the company's risk-bearing capacity with regard to insolvency and overindebtedness. Extreme scenarios for selected major risks are also simulated as part of the corporate planning process. The effects on the company's performance indicators, as well as key figures related to financing, are always taken into account here. The results of the simulations are discussed with the Management Board. Planning and risk management are managed by the same area within Controlling.

The risk management system is updated and refined on a regular basis and is also adjusted to reflect changes at the company. The effectiveness of the risk management system is analyzed in regular audits.

The risk management system considers all activities along the risk management process, i.e.,

- > Risk identification
- > Risk assessment
- > Risk aggregation
- > Risk control and
- > Risk monitoring

Based on the COSO Framework, a **risk space** with the following **four main risk categories** has been defined to facilitate risk identification: strategy, operating business, regulatory environment and overall statutory framework, and financing (including accounting and tax). A structured risk catalog has been assigned to each of these categories.

When it comes to assessing risk, a distinction is made between risks with an impact on profit and loss and those affecting the balance sheet. Risks with an impact on profit and loss have a negative effect on the company's sustained earnings power and, as a result, on Adjusted EBITDA in the individual segments and Adjusted EBT. In general, these risks also have an impact on liquidity. Risks affecting the balance sheet do not impact Adjusted EBT, but they certainly do impact the assets and, in general, also profit for the period and the EPRA NTA. These risks can also not affect liquidity, e.g., because they only impact property values.

If possible, risk assessments are always to be performed in quantitative terms. As a general rule, the risk assessment should always be based on a worst-case scenario. If this is difficult or impossible to achieve, a qualitative assessment is to be performed using a detailed matrix. The expected amount of loss is classified in one of five categories:

Category	Class	Description	Impact on profit and loss*	Impact on statement of financial position*
Very high	5	Threatens the company's existence	Possible loss of > € 900 million in Adjusted EBT	Possible balance sheet loss of > € 12,000 million
High	4	Dangerous impact on business development, previous business situation cannot be restored in the medium term	Possible loss of € 450 million to € 900 million in Adjusted EBT	Possible balance sheet loss of € 6,000 million to € 12,000 million
Substantial	3	Temporarily impairs business development	Possible loss of € 180 million to € 450 million in Adjusted EBT	Possible balance sheet loss of € 2,400 million to € 6,000 million
Noticeable	2	Low impact, possibly leaving a mark on business development in one or more years	Possible loss of € 50 million to € 180 million in Adjusted EBT	Possible balance sheet loss of € 600 million to € 2,400 million
Low	1	Minor impact on business development	Possible loss of € 5 million to € 50 million in Adjusted EBT	Possible balance sheet loss of € 80 million to € 600 million

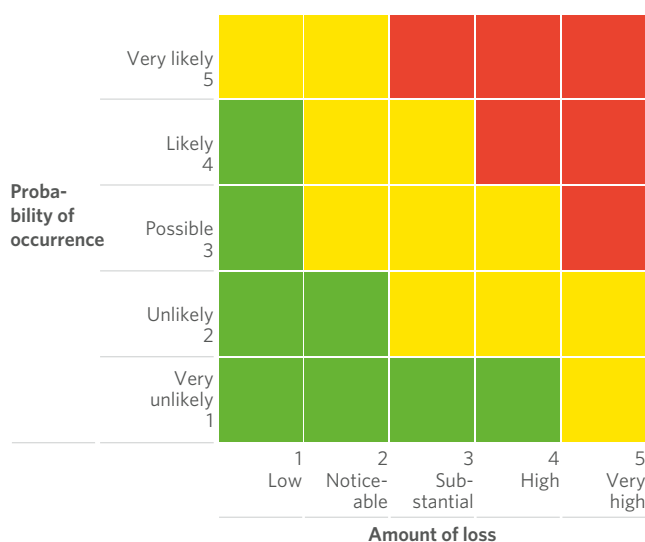
* Understood as the possible financial loss over five years in accordance with the medium-term planning horizon.

Five clusters have been defined for the expected probability of occurrence.

Category	Class	Definition	Probability
Very likely	5	It is to be assumed that the risk will materialize during the observation period.	>95%
Likely	4	The risk is likely to materialize during the observation period.	60–95 %
Possible	3	The risk could materialize during the observation period.	40–59 %
Unlikely	2	The risk is unlikely to materialize during the observation period.	5–39 %
Very unlikely	1	It is to be assumed that the risk will not materialize during the observation period.	<5 %

The expected amount of loss and the probability of occurrence are classified within the set ranges before action (gross) and after action (net) for each risk, documented in a risk tool and transferred to a heatmap there. Risk reporting is based on the net assessment and the assignment of risks in the net heatmap, comprising five categories for both probability of occurrence and the amount of loss.

Net Heatmap



The term "top risks" refers to the risks assigned to the red and amber fields. These are reported to the Supervisory Board and published as part of the external reporting process. The risks assigned to the red fields are classified as threatening or endangering the company or its survival. The risks assigned to the amber fields are significant to the company. Red and amber risks are subject to intensive monitoring by the Management Board and the Supervisory Board, in particular by the Audit, Risk and Compliance Committee. The risks assigned to the green fields are less significant to the current risk assessment.

As part of an active **risk control** process, the focus is on the major (red and amber) risks. Any necessary specific risk management measures were agreed and incorporated into a regular monitoring process to be conducted by Risk Controlling.

Regular **risk monitoring** by Risk Controlling ensures that risk management measures are implemented as planned.

(4) Internal Control System

The Internal Control System (ICS) comprises the basic principles, procedures and regulations aimed at supporting the effectiveness and cost-effectiveness of our business activities, ensuring due and proper, and reliable internal and external accounting, and ensuring compliance with the legal provisions that apply to the company.

All key processes at Vonovia are recorded and documented centrally with the help of a process management software solution. In addition to the relevant process steps, this documentation highlights key risks and controls in the interests of a process-oriented internal control system (ICS). It provides the binding basis for subsequent evaluations, audits and reporting to the executive bodies of Vonovia SE on the effectiveness of the ICS within the meaning of Section 107 (3) sentence 2 of the German Stock Corporation Act (AktG).

Overall responsibility for structuring and implementing the ICS lies with Vonovia's Management Board. The Management Board delegates this responsibility to process and control owners. The Internal Audit department provides support in the further technical development of the ICS in addition to performing its primary audit duties in full. Internal Audit is responsible for providing technical support for the documentation software, with administrative support being provided by IT.

The aim of the accounting-related internal control and risk management system is to ensure due and proper and legally compliant financial reporting pursuant to the relevant regulations. The accounting-related internal control and risk management system is embedded in the overarching Group-wide risk management system.

Organizationally, responsibility for preparing the financial statements lies with the department of the Chief Financial Officer (CFO) and, in particular, with the Accounting department. The Accounting department exercises the authority to lay down guidelines for the application of relevant accounting standards as well as for the content and timing of the steps in the financial statements preparation process.

From the organizational and systems side, the financial statements for all companies included in the consolidated financial statements as well as the consolidated financial statements themselves are prepared in the central shared service centers, which ensures consistent and continual application of accounting principles in a uniform financial statement preparation process. Furthermore, the shared

service center functions ensure that both content and organizational changes in the requirements are incorporated in the financial statement preparation process.

The financial statements of the companies included in the consolidated financial statements – with the exception of individual service companies in the Deutsche Wohnen Group and the companies in Sweden as well as the investment in the Netherlands – are located in an IT SAP environment. They are subject largely to uniform charts of account, accounting guidelines, processes and process controls. The requirement of separation of functions and the dual-review principle are taken appropriate account of with preventive and also subsequent checks.

The corresponding service companies of the Deutsche Wohnen Group, the companies in Sweden as well as the investment in the Netherlands, report their data as part of a structured IT-based data recording process.

The relevant financial statement data of the individual companies is made available to the SAP consolidation module via an integrated, automated interface with comprehensive validation rules for further processing and preparation of the consolidated financial statements. An authorization concept is in place granting access to the financial statements in line with the respective job profile of the employee.

Newly acquired companies are incorporated into the internal control environment as part of a structured integration process, which includes integration in terms of both IT systems and processes relating to financial statements.

Once the financial statements have been drawn up, the annual and consolidated financial statements, including the consolidated management report, are submitted to the Audit, Risk and Compliance Committee of the Supervisory Board. The Audit, Risk and Compliance Committee then makes a recommendation for the Supervisory Board to adopt or approve them. This examination may include discussion with the auditor and is subject to the auditor's report. The Audit, Risk and Compliance Committee is continually involved in the establishment and refinement of the accounting-related internal control and risk management system.

(5) Internal Audit

The system and control environment, business processes and the internal control system (ICS) are audited on a regular basis by Vonovia's Group Audit department. In organizational terms, Group Audit reports to the Chief Executive Officer (CEO). The annual audit plan is based on a risk-oriented evaluation of all relevant audit areas of the Group (audit universe) and is approved by the Management Board and the Supervisory Board's Audit, Risk and Compliance Committee.

The audits conducted throughout the year focus on assessing the effectiveness of the control and risk management systems, identifying process improvements in order to minimize risks and ensuring the sustainability of Vonovia's business activities. Corresponding special ad hoc audits are also performed in consultation with the Management Board.

The internal reports are presented to the Management Board, the individuals responsible for the area reviewed and, in cases involving significant and serious findings, the Head of Controlling, who is responsible for the risk management system, and, where relevant, the compliance officer on a regular basis. The Audit, Risk and Compliance Committee receives a quarterly summary of the audit results and measures. The implementation status of the agreed measures is monitored on an ongoing basis after the relevant due dates and is reported to the Management Board and the Audit, Risk and Compliance Committee on a quarterly basis. A follow-up audit is conducted to ensure that any serious findings have been remedied.

Current Risk Assessment

A scheduled risk inventory was performed in both the second and fourth quarters of the 2025 fiscal year. The risk report was presented to the Management Board and the Audit, Risk and Compliance Committee. There were no unscheduled ad hoc risk reports in the 2025 fiscal year or up until the time at which the balance sheet was prepared.

Overall Assessment of the Risk Situation

A total of 104 (2024: 115) individual risks were identified for Vonovia at the end of 2025.

All in all, and based on the current assessment, there were no signs of any risks threatening or endangering Vonovia or its survival at the end of 2025. At the time this report was prepared, Vonovia's Management Board had not identified any risks associated with future business development that the company cannot suitably overcome, or which could jeopardize the position of Vonovia SE, a major company

included in the scope of consolidation or the Group as a whole in terms of revenue, assets and/or finances.

In the risk-bearing capacity analysis, the risks to be modeled were quantified and the interaction between individual top risks and selected green risks analyzed in detail at the end of 2025. The outcome of the risk-bearing capacity analysis performed in 2025 revealed that there is no current threat to Vonovia's survival over the five-year period. Thus, there was no change in the overall outcome of the risk-bearing capacity analysis compared with the end of 2024.

In the risk inventory as of the end of 2025, a total of 8 (2024: 7) amber risks to the company and 96 (2024: 108) other green risks were identified. Specifically, the picture that emerges for each risk category is as follows (prior-year figures in brackets):

Risk	Strategy	Operating business	Regulatory environment	Financing	Total
		3 (3)	1 (0)	4 (4)	8 (7)
	11 (10)	47 (56)	26 (30)	12 (12)	96 (108)
Total	11 (10)	50 (59)	27 (30)	16 (16)	104 (115)

Risks Related to Operating Business

In the operating business, we identified the three amber risks (2024: three) explained below at the end of 2025.

The residential properties held in the Rental segment are subject to a regular valuation process. Details can be found in the notes to the consolidated financial statements in Chapter → **[D27] Investment Properties**. Changing overall conditions on the real estate and capital markets mean that future market developments, such as inflation and a further increase in interest rates, could reduce the value of the properties further. Lower property values would push up the company's loan-to-value ratio (LTV), which could have a negative impact on its ability to raise capital. The balance sheet operating risk **"future market development leads to a drop in property values,"** which was already classified as an amber risk in 2024, was once again classified as an amber risk in 2025 with an expected amount of loss of € 2,400-6,000 million (2024: € 2,400-6,000 million) and an expected probability of occurrence of 5-39% (2024: 5-39%). In order to limit risk, Vonovia is committed to maintaining both the

current diversification of its portfolio and a conservative capital structure (maintaining its investment grade rating).

The development in the supply of, and demand for, existing residential properties has a significant influence on the real estate prices and volumes that can be achieved and, as a result, a direct impact on both Adjusted EBITDA in the Recurring Sales segment and the success of Non Core sales. On the supply side, a sufficient number of homes will be needed in the portfolio marked for sale. These homes must meet the defined criteria as regards fair value, market value, vacancy and property condition in order for the company to generate the planned sales volumes and margins. On the market side, a scenario in which interest rates were to remain permanently high and/or increase further can lead to buyers no longer being able to finance the home prices asked for on the market. This could reduce demand and result in lower home prices. Negative performance on the supply and/or demand side is thus a risk with an impact on profit and loss in the Recurring Sales segment. The amber operating risk with an impact on profit and loss **“deteriorating residential property market situation with regard to supply and demand for the sale of apartments”** (2024: “deteriorating residential property market situation with regard to apartment sales/buyer behavior”) was assessed, at the end of the reporting period, as having an expected amount of loss of € 450-900 million (2024: € 450-900 million) and an expected probability of occurrence of 5-39% (2024: 5-39%). Home prices recovered significantly in the 2025 fiscal year, which was reflected particularly in higher sales prices and margins.

In order to limit and monitor risk, regular reporting on sales volumes and prices and regular monitoring of target prices and sales volume targets by Controlling has been implemented alongside a process for identifying ideal prices. Regular updates to the portfolio segmentation and clusters also helps to ensure sufficient product availability, i.e., a sales portfolio offering adequate volume and quality.

As regards the sale of our development projects, we have identified a risk that the sale and rental of newly built apartments will become more difficult to achieve, particularly as a result of significantly increased construction costs and, in turn, considerably higher sale prices or rents. The demand risks will respond accordingly. Additionally, an insufficient product mix or potential buyers' need for financing could prove counterproductive for Vonovia. We have adjusted our plans for investments in new builds accordingly. The operating risk with an impact on profit and loss **“Development sale risk”**, which was already classified as an amber risk in 2024, was assessed as having a potential amount of loss of € 180-450 million in 2025 (2024: € 180-

450 million). The expected probability of occurrence was unchanged at 40-59%. In order to be able to respond to market changes early on, in-depth market studies and analyses are prepared at regular intervals and are analyzed in connection with reports prepared by renowned real estate experts. Any market changes that are identified are taken into account when analyzing the real estate portfolio, meaning that they have a significant impact on sales planning.

Risks Related to Regulatory Environment & Overall Statutory Framework

Changes in the regulatory environment and in the overall statutory framework could give rise to risks for all of Vonovia's business segments. One (2024: 0) material amber risk has been identified at present.

The public political debate surrounding housing availability and price trends is translating into efforts by NGOs, political parties and/or elected representatives to tighten the regulatory framework for the housing industry. This includes, but is not limited to, potential disadvantageous developments in rent legislation, which could interfere with Vonovia's business model for the long term. Such developments might be (i) regulations on rental price developments (e.g., by extending the rent cap for new rentals, capping rents, etc.), (ii) restrictions on the ability to pass on charges for investment expenses and ancillary costs, or (iii) transferring residential properties to public ownership. Regulatory interventions of this nature can impair the earnings capacity of the portfolio, reduce investment incentives, and negatively impact the long-term value of the portfolio. Even public debates on or announcement of such plans can result in financial loss for Vonovia (such as in terms of reputation or potential withdrawal by investors or other funding institutions). For the purposes of risk aggregation, multiple risks were consolidated into a new risk, **“disadvantageous changes in the regulatory framework.”** The aforementioned factors affect Vonovia's net assets, position and results of operations alike. They cannot be distinctly categorized as having an impact on the company's earnings or statement of financial position. Therefore, the factors were defined as a qualitative risk with a “high” expected amount of financial loss and a probability of occurrence of 5-39%, and were also classed as an amber risk. The company is countering the risk with continuous monitoring of regulatory developments and active dialogue with stakeholders from politics and society.

Risks Related to Financing

With regard to financing, we identified four amber risks (2024: four) explained below at the end of 2025.

Restricted access to the bond market and a poorer rating could give rise to refinancing risks for Vonovia, meaning that too little liquidity might be available temporarily.

In the 2025 financial year, the refinancing measures and ratings grades remained within expectations. Details can be found in the chapter → [The Company and Its Shares](#) in the management report. The risk with an impact on profit and loss **“Higher refinancing costs due to changes in risk profile”** was assessed once more as having an expected amount of loss of € 450-900 million (2024: € 450-900 million) and an expected probability of occurrence of 5-39% (2024: 5-39%) and therefore remains in the amber risk category. While additional margins are to be expected in a scenario of higher refinancing costs, active and timely management of refinancing maturities allows Vonovia to ensure a balanced maturity profile so as to avoid cluster risks. Vonovia continues to use all financing instruments that are used as standard on the market and has the internal expertise to place these instruments. This prevents any one-sided reliance on specific types of financing. Being awarded an investment-grade rating is the very top priority in all strategic decisions. In the very unlikely event that refinancing via the capital market is temporarily impossible, Vonovia can resort to existing available credit lines.

A further increase in capital market interest rates could give rise to risks for Vonovia’s growth and result in planned investments being cut back, suspended or canceled completely. In addition, an increasing interest burden due to unfavorable interest rate developments could translate into lower growth or even a drop in Adjusted EBT. As the updated interest rates have again been taken into account for planning purposes, the financing risk with an impact on profit and loss classified as amber **“unfavorable interest rate developments”** remains in 2025 with an expected amount of loss of € 450-900 million based on the latest assessment (2024: € 450-900 million). The expected probability of occurrence remains unchanged at 5-39%. As well as diversifying borrowed capital instruments and maintaining a balanced maturity profile, risks are limited by ensuring a long-term average maturity/fixed-interest period of approximately six years. Debt reduction by freeing up liquidity is another measure used to limit risk.

Vonovia is obliged to report certain key figures and adhere to certain covenants in connection with bonds, secured loans and transactions. If these covenants are not adhered to or these reporting obligations are not fulfilled on time, Vonovia could be subject to payment obligations and additional negative effects on earnings could result from new financing arrangements. The amber financing risk with an impact on profit and loss associated with a **“failure to fulfill obligations (from bonds, secured loans, transactions)”** was assessed, at the end of the 2025 reporting period, as still having an expected amount of loss of >€ 900 million (2024: >€ 900 million) and an expected probability of occurrence of <5% (2024: <5%). In order to counter this risk, Vonovia has implemented standardized processes for monitoring and managing its obligations.

The amendments to the German Real Estate Transfer Tax Act that came into force on July 1, 2021, lowering the participation threshold from 95% to 90% and increasing the observation period from five to ten years, could give rise to a subsequent liability to pay real estate transfer tax. This also includes the refinancing risk associated with existing co-investor structures. The amber risk with an impact on profit and loss, the **“risk of legislative interpretation (real estate transfer tax for share deals and the effects of a tax rate reduction on the minimum tax)”** (2024: “amendment to the German Real Estate Transfer Tax Act due to share deals”) was assessed, at the end of the reporting period, as still having an expected amount of loss of >€ 900 million (2024: >€ 900 million) and an expected probability of occurrence of <5% (2024: <5%). In addition to monitoring court decisions and legislation on an ongoing basis, Vonovia also limits this risk by raising awareness among decision-makers in the context of capital market transactions. This ensures the involvement of the internal Tax department in acquisition processes and other capital market transactions.

At the end of 2025 (previous years in parentheses), the net risks identified can be summarized as follows:

Net Risks

	>95					
Probability of occurrence over the next 5 years (in %)	60-95	3 (2)				
	40-59	3 (4)		1 (1)		
	5-39	24 (29)	6 (9)	1 (1)	4 (3)	
	<5	43 (44)	13 (14)	3 (3)	1 (3)	2 (2)
	Impact on profit and loss	5-50	50-180	180-450	450-900	>900
Impact on statement of financial position	80-600	600-2,400	2,400-6,000	6,000-12,000	>12,000	
Qualitative	very low	low	substantial	high	very high	
	Amount of loss over the next 5 years (in € million)					

Sustainability Risks

In addition to the amber risks set out above, Vonovia also reports on selected green risks that relate explicitly to sustainability in order to reflect the growing importance of this risk consideration:

Environmental Risks

The need to consider climate-related aspects plays an increasingly important role in Vonovia's business model and strategy, in line with the mounting importance of climate issues in society at large. The resulting climate transition risks describe the effects that can arise for companies due to the process of transformation towards a sustainable economic system. Vonovia has set itself an intensity target equating to a roughly 35% reduction in GHG emissions in its German portfolio by 2030 compared to 2021, in order to achieve its climate objectives and meet the associated regulatory requirements. We are sticking to this climate target. As a result, we continue to consider the risk of **"non-compliance with our climate pathway"** as being associated with an amount of loss of € 5-50 million (2024: € 5-50 million) and a probability of occurrence of 5-39% (2024: 5-39%).

Risks could also emerge as a result of a **"Significant increase in the CO₂ price"**. While a rising CO₂ price has already been reflected in our planning, a further increase in the CO₂ price in view of the national and European climate neutrality targets (low emissions scenario) could lead to higher costs than planned. We have assigned this risk an amount of loss of € 5-50 million (2024: € 5-50 million) and a probability of occurrence of 5-39% (2024: 5-39%).

The risk **"physical climate risks"** includes potential losses resulting from chronic or acute effects on our housing stock due to increasing climate change. This includes potential damage from an ongoing rise in temperatures and an increase in extreme weather events, such as storms, hail, heavy rain and flooding. We have assessed this risk with an amount of loss of € 5-50 million (2024: € 5-50 million) and a probability of occurrence of 60-95% (2024: 5-39%). To allow us to analyze and assess potential long-term implications of climate change (i.e., those extending beyond the usual risk management observation period of five years), we have developed a climate risk tool that maps the internationally recognized climate change scenarios developed by the Intergovernmental Panel on Climate Change (IPCC).

Transition risks and physical climate risks could potentially have a negative impact on the Group's net assets, financial position and results of operations and could make the estimates used in an accounting context less certain. Currently, we do not see any significant immediate risks due to climate change for the period considered by risk management, such as extreme weather conditions like heavy rainfall with potential for flooding. Based on our current knowledge of future developments, this will not have any impact on Vonovia's balance sheet. This relates, among other things, to the fair values of investment properties, useful lives and the value of assets and provisions for environmental risks, for which no significant need for adjustment emerges.

In the Value-add segment – particularly at our company Vonovia Energie-Service Gesellschaft mbH (VESG) – risks could arise if customer demand were to develop differently than expected, or if market prices were influenced by government intervention. We have assessed this **"price risk"** as being associated with an amount of loss of € 5-50 million (2024: € 5-50 million) and a probability of occurrence of <5% (2024: <5%).

With regard to the planned **“energy production and scaling of photovoltaic systems,”** we have once again assessed the risks associated, for example, with rising costs, material availability or changes in regulation, as having a low (€ 5-50 million, 2024: € 5-50 million) amount of loss and a probability of occurrence of 5-39% (2024: 5-39%).

Social Risks

As a result of its insourcing strategy, qualified specialists are in high demand at Vonovia, particularly in comparison with its peers in the sector. Inability to fill vacant positions could lead to a lack of growth, restricted quality and lower levels of customer satisfaction, as well as rising costs due to the need to use subcontractors. Thanks to effective strategies for recruitment and staff retention, we assess the risk associated with a **“shortage of skilled workers”** as having a potential amount of loss remaining at € 5-50 million (2024: € 5-50 million) but are predicting a higher probability of occurrence at 40-59% (2024: 5-39%).

Diversity is essential for a sense of belonging within our company. The **“failure to meet legislative and stakeholder expectations with regard to diversity”** could reduce the company’s appeal as an employer. Given our diversity management program, we evaluate this risk with a low (2024: low) potential loss and as highly unlikely (probability of occurrence: <5%, 2024: <5%).

“Failure to comply with statutory occupational health and safety and occupational safety management provisions” could have a long-term impact for Vonovia and its employees. We currently assess these risks as being associated with a noticeable (2024: noticeable) amount of loss but believe that they are very unlikely to materialize with a probability of occurrence of <5% (2024: <5%).

Similarly, we have also assessed the risk associated with **“hazardous materials”**, which includes, in particular, potential health risks for tenants, employees and third parties due to the improper use or disposal of hazardous materials (e.g., asbestos), as having a potential amount of loss of € 5-50 million (2024: € 5-50 million) thanks to the clearly defined processes and requirements, and consider this risk unlikely to materialize with a probability of occurrence of 5-39% (2024: 5-39%).

The risk **“insufficient monitoring of provision concerning special contractual rights (Social Charters),”** which are related to tenant protection and, as a result, to the aim of providing **“homes at fair prices,”** has been assessed with a potential amount of loss of € 50-180 million (2024: € 50-180 million), but thanks to clearly defined processes, we believe these risks are very unlikely to materialize with a probability of occurrence of <5% (2024: <5%).

Governance Risks

Vonovia is exposed to the **“risk of losing the basis for sustainable financing.”** Sustainable **“green”** financing is becoming increasingly relevant. Failure by Vonovia to meet its sustainability targets, for example, could jeopardize the basis for this financing. At present, we have again assigned this risk an amount of loss of € 50-180 million (2024: € 50-180 million), but believe that it is very unlikely to materialize with a probability of occurrence of <5% (2024: <5%).

In addition, Vonovia could be exposed to risks **“associated with non-compliance with statutory requirements and investor or analyst expectations regarding ongoing sustainability reporting.”** At present, we have also continued to assign this risk an amount of loss of € 50-180 million (2024: € 50-180 million), and a probability of occurrence of <5% (2024: <5%).

There is also a financial risk associated with possible **bribery and corruption incidents.** Such incidents may involve violations of the Code of Conduct, the Group guideline on Anti-Corruption, or legal requirements relating to bribery and corruption. Given the wide range of measures in our compliance management system, we evaluate this risk as very unlikely (probability of occurrence: <5%, 2024: <5%) and with a low potential loss (2024: low).

Current Assessment of the Main Opportunities

Assessment of Opportunities Inherent in the Business Model

Vonovia has identified earnings potential as part of its latest strategy and its medium-term planning. The assumptions applied within this context regarding the market environment and legal/regulatory framework for the company's operating business, are associated with a potential for deviations. Alongside potential negative deviations on the expected financial performance (risks), favorable business developments (opportunities) that deviate from the company's plans are also a possibility. In connection with the ESRS reporting, information was evaluated, as part of the materiality assessment, on the impacts that the company's business activities have on the environment, as well as the opportunities and risks. These risks have been evaluated and incorporated into the risk management process. Opportunities are taken into account separately as part of the strategy and planning process as future potential for conserving resources and generating earnings.

Strategy-Related Opportunities

Our growth continues to be based on our proven 4+2 strategy (→ **Strategy**). Based on the existing strategy, in 2025 Vonovia developed a **new growth strategy ("Accelerate")** and initiatives that will generate future earnings potential.

In the area of "**Return to Performance**" the company is focusing on new opportunities in the core business that had been set aside in past years due to crisis conditions.

With a view to the expansion in company development and ongoing need to **optimize construction costs**, Vonovia is focusing on the "Design to cost" principle, among other things for its "Basic House" approach in order to build sustainable and affordable housing for different target groups. Emphasis is placed on new projects using serial modular timber (hybrid) construction. We reduce construction times and the implementation risk, and conserve resources, through efficient construction processes in development, e.g., the introduction of "Building Type E" approval (new initiative aimed at simplifying and reducing costs in the construction industry) and the use of sustainable, ecological building materials.

The **expansion and optimization of Vonovia Technical Services (VTS)** continues in order to ensure that refurbishment and maintenance are performed reliably and expertly by in-house skilled workers who have received special training. This system, in turn, means opportunities and earnings potential.

The "**Accelerated tech-supported investments**" category aims to expand and optimize investments along our climate pathway, which focuses on greenhouse gas-neutral operation of our portfolio by the year 2045. In this context, we see opportunities in cost-effective **serial refurbishment**, which uses an "all-in-one" system for the building envelope to complement, or replace, "conventional" modernization. This initiative's potential lies in industrialized manufacturing, which translates to speed, reliable planning assumptions and favorable procurement conditions.

The **heat pump cube** is a "plug & heat" solution for buildings that will be fitted with heat pumps in the future. It provides an affordable, fast and standardized installation thanks to a high level of prefabrication, while offering additional potential with its scalable production. Combining this with **an expansion in photovoltaics (PV)** in particular will enable us to accelerate the heating revolution in our neighborhoods. Investments in modernization, serial renovations, heat pump cubes and PV expansion will add up to earnings potential and growth opportunities for Vonovia.

In "**New Sources of Growth**," new business models along the value chain are being explored in order to expand existing business or cultivate new areas on in the third-party business.

Relevant opportunities are also arising for us in the establishment of a complete product portfolio relating to the expansion of renewable energies (**Operate Energy**), and higher market penetration along the value chain, from generation to storage and energy management to sale, e.g., landlord-to-tenant electricity.

The purchase of **energy-inefficient buildings that have not yet been modernized (Manage to Green)**, their subsequent modernization and resale once their value has increased, are to be integrated into Vonovia's business model as a new initiative. Company expertise from purchasing and experience in modernization will be used for this purpose. Vonovia's business model is founded on its efficient **management platform**, which spans the entire housing lifecycle.

The management platform also serves as a basis for **expanding business with third-party customers** as part of growth initiatives. The objective is to gradually expand the range of services, starting with property management, so that the entire Vonovia platform can also be successfully offered to external property owners and investors in the future. This will result in greater capacity utilization of the management platform and opportunities for earnings potential by increasing the number of residential units managed.

Vonovia pursues acquisitions and international business as and when opportunities present themselves in light of the current options for returns and financing, and chooses those that create value. If overall conditions continue to improve, there is an opportunity for us to grow by resuming **acquisitions and portfolio purchases**, which means opportunities for scalable solutions and other synergies.

Economic Environment and Market-Related Opportunities

Our business model is designed to take into account the **megatrends** that are relevant to us (climate change, urbanization, demographic change, technological advancements) that add up to positive developments in the company for the long term:

The effects of global climate change are already being felt. Our investment strategy along the climate pathway is underpinned by a reduction in CO₂ emissions and adaptation to irreversible effects, such as extreme weather events.

We anticipate that urban regions will continue to grow over the coming years. The ongoing slump in construction activity is likely to result in an even greater imbalance between the supply of and demand for homes in conurbations. Approximately 320,000 new residential units will have to be built every year until 2030. Urban housing shortages are being further amplified by migration patterns. Demographic changes and the trend toward more and smaller households are boosting demand for homes further; meanwhile there is a need for custom services, particularly for seniors, and vibrant, sustainable neighborhoods.

In a quest to master the current social challenges, policy-makers **are also seeking to improve overall conditions on the housing market**. As soon as short-term solutions can be found to address this problem in terms of improved subsidy conditions and price developments, deregulation measures and the acceleration of approval processes, the appropriate opportunities will also emerge for Vonovia. We are advocating for these very solutions via our communication channels and stakeholder dialogue (for example, through our work in associations).

Opportunities Arising From the Operating Business

Vonovia manages its housing portfolios throughout Germany using standardized, digital systems and processes (→ **Strategy**). Our **management platform** has been optimized as part of a step-by-step process in recent years and is now highly efficient and digital. The resulting earnings and cost savings potential are reflected in lower property management costs per residential unit, for example. Customer satisfaction has risen significantly over the same period. Together with the range of housing-related services and active neighborhood management, we offer our customers a service package that is extremely competitive on the housing market. We also believe that upgrading measures in our neighborhoods present us with an opportunity to improve our reputation. With our management platform, we are pursuing a **business model that is scalable at any time**, which makes it suitable for managing new portfolios that we add through acquisitions.

The company is continually forging ahead with improvements in operations and greater cost management for its craftsmen's organization, VTS. The **Value-add business** offers **customer-centric services** that are closely related to the rental business. Innovative approaches, technologies and business models for enhancing customer satisfaction with additional earnings and knowledge potential could also arise here along the value chain.

With regard to approval processes and the **efficient realization of construction projects**, digitalized access to public administration services is key. The streamlining of administrative processes and the introduction of Building Type E in 2025 could accelerate, and have a positive impact on, Vonovia's development and new construction business by allowing building permits to be approved faster. **Digitalization** opens up considerable development opportunities for the real estate industry and, as a result, also for Vonovia – in terms of both technology and process optimization. We are still making systematic investments in testing and expanding new technologies. Two of the areas we are focusing on are artificial intelligence and robotics.

We expect opportunities to arise from the systematic **roll-out of concepts** such as predictive maintenance, process automation, building information modeling (digital modeling of real estate projects), home automation (setting up smart information systems and interfaces at the level of the customer) and a closer digital connection to the customer. One key component for the implementation of our **digital strategy** is the "digital twin." It maps all aspects of a building and, in the future, will mirror each of our buildings with all of their structural and technical features and systems, enabling optimum management.

Our personnel strategy facilitates the company's change processes and growth strategy, which are rooted in a skilled, diverse workforce and motivated employees among other things. All in all, further opportunities could arise for Vonovia due to the **HR strategy** and as a result of **our increased appeal as an employer**, namely higher levels of production and lower staff turnover rates.

Financial Opportunities

Thanks to its broad range of equity and borrowed capital providers and good credit ratings that agencies have awarded to our company, we have excellent access to the international debt and equity capital markets. We now have a broad range of financing instruments that are balanced and stable in the long term.

We are actively managing the challenges of the current interest rate environment and maintenance of our credit rating. Our primary focus here is on optimizing our financing structure and maturity profile, the diversification of our financing sources, and financial risk management.

The latest bond issues show that our company still has good opportunities available to it, even in a difficult capital market environment, to successfully realize upcoming (re-)financing measures or to raise necessary liquidity. Together with the **diversification strategy for liquidity procurement** that we have been pursuing for many years now, we still have the opportunity in the current capital market environment to optimize the structure and conditions of our financial liabilities.

Given the solid balance sheet structure and return of the positive market trend, our sales program will continue to focus on the Recurring Sales segment and sales in the Non Core portfolio, thereby benefiting internal financing. With this in mind, we are now able to increase our investment activity again and pursue more growth initiatives and earnings potential.

Our investments in affordable homes are associated with a cash flow that is largely independent of economic factors. The resulting **stability** allows us to service our financial liabilities with a relative degree of certainty, even in times of economic or political crisis.

Management System

Management Model

The management system tools are geared toward implementing the strategy through our sustainable business activities.

Vonovia made no significant changes to its management model in the 2025 fiscal year. The definition of the key figure OFCF was amended in the 2025 fiscal year. In the derivation, the item "Change in net working capital" was refined as "Change in net working capital Development to sell/Manage to Green". The item "Intragroup profits/losses" was also supplemented to reflect the cash advantage associated with services rendered in-house. Adjusted EBITDA is used for greater transparency of impairment losses/reversal of impairments in Development to sell projects that may arise until the time of completion. By adjusting impairment losses and reversals of impairments, only earnings whose proceeds exceed acquisition costs plus capitalized amortized costs as of the balance sheet date will be recognized in Adjusted EBITDA. Over time, the key figures that are relevant for corporate management correspond to the internal planning forecasts for the projects.

The model's underlying value driver approach is set out and explained in detail under in the chapter → [Fundamental Information about the Group](#).

Consequently, Vonovia will manage its business via the **four segments**: Rental, Value-add, Recurring Sales and Development.

The **Rental segment** combines all of the business activities that are aimed at the value-enhancing management of our own residential real estate. It includes our property management activities in Germany, Austria and Sweden.

The **Value-add segment** bundles all of the housing-related services that we have expanded our core rental business to include. These services include both the maintenance and modernization work on our residential properties and services that are closely related to the rental business and our customers. We allocate the activities relating to the craftsmen's and residential environment organization, the condominium administration business, the multimedia business, metering services, the energy service, including tenant electricity, energy supplies and our insurance services to the Value-add segment. By insourcing these services, we aim to ensure availability and high-quality service. At Vonovia, high-quality service, which promotes a high level of customer satisfaction, is characterized first and foremost by accessibility, speed and transparency for our customers.

The **Recurring Sales segment** includes the regular and sustainable disposals of individual condominiums and single-family houses from our portfolio.

Sales of entire buildings, plots of land or larger portfolios that are not part of the strategically relevant portfolio (Non Core and the MFH Sales cluster that was dissolved at the end of 2024) are pursued as and when opportunities arise, meaning that they are not part of the Recurring Sales segment. We report these opportunistic sales in the Other column of the segment report.

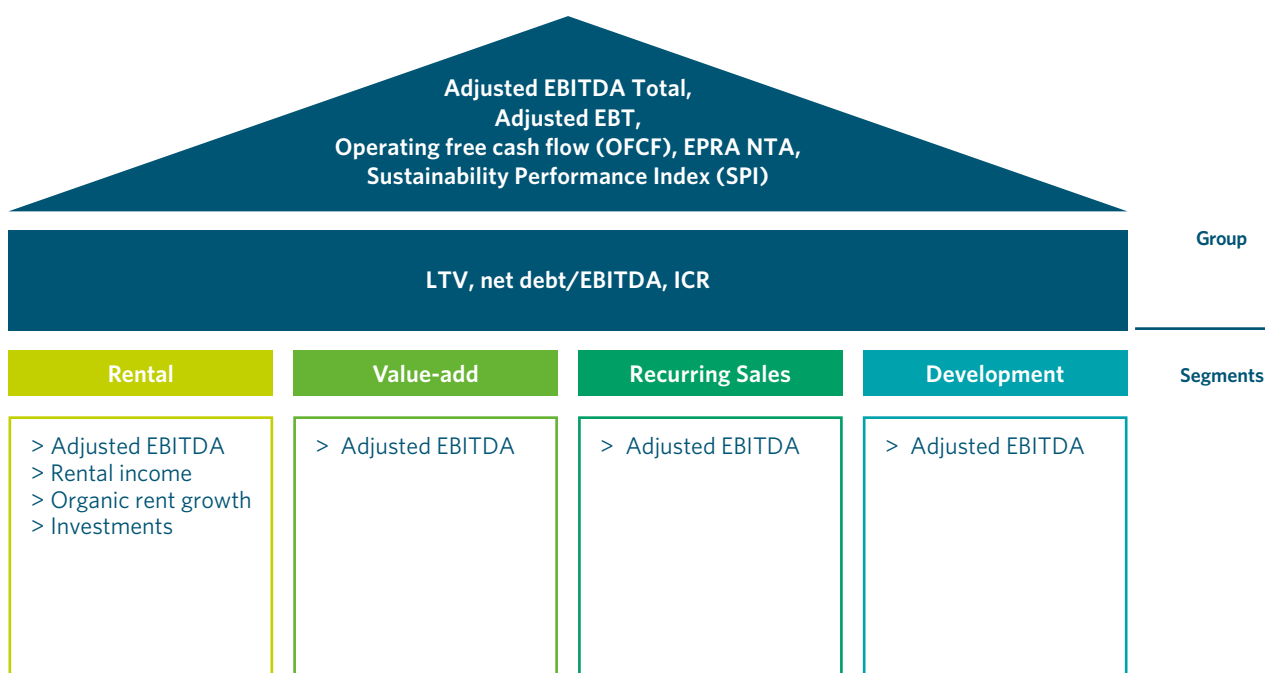
The **Development segment** includes project development to build new homes. This covers the value chain starting with the purchase of land without any development plan/dedicated purpose and ending with completion and sale. The Development segment deals with projects in selected attractive locations.

We have an integrated Group-wide **planning and controlling system** in place that is based on central performance indicators. Based on the medium-term plans derived from our strategy, which are subject to an annual review and are updated during the year in the event of significant transactions, we prepare a budget for all areas of the Group. In the course of the fiscal year, current economic developments are compared with these targets and the current forecasts

on a regular basis for all key figures that are relevant to control. The business is then steered accordingly in a targeted manner, with any necessary countermeasures being initiated and tracked.

We make a distinction between **financial and non-financial** performance indicators.

Management System



The management system has a **modular structure** and makes a distinction, at Group level, between the most meaningful performance indicators within the meaning of DRS 20 and other performance indicators. There are also performance indicators at segment level.

Performance Indicators at Group Level

The profit for the period under the IFRS accounting standards is reconciled to **earnings before tax (EBT)**, as taxes do not form part of operating performance.

This EBT will be adjusted to reflect **non-recurring items** based on the definition that has applied to date (effects that do not relate to the period, recur irregularly or are atypical for business operation). The net financial result is also

adjusted to reflect non-cash and actuarial valuation effects that recur irregularly. The further adjustments to reflect the effects of IAS 40 measurement, write-downs, other (Non Core/Other result), net income from non-current financial assets accounted for using the equity method and effects from residential properties held for sale produce the Group's **Adjusted EBT** (continuing operations) and, taking into account current tax expenses (core business), an **adjusted earnings for the period**. This is attributable to non-controlling interests and to Vonovia's shareholders.

Adjusted EBT (continuing operations) is the **leading indicator of profitability**.

In operational terms, **Adjusted EBT** (continuing operations) is calculated as follows:

Operational Calculation of Adjusted EBT (Continuing Operations)

	Revenue in the Rental segment
(-)	Expenses for maintenance
(-)	Operating expenses in the Rental segment
=	Adjusted EBITDA Rental
	Revenue in the Value-add segment
	thereof external revenue
	thereof internal revenue
(-)	Operating expenses in the Value-add segment
=	Adjusted EBITDA Value-add
	Revenue in the Recurring Sales segment
(-)	Fair value of properties sold adjusted to reflect effects not relating to the period from assets held for sale in the Recurring Sales segment
=	Adjusted result Recurring Sales
(-)	Selling costs in the Recurring Sales segment
=	Adjusted EBITDA Recurring Sales
	Revenue from disposal of Development to sell properties
(-)	Cost of Development to sell
(-)	Carrying amount of assets sold of Development to sell
=	Gross profit Development to sell
(+)	Rental revenue Development
(-)	Operating expenses in the Development segment
=	Adjusted EBITDA Development
Σ	Adjusted EBITDA Total (continuing operations)
(-)	Adjusted net financial result
(-)	Straight-line depreciation
(-/+)	Intragroup profit/losses
=	Adjusted EBT (continuing operations)
	Adjusted EBT (continuing operations) per share in €
(-)	Tax expenses (core business)
=	Adjusted earnings for the period
	Attributable to:
	Minorities
	Vonovia's shareholders

Adjusted EBT (continuing operations) and **Adjusted EBITDA Total** (continuing operations) can be calculated based on the **profit for the period** as follows:

Calculation of Adjusted EBT (Continuing Operations)/ Adjusted EBITDA Total (Continuing Operations) from the Profit for the Period

	Profit for the period according to IFRS consolidated financial statements
(+)	Income taxes according to consolidated income statement
=	Earnings before tax (EBT) according to consolidated income statement
(+/-)	Non-recurring items
(+/-)	Net income from fair value adjustments of investment properties
(+)	Impairment/value adjustments
(+/-)	Valuation effects and special effects in the financial result
(+/-)	Net income from investments accounted for using the equity method
(+/-)	Earnings contribution from Non Core/Other sales
(+/-)	Period adjustments from assets held for sale
=	Adjusted earnings before tax of the Group (Adjusted EBT)
/	Number of the weighted average shares carrying dividend rights
=	Adjusted EBT per share
	Adjusted EBT (continuing operations)
(+)	Adjusted net financial result
(+)	Straight-line depreciation
(+/-)	Intragroup profit/losses
=	Adjusted EBITDA Total (continuing operations)

The Adjusted EBT (continuing operations) is used as a basis for a reconciliation to the **Operating Free Cash Flow (OFCF)** as the **leading indicator of internal financing**. Depreciation and amortization will be added to Adjusted EBT (continuing operations) and the change in Development to sell/Manage to Green working capital, as well as reductions in the carrying amounts of investment properties (core business), will be taken into account. Capitalized maintenance and dividend payments made to parties outside of the Group, as well as income tax paid, are subtracted from this figure. The item "Intragroup profits/losses" is also taken into account to reflect the cash advantage associated with services rendered in-house. The Operating Free Cash-Flow is a measure of the Group's operational capacity to generate cash surpluses and, as a result, of its internal financing power.

Calculation of Operating Free Cash-Flow

Adjusted earnings before tax of the Group (Adjusted EBT)	
(+)	Straight-line depreciation
(+/-)	Change in net working capital Development to sell/Manage to Green
(+)	Carrying amount of investment properties (core business)
(-)	Capitalized maintenance
(-)	Dividends and payouts to non-controlling shareholders (minorities)
(-)	Income tax payments according to cash flow statement (w/o taxes on Non Core sales)
(+/-)	Intragroup profit/losses
=	Operating Free Cash-Flow

At the level of the Group as a whole, the **EPRA Net Tangible Assets (EPRA NTA)** per share and the **Sustainability Performance Index (SPI)** are our most meaningful performance indicators.

The **EPRA Net Tangible Assets (EPRA NTA)** is used to review how the company's value is developing. Our calculations are based on the best practice recommendations of the EPRA (European Public Real Estate Association).

Calculation of EPRA NTA

	Total equity attributable to Vonovia's shareholders
(+)	Deferred tax on investment properties*
(+)	Fair value of derivative financial instruments**
(-)	Goodwill
(-)	Intangible assets
=	EPRA NTA
/	Number of shares carrying dividend rights on the reporting date
=	EPRA NTA per share

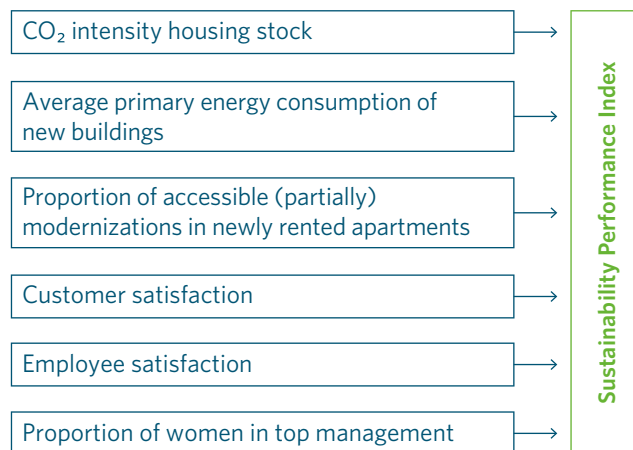
* Share for hold portfolio.

** Adjusted for effects from cross-currency swaps.

In addition to our key financial figures, we also focus on **non-financial operating performance indicators**.

Our business activities are aimed at protecting the environment, ensuring trustworthy, transparent and reliable corporate governance and taking social responsibility for our customers and employees.

Sustainability Performance Index (SPI)



In line with this focus, the **Sustainability Performance Index** is used as a key non-financial control parameter. Indicators used in the new Sustainability Performance Index are the carbon intensity of the housing stock, the average primary energy consumption of new buildings, the share of accessible (partial) modernization measures in relation to newly let apartments, customer and employee satisfaction, and the proportion of female managers in the company's top management team. Each component is assigned an individual factor and a defined annual target amount. The weighted targets add up to a target of 100% that we aim to achieve every year. In the reporting on the levels of the individual indicators within the Sustainability Statement, the business activities of Deutsche Wohnen are included, unless otherwise stated.

Other non-operating financial key figures include the **loan-to-value (LTV)** ratio, which is used for monitoring the degree to which debt is covered by the value of the properties, the **net-debt/EBITDA** ratio, which is used for monitoring the degree to which debt is covered by our sustained operating result and the **Interest Coverage Ratio (ICR = total Adjusted EBITDA/adjusted net financial result)**, which expresses the extent to which interest is covered by our sustained operating result.

Performance Indicators at Segment Level

The main key performance indicator at segment level remains **Adjusted EBITDA**. The Adjusted EBITDA Total reported at Group level is calculated, in turn, as the sum total of the Adjusted EBITDA figures for our segments. This means that Adjusted EBITDA forms the basis for the operational management of the four continuing segments after adjustments to reflect effects that do not relate to the period, recur irregularly or are atypical for business operation.

The **Adjusted EBITDA Rental** reflects the operating profit from residential property management. It can be broken down into three central components: rental segment revenue, expenses for maintenance and operating expenses in the Rental segment. The latter include all expenses and income that do not relate to expenses for maintenance or rental income in the Rental segment.

The **organic rent increase** refers to the increase in the monthly in-place rent for the residential portfolio that was already held by Vonovia twelve months previously and rented as of the reporting date, plus the increase in rent resulting from the construction of new apartments and the addition of stories to existing properties. The monthly in-place rent per m² gives information on the average rental income from the portfolio as of the relevant reporting date.

In addition to our operational earnings power, **investments (modernization and new construction work)** are decisive for the further development of our company.

We manage business activities in the Value-add segment using the **Adjusted EBITDA Value-add**. By insourcing services related to the craftsmen's organization and other Value-add areas, we are aiming to ensure availability and high-quality service on the one hand, and cost-effectiveness compared to outsourcing on the other.

We measure the success of the Recurring Sales segment using **Adjusted EBITDA Recurring Sales**. The Adjusted EBITDA Recurring Sales compares the proceeds generated from the privatization business with the fair values of properties sold and the related costs of sale. In order to disclose profit and revenue in the period in which they are incurred and to report a sales margin, the fair value of properties sold, valued in accordance with IFRS 5, has to be adjusted to reflect realized/unrealized changes in value.

The **Adjusted EBITDA Development** includes the gross profit from the development activities of "to sell" projects (income from sold development projects less production costs) less the operating expenses from the Development segment.

The Adjusted EBITDA Total is calculated as the sum total of the **Adjusted EBITDA figures** for our four segments (continuing operations). It expresses the overall performance of our sustainable operating business before interest, taxes, depreciation and amortization.

The key financial figures shown here are known as "non-GAAP" measures or alternative performance measures (**APMs**), i.e., key figures which cannot be taken directly from the figures in the consolidated financial statements according to IFRS. The financial performance indicators can, however, all be reconciled to the closest possible key figure in the consolidated financial statements, or can be taken directly from the IFRS consolidated financial statements in the reconciliation.

Portfolio Structure

Portfolio in the Property Management Business

As of December 31, 2025, the Group had a **total property portfolio** comprising 530,979 residential units (2024: 539,753), 162,769 garages and parking spaces (2024: 162,697) as well as 8,524 commercial units (2024: 8,331). Our locations span 608 cities, towns and municipalities (2024: 610). There are 76,255 residential units (2024: 73,400) managed for other

owners. Most of the properties in the Group's portfolio are multifamily homes.

In terms of fair value, most of the properties (around 88%) are located in Germany. The Swedish portfolio accounts for around 9% of the fair value, while the share of the Austrian portfolio comes to around 3%. The portfolio as of December 31, 2025 is as follows:

Portfolio and Fair Value by Country

	Portfolio			Fair value*		
	Residential units	Living area (in thou. m ²)	Vacancy (in %)	(in € million)	(in €/m ²)	In-place rent multiplier**
Vonovia Germany	471,153	29,011	1.8	70,905.3	2,361	24.0
Vonovia Sweden	39,782	2,836	4.5	7,055.4	2,293	17.3
Vonovia Austria	20,044	1,479	4.4	2,767.1	1,695	22.3
Vonovia total	530,979	33,326	2.1	80,727.8	2,324	23.2

* Fair value of the developed land excluding € 3,720.4 million, of which € 513.6 million for undeveloped land and inheritable building rights granted, € 897.5 million for assets under construction, € 1,903.9 million for development and € 405.4 million for other.

** Shown based on the country-specific definition (see glossary Monthly In-place Rent).

Rent and Rental Growth by Country

	In-place rent*			Rent increase	
	Total (p. a. in € million)	Residential (p. a. in € million)	Residential (in €/m ²)	Organic (in %)	Market rent forecast valuation (in % p. a.)**
Vonovia Germany	2,948.8	2,796.4	8.19	4.0	2.0
Vonovia Sweden	407.2	379.1	11.68	5.4	2.0
Vonovia Austria	124.3	99.1	5.82	1.4	1.7
Vonovia total	3,480.3	3,274.7	8.38	4.1	2.0

* Shown based on the country-specific definition (see glossary Monthly In-place Rent).

** 10-year horizon higher (see chapter on fair values in the management report).

The **Group's German real estate portfolio** as of December 31, 2025 comprised 471,153 residential units, 120,272 garages and parking places as well as 5,943 commercial units distributed across 459 cities, towns and municipalities. The total living area amounted to 29,010,505 m², with the average apartment size coming in at around 62 m². With a vacancy rate of 1.8% an average monthly in-place rent of € 8.19 per m² was generated in Germany. The annualized in-place rent for the residential portfolio as of December 31, 2025 came to € 2,796.4 million for apartments.

In **Sweden**, the Group's real estate portfolio comprised 39,782 residential units with a total living area of 2,836,104 m², 26,662 garages and parking spaces and 2,028 commercial units. With a vacancy rate of 4.5%, the residential portfolio generated, as of December 31, 2025, annualized in-place rent of € 379.1 million. The apartments, which average 71 m² in size, generate monthly in-place rent of € 11.68 per m² (inclusive). Most of them are located in the Stockholm, Gothenburg and Malmö regions.

In the Austrian portfolio, which is largely located in **Vienna**, Vonovia achieved an annualized in-place rent of € 99.1 million as of December 31, 2025 with a vacancy rate of 4.4% in the residential portfolio, which comprises 20,044 units covering total living space of 1,478,965 m². The monthly in-place rent amounted to € 5.82 per m² with an average apartment size of around 74 m². The portfolio also comprised 15,835 garages and parking spaces and 553 commercial units.

Changes in the Portfolio

During 2025 the portfolio was expanded with the purchase of approximately 1,300 residential units from the QUARTERBACK Immobilien Group, located primarily in Leipzig and Dresden, as well as smaller acquisitions in Germany, Sweden and Austria. As of the acquisition dates, the acquired portfolios were as follows:

	Residential units	Living area (in thou. m ²)	Vacancy (in %)	In-place rent	
				Residential (p. a. in € million)	Residential (in €/m ²)
Acquisition portfolios 2025	1,680	122.7	9.3	11.6	8.64

Properties from the portfolio earmarked for sale were disposed of in several transactions as part of the implementation of the portfolio management strategy. At the time of

each transfer of possession, benefits and encumbrances, the statistics for the portfolios sold were as follows:

	Residential units	Living area (in thou. m ²)	Vacancy (in %)	In-place rent*	
				Residential (p. a. in € million)	Residential (in €/m ²)
Disposal portfolios 2025	9,047	542.5	2.7	45.0	7.09

* Shown based on the country-specific definition (see glossary: Monthly In-place Rent).

Vonovia continues to develop its portfolio dynamically. In addition to the sale of larger housing stocks, Vonovia's portfolio in 2025 changed primarily as a result of the construction of new apartments and attic extensions on the one hand, and disposals of condominiums and multifamily homes from the portfolio earmarked for sale on the other.

Vonovia invests in its strategic holdings in particular in line with its climate pathway to promote sustainability and in line with its innovation strategy. We act on behalf of neighborhoods with the (new) development of our urban portfolios. The lion's share of the portfolio in Germany consists of neighborhoods that we have classified as **urban quarters**.

The remaining existing buildings largely comprise smaller clusters of buildings and solitary properties that we have grouped together as **urban clusters**. Even though, unlike urban quarters, urban clusters do not relate to entire neighborhoods, they are also managed using the same long-term

asset and property management approaches based on our operating platform.

Following the implementation of the annual structured reassessment of all potential, as of December 31, 2025, Vonovia's portfolio is as follows:

Portfolio and Fair Value by Strategy

	Portfolio			Fair value*	
	Residential units	Living area (in thou. m ²)	Vacancy (in %)	(in € million)	(in €/m ²)
Strategic	432,431	26,522	1.7	65,233.7	2,404
Urban quarters	334,133	20,252	1.6	49,622.6	2,403
Urban clusters	98,298	6,269	2.0	15,611.0	2,409
Recurring Sales	22,045	1,482	2.6	3,712.2	2,448
Non Core	16,677	1,007	4.1	1,959.5	1,418
Vonovia Germany	471,153	29,011	1.8	70,905.3	2,361

* Fair value of the developed land excluding undeveloped land and inheritable building rights granted, assets under construction, development and other.

Rent and Rental Growth by Strategy

	In-place rent			Rent increase	
	Total (p. a. in € million)	Residential (p. a. in € million)	Residential (in €/m ²)	Organic (in %)	
Strategic	2,672.7	2,572.8	8.23	4.0	
Urban quarters	2,009.6	1,943.6	8.14	4.1	
Urban clusters	663.2	629.1	8.55	4.0	
Recurring Sales	148.6	142.5	8.21	3.1	
Non Core	127.4	81.2	7.02	2.9	
Vonovia Germany	2,948.8	2,796.4	8.19	4.0	

In order to boost transparency in portfolio presentation, we also break our portfolio in Germany down into **15 regional markets**. The regional market classification is orientated toward the residential real estate market regions in Germany. These markets are **core towns/cities and their surroundings**, mainly urban areas. Our decision to focus on the regional markets that are particularly relevant to Vonovia is our way of looking ahead to the future and provides an overview of our strategic core portfolio in Germany.

In relation to the fair value, 94% of our German portfolio is located in 15 regional markets. Only a small part of our strategic portfolios is located outside of these 15 markets. We have referred to this group as "Other strategic locations." Our stocks earmarked for sale from the "Recurring Sales" and "Non Core" subportfolios in locations that do not include any strategic stocks are shown as "non-strategic locations." The fact that our portfolio is spread nationwide makes us more independent of the circumstances prevailing on individual regional markets.

As of December 31, 2025, the German portfolio is as follows, broken down into regional markets:

Portfolio and Fair Value by Regional Market

	Portfolio			Fair value*		
	Residential units	Living area (in thou. m ²)	Vacancy (in %)	(in € million)	(in €/m ²)	In-place rent multiplier
Berlin	138,354	8,271	0.7	23,205.1	2,726	27.5
Rhine Main Area	34,914	2,197	2.4	6,430.8	2,858	23.8
Southern Ruhr Area	42,613	2,633	2.3	5,347.7	2,010	22.2
Rhineland	31,190	2,047	1.8	5,202.1	2,478	23.6
Dresden	41,762	2,427	2.0	5,068.9	1,973	22.4
Hamburg	18,743	1,172	1.3	3,161.5	2,628	25.5
Hanover	21,962	1,382	2.7	2,927.4	2,061	21.9
Munich	10,576	683	1.1	2,861.8	4,027	32.2
Kiel	24,762	1,425	2.0	2,737.5	1,873	19.8
Stuttgart	12,958	820	1.8	2,254.5	2,703	24.1
Leipzig	14,977	993	2.7	2,159.6	2,012	23.5
Northern Ruhr Area	22,869	1,409	2.6	2,015.4	1,415	17.3
Bremen	11,579	704	2.2	1,411.8	1,967	23.2
Westphalia	9,110	595	2.9	1,140.9	1,904	21.2
Freiburg	3,766	262	0.8	744.7	2,817	25.5
Other strategic locations	26,671	1,693	3.0	3,415.2	1,981	21.0
Total strategic locations	466,806	28,715	1.8	70,084.9	2,374	24.2
Non-strategic locations	4,347	296	4.6	820.4	1,621	15.2
Vonovia Germany	471,153	29,011	1.8	70,905.3	2,361	24.0

* Fair value of the developed land excluding undeveloped land and inheritable building rights granted, assets under construction, development and other.

Rent and Rental Growth by Regional Market

	In-place rent			Rent increase	
	Total (p. a. in € million)	Residential (p. a. in € million)	Residential (in €/m ²)	Organic (in %)	Market rent forecast valuation (in % p. a.)*
Berlin	842.5	804.0	8.17	3.4	2.1
Rhine Main Area	269.9	259.8	10.10	3.8	2.2
Southern Ruhr Area	241.2	234.8	7.61	4.2	1.8
Rhineland	220.4	210.1	8.71	4.1	2.0
Dresden	226.2	210.7	7.38	5.3	2.0
Hamburg	124.0	119.0	8.57	2.3	2.1
Hanover	133.9	127.9	7.94	3.8	2.0
Munich	89.0	83.7	10.43	8.6	2.2
Kiel	138.6	134.0	8.03	5.0	1.9
Stuttgart	93.6	90.8	9.43	3.8	2.1
Leipzig	91.9	84.5	7.33	7.1	2.1
Northern Ruhr Area	116.8	113.1	6.86	3.0	1.6
Bremen	60.9	59.2	7.17	3.3	2.0
Westphalia	53.8	52.9	7.64	2.6	2.0
Freiburg	29.3	28.4	9.11	3.8	2.1
Other strategic locations	162.8	157.4	8.00	3.3	1.9
Total strategic locations	2,894.7	2,770.2	8.20	4.0	2.0
Non-strategic locations	54.1	26.2	7.68	2.9	1.9
Vonovia Germany	2,948.8	2,796.4	8.19	4.0	2.0

* 10-year horizon higher (see chapter on fair values in the management report).

Portfolio in the Development Business

Vonovia Development Under the BUWOG Brand Name

It is under the established **BUWOG brand** that Vonovia's property development business is run, primarily in Vienna and Berlin.

The **regional distribution** of these development activities covers the whole of Germany with a focus on the Berlin, Rhine-Main, Dresden/Leipzig, Hamburg, Stuttgart and Munich regions. The focal region in Austria is Vienna.

BUWOG provides Vonovia with a **development platform** spanning the entire value chain - from the purchase of land to its development, project planning, construction and sale.

With its substantial **product pipeline** of residential construction projects that are currently being built, planned or prepared, Vonovia, with the BUWOG brand, ranks among Germany's leading real estate developers and is the most active private real estate developer in Austria.

Deutsche Wohnen's development activities are performed via the structures of the BUWOG organization on the basis of an agency agreement to leverage process harmonization effects and economies of scale. Vonovia has vast development potential at its fingertips to counter the excess demand in the residential real estate sector by making targeted services available. The development business is well positioned for new growth even after the changes in return requirements.

Sustainable and Successful Development

Development Business Model

As part of the strategic analysis, Vonovia's development activities were considered to make an important value contribution, the development business was identified as a key **value driver** and corresponding initiatives were developed.

The **range of products** for value creation ranges from the sale of individual new-build condominiums in the context of development projects to new construction projects on land

Development Business Model



purchased, and land already held, for the company's own portfolio and global sales of large-scale projects to investors.

Conceptual and technical solutions for the resource-light construction and sustainable operation of neighborhoods make up a key component of the development business model. In line with the three focal issues of urbanization, energy efficiency and demographic change, central aspects of sustainability are already taken into account in the early stages of project development. This includes designing socially diverse neighborhoods that offer housing for all generations, realizing energy-efficient new construction projects for ecologically sustainable operation by buyers, as well as for a carbon-neutral portfolio, and creating barrier-free and accessible housing for an aging society with changing housing needs.

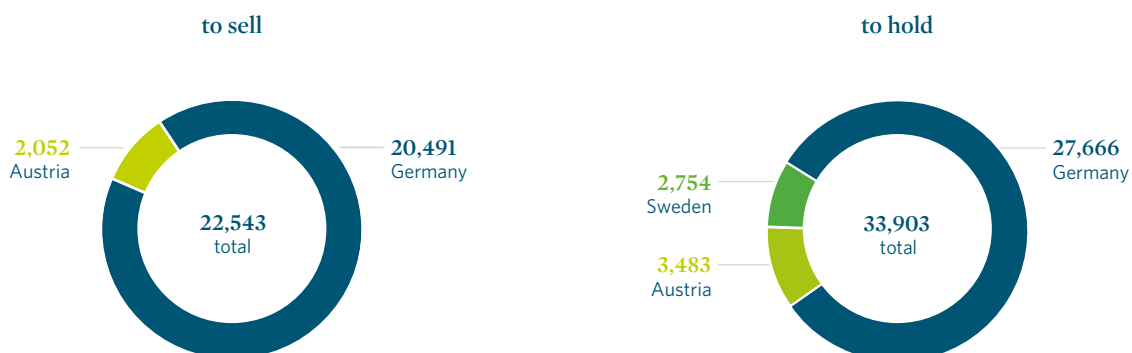
Sustainability is achieved at all stages in the residential real estate value chain - from the selection of ecological and recyclable building materials, to the commissioning of local craftsmen and service providers, and the sustainable operation of the development projects.

Certification is important to ensure that potential improvements can be made back at the planning stage on the basis of criteria for ecological, social and economic sustainability and managed during the construction process.

Value Creation and Project Development

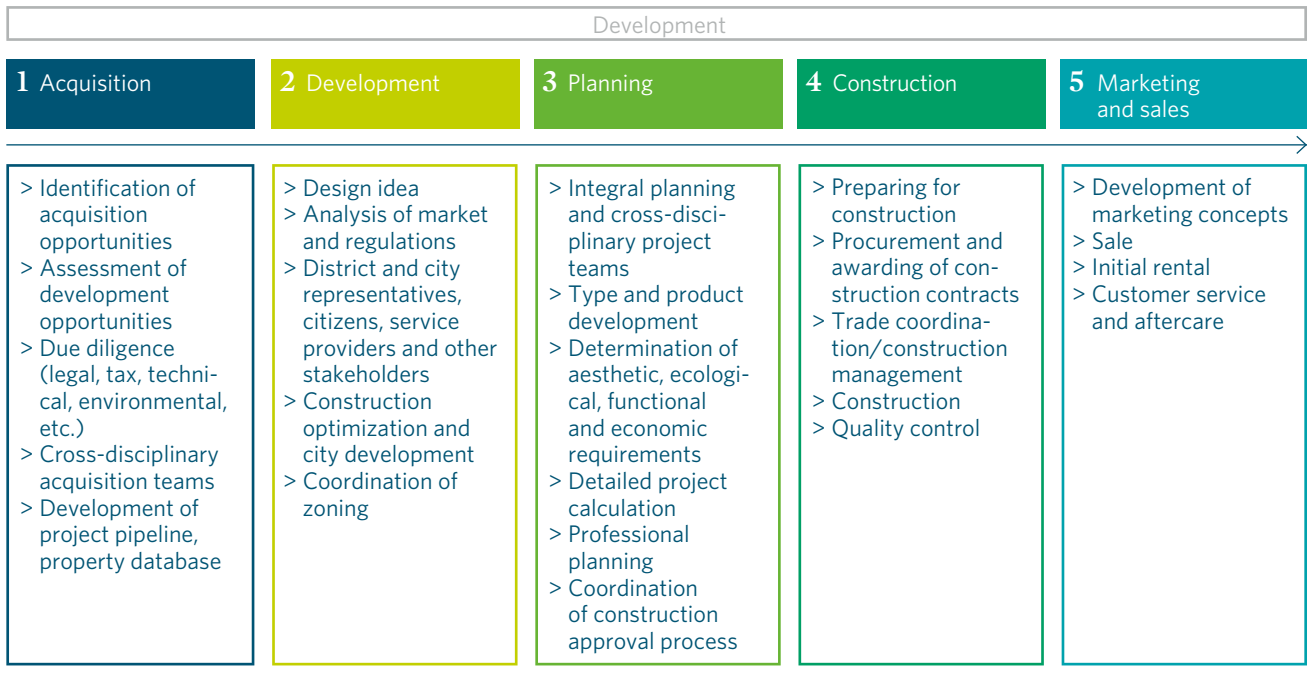
Real estate development activities can be tackled successfully through long-standing experience, extensive **market and sector expertise** and intensive, ongoing market analysis.

Development to Sell and Hold (Number of Residential Units)*



* Development to sell incl. existing projects; Development to hold incl. pipeline projects.

Valuable Contributions to Society and the Group



The strategy of incorporating process steps into the company's own value chain allows Vonovia to provide targeted support to residential construction projects and to exploit cost synergies with regard to technical solutions and the pooling of procurement volumes.

We work tirelessly and hand-in-hand with external partners to create affordable homes quickly, including by using serial construction and innovative digital solutions. We aim to use active and constructive dialogue with policymakers and municipal authorities to advocate for faster decision-making processes (e.g., construction turbo, building type E), allowing us to effectively counteract the existing shortage of housing.

In the Development segment, we make a distinction between two different areas:

- > **Development to sell** includes the units that are sold to investors or to future owner-occupiers directly.
- > **Development to hold** refers to those residential construction projects whose apartments will be added to Vonovia's rental portfolio upon their completion.

Development Overview

As of December 31, 2025, the **total volume** of the development portfolio was 56,446 residential units (December 31, 2024: 47,840 units), comprising 4,235 units from projects under construction (December 31, 2024: 3,736 units) and 52,211 units from the pipeline (December 31, 2024: 44,104 units).

As of December 31, 2025, there were 22,543 residential units in the **Development to sell portfolio** (December 31, 2024: 17,560 units), 2,899 of which related to projects under construction (December 31, 2024: 2,491 units), 3,514 to projects from the short-term pipeline (December 31, 2024: 1,699 units) and 16,130 to projects from the medium-term pipeline (December 31, 2024: 13,370 units).

The share attributable to project development in Germany came to 20,491 units (December 31, 2024: 15,994 units), 2,805 of which related to projects under construction (December 31, 2024: 2,491 units), 2,640 to projects from the short-term pipeline (December 31, 2024: 1,171 units) and 15,046 to projects from the medium-term pipeline (December 31, 2024: 12,332 units).

The share attributable to project development in Austria came to 2,052 units (December 31, 2024: 1,566 units), 94 of which related to projects under construction (December 31, 2024: 0 units), 874 to projects from the short-term pipeline

(December 31, 2024: 528 units) and 1,084 to projects from the medium-term pipeline (December 31, 2024: 1,038 units).

There is also further potential of 1,787 units as of December 31, 2025 that have not been realized yet in connection with planned land sales in the Development to sell portfolio (December 31, 2024: 4,176 units that had not yet been realized).

In the Development to sell area, a total of 1,290 units were completed in the 2025 fiscal year, all of them in Germany (2024: 2,471 units, all of them in Germany).

As of December 31, 2025, there were 33,903 residential units in the **Development to hold portfolio** (December 31, 2024: 30,280 units), 1,336 of which related to projects under construction (December 31, 2024: 1,245 units), 1,401 to projects from the short-term pipeline (December 31, 2024: 1,357 units), 28,412 to projects from the medium-term pipeline (December 31, 2024: 27,678 units) and 2,754 to projects from the long-term pipeline (December 31, 2024: 0 units).

The share attributable to Germany came to 27,666 units (December 31, 2024: 24,171 units), 669 of which related to projects under construction (December 31, 2024: 1,005 units), 932 to projects from the short-term pipeline (December 31, 2024: 914 units) and 26,065 to projects from the medium-term pipeline (December 31, 2024: 22,252 units).

The share attributable to Austria came to 3,483 units (December 31, 2024: 3,350 units), 667 of which related to projects under construction (December 31, 2024: 235 units), 469 to projects from the short-term pipeline (December 31, 2024: 443 units) and 2,347 to projects from the medium-term pipeline (December 31, 2024: 2,672 units).

The share in Sweden came to 2,754 units (December 31, 2024: 2,759 units). 0 units related to projects under construction (December 31, 2024: 5 units) and 2,754 from the long-term pipeline (December 31, 2024: 2,754 units).

In the Development to hold area, a total of 800 units were completed in the 2025 fiscal year (2024: 1,276 units), of which 777 units were in Germany (2024: 1,264 units), none were in Austria (2024: none) and 23 were in Sweden (2024: 12 units).

Report on Economic Position

Key Events During the Reporting Period

In the 2025 fiscal year, geopolitical conditions, especially the war in Ukraine and a confrontational trade and tariff policy, led to heightened uncertainty on capital markets worldwide and dampened growth prospects and investment. Many economists believe there is a risk of a prolonged recession if the tariff conflicts continue to escalate.

Vonovia's business model is not affected directly by protectionist measures. Nevertheless, the Group's economic development is heavily reliant on other economic parameters, such as interest rate and inflation trends, which are more volatile as a result of the tariff measures. At present, however, it is impossible to either predict or quantify what the specific developments might look like.

Our core business remains characterized by a high level of demand for rental apartments and a positive rent trend. With a vacancy rate of 2.1% at the end of the fourth quarter of 2025 (end of the fourth quarter of 2024: 2.0%), Vonovia's residential real estate portfolio was virtually fully occupied.

The 2025 fiscal year saw higher real estate transaction volumes and a slight increase in real estate values. The slight cut in the ECB key rate in June 2025 favored transactions, particularly in the Recurring Sales and Development segments.

At 76.8%, the Customer Satisfaction Index (CSI) as of December 31, 2025 was 0.8 percentage points higher quarter-on-quarter. Looking at the average for the year to date, customer satisfaction is up 1.3 percentage points on the average for 2024 as a whole.

On September 18, 2024, Vonovia SE and Deutsche Wohnen SE initiated a process to conclude a control and profit and loss transfer agreement between the two companies. This process involved Vonovia making an offer to external shareholders of Deutsche Wohnen SE to acquire their shares in return for compensation in the form of newly issued shares in Vonovia SE, or to offer the remaining shareholders of Deutsche Wohnen SE an annual compensation payment for the term of the intercompany agreement.

The extraordinary general meetings of Vonovia SE and Deutsche Wohnen SE on January 24 and 23, 2025 approved the control and profit and loss transfer agreement between Vonovia SE and Deutsche Wohnen SE dated December 15, 2024. On June 30, 2025, a court settlement pursuant to Section 278 (6) of the German Code of Civil Procedure (ZPO) was reached with all of the parties involved in the action for annulment brought against the resolution passed by the extraordinary Annual General Meeting of Vonovia SE regarding the approval of the conclusion of the control and profit and loss transfer agreement, the creation of the 2025 conditional capital and the corresponding amendment of the Articles of Association to include an Article 6a, ending the action for annulment by court order. As the control and profit and loss transfer agreement took effect upon entry into the commercial register on August 1, 2025, Deutsche Wohnen SE will, in the future, transfer its total annual profit to Vonovia SE, or Vonovia SE will cover any losses incurred by Deutsche Wohnen SE. This obligation to transfer profits and assume losses shall apply for the first time in the 2025 fiscal year.

On September 30, 2024, Vonovia and Apollo agreed to establish a company that is to hold 20% of the shares in Deutsche Wohnen SE. In addition to Vonovia, with a 49% stake, long-term investors advised by Apollo hold a total stake of 51% in this company. Vonovia's cash inflow from this transaction amounts to around €1 billion. The agreement was closed on July 29, 2025. By December 31, 2025, a total of 15,842,652 shares in Deutsche Wohnen SE had been exchanged for 12,594,898 new shares in Vonovia SE as part of this transaction. This corresponds to 4.0% of the share capital of Deutsche Wohnen.

As part of a strategic review, the management decided in 2023 to sell the Care segment. In the course of 2024 and at the beginning of 2025, the properties and nursing care businesses were successfully sold as planned. Ownership of a further 39 nursing care properties and the PFLEGE & WOHNEN HAMBURG GmbH and Katharinenhof nursing care businesses was transferred in the 2025 fiscal year. These transactions successfully completed the sale of the discontinued nursing care business.

A notarized sales contract for a portfolio in Berlin was successfully concluded on April 23, 2024. The transaction executed with two state-owned Berlin housing construction companies saw around 4,500 residential units with a value of around € 700 million being sold as part of a share deal. The transaction was closed with the transfer of beneficial ownership on January 1, 2025.

In the 2025 fiscal year, apartments and commercial units from the QUARTERBACK Immobilien Group, accounting for a volume of around € 0.4 billion, were transferred to Vonovia's portfolio. The acquisition of land to build on with a volume of around € 1.1 billion was also completed in the 2025 fiscal year. The impairment test performed resulted in an impairment loss of around € 0.3 billion being recognized for the purchased land. A provision of € 57.6 million had been set up as of June 30, 2025 for land that has not yet been transferred, and will reduce the amount recognized at the time of transfer of title. The provision was utilized in the amount of € 47.6 million for those properties transferred as of December 31, 2025.

In addition, impaired receivables with a nominal volume of € 258.3 million were sold for one euro to the QUARTERBACK Immobilien Group. In addition, impaired receivables with a nominal volume of € 52.0 million (2024: € - million) were transferred to the capital reserves of QUARTERBACK Immobilien Group.

The Supervisory Board of Vonovia SE decided unanimously on May 6, 2025 to appoint Luka Mucic as Vonovia's new CEO. Rolf Buch transferred the management of the company to Luka Mucic at the start of 2026.

The Annual General Meeting held on May 28, 2025 resolved to pay a dividend for the 2024 fiscal year in the amount of € 1.22 per share. As in previous years, shareholders were offered the option of choosing between being paid the dividend in cash or being granted new shares. During the subscription period, shareholders holding a total of 35.53% of the shares carrying dividend rights opted for the scrip dividend instead of the cash dividend. As a result, 12,768,562 new shares were issued using the company's authorized

capital for a total of € 356,728,085.14. The total amount of the dividend distributed in cash therefore came to € 647,152,483.36.

Two new Supervisory Board members were also elected by the Annual General Meeting: Michael Rüdiger and Dr. Marcus Schenck. They will replace Dr. Ute Geipel-Faber and Hildegard Müller, whose mandates ended as scheduled at the end of the Annual General Meeting.

When his contract as Chief Development Officer (CDO) expires on May 31, 2026, Daniel Riedl will leave the Management Board of Vonovia SE by amicable and mutual consent. On December 9, 2025, the Supervisory Board unanimously agreed to appoint Katja Wünschel as the new CDO as of July 1, 2026. Katja Wünschel will join the company on April 1, 2026.

In addition, the Supervisory Board extended the contract of Ruth Werhahn as Chief Human Resources Officer (CHRO) ahead of schedule until September 30, 2029.

On May 13, 2025, Vonovia placed two new convertible bonds with a total volume of € 1.3 billion. The first bond in the amount of € 650.0 million will mature in May 2030 and does not bear any periodic interest. The second bond - also with a volume of € 650.0 million - will fall due in May 2032 and has a coupon rate of 0.875% p.a. The bonds can either be converted into shares in Vonovia or settled in cash. The bond terms and conditions are such that the convertible bonds are treated as borrowed capital in full.

Deferred taxes of the Group companies are measured at the tax rates that apply, or are expected to apply, to the period when the tax asset is realized or the liability is settled based on the current legislation in the countries in question. The temporary differences of the Group companies are predominantly attributable to real estate.

The law for a tax-based immediate-action investment program was approved in the Bundestag (lower house of parliament) on June 26, 2025 and in the Bundesrat (upper house of parliament) on July 11, 2025. As a result of the gradual cut in the corporate income tax rate from the current level of 15% to 10% by 2032 adopted by the German government during the period covered by these financial statements, and given the very long-term nature of the temporary differences, deferred taxes are largely to be measured at the corporate income tax rate of 10% that will apply as of 2032. The resulting reduction in deferred tax liabilities resulted in deferred tax income of around € 2.5 billion being recognized in the 2025 fiscal year.

The partial buyback of bonds with a total volume of € 800 million was completed on June 6, 2025. This involved buying back a social bond with an issue volume of € 750.0 million and a term expiring in 2027 in the amount of € 435.7 million (selling price € 454.3 million). This bond has a 4.75% coupon rate. A further bond, a green bond, with an issue volume of € 750.0 million and a term expiring in 2030 was bought back in the amount of € 364.3 million (selling price € 399.5 million). This bond has a 5.00% coupon rate.

Vonovia issued its first bond denominated in Australian dollars on September 3, 2025. The unsecured bond with an issue volume of AUD 850 million (approx. € 475 million) was issued in two series lasting seven and ten years respectively, with a weighted yield of 3.87% after currency hedging.

Vonovia issued a € 2,250 million bond on November 12, 2025 in three tranches with terms of 7, 11 and 15 years. The tranche with an 11-year term was issued as a green note. The average coupon is 3.96% p.a.

Another buyback of an outstanding bond in the amount of € 559.6 million was completed on November 17, 2025.

In addition, Vonovia concluded the scheduled repayment of a bond with an outstanding volume of € 1,250 million on December 1, 2025.

Development of the Economy and the Industry

According to the European Commission, economic growth in the EU for the first nine months of 2025 exceeded expectations. Preliminary indicators suggest that economic momentum will remain intact in the quarters ahead too. In its autumn forecast, the Commission therefore expects GDP growth of 1.4% in the EU and 1.3% in the eurozone for 2025. Despite a difficult external environment and continued uncertainty, the Commission believes the most important prerequisites for expansion of economic activity are still in place. Growth will be supported, inter alia, by a robust labor market, falling inflation and favorable financing conditions. Following two years of recession, the German economy ticked up slightly in 2025. According to the Federal Statistical Office (Destatis), gross domestic product (GDP) rose by 0.2%. Higher consumer spending by households and the state, in particular, were mainstays of growth. According to IfW Kiel, expansionary fiscal policy will provide stimulus from the coming year. However, aside from this and the higher number of working days, the underlying economic momentum is likely to remain weak for the time being. The National Institute of Economic Research (NIER) estimates that gross domestic product in Sweden expanded by 1.6% in

2025. Following a weak start to 2025, GDP has subsequently risen again noticeably. The recovery is expected to continue, thanks to higher real wages and expansive economic policy. The Austrian Institute of Economic Research (WIFO) expects Austrian GDP to have expanded by 0.5%. Here too, the economy failed to get going initially in 2025, before a recovery emerged in the second half of the year. Private consumption remained cautious and WIFO observed a downward trend (based on value added) in the construction industry up until the fall. For 2026, GDP growth of 1.0% is forecast for Germany (IfW Kiel), 2.9% for Sweden (NIER) and 1.2% for Austria (WIFO).

According to the Federal Employment Agency, the economic weakness in the labor market was very apparent in Germany. Unemployment and underemployment (excluding short-time work) increased again on average in 2025. At the same time, employment requiring the payment of social security contributions increased slightly in 2025 over the previous year. The average unemployment rate based on the total civilian labor force rose by 0.3 percentage points year-on-year in 2025 to 6.3%. The NIER estimates the unemployment rate in Sweden at 8.8% in 2025, which is approx. 0.4 percentage points more than in the previous year. According to national calculations by the Austrian Public Employment Service (AMS), the unemployment rate in Austria in 2025 was 7.4% and thus 0.4 percentage points higher than in the previous year. Based on respective national definitions, the average unemployment rate expected in 2026 is 6.2% in Germany (IfW Kiel), 8.5% in Sweden (NIER) and 7.3% in Austria (WIFO).

Measured on the basis of the consumer price index (CPI), inflation in Germany averaged at 2.2% year-on-year in 2025, according to Destatis, putting it on par with the previous year. Deutsche Bank Research estimated that inflation will be lower in 2026, as a result of falling goods and energy prices as well as the stronger euro. Inflation in Sweden averaged at 0.7% (SCB) in 2025 and was therefore considerably lower than in 2024. According to the NIER, a temporary reduction in VAT for food products and lower excise duty on electricity will likely lower inflation further in 2026. In Austria, inflation amounted to 3.6% (Statistik Austria) and was therefore somewhat higher than in the previous year. According to WIFO, the base effect of the energy price increase in January 2025 will cease in 2026, thereby driving the rate of inflation down slightly. Based on respective national definitions, a CPI increase of 1.8% is expected in Germany (IfW Kiel), 0.3% for Sweden (NIER) and 2.6% for Austria (WIFO) for 2026 on average.

In response to decreasing inflationary pressure, the European Central Bank (ECB) initially continued its rate-cutting cycle in 2025, which it had begun in June 2024. The interest

rate for the deposit facility, which the ECB Governing Council uses to steer the monetary policy course, fell in several steps and has been at 2.00% since June 2025. After the inflation rate began approaching the inflation target again, the Swedish Riksbank also began lowering the policy rate starting in May 2024. Since then, the rate has been reduced in several steps, most recently on October 1, 2025, to 1.75%. The key rates of the ECB and the Swedish Riksbank are expected to remain at this level for some time. In this environment, interest rates for construction in Germany, Sweden and Austria fell slightly in the second half of 2024. As an indirect result of the debt package agreed by the CDU/CSU and SPD political parties, these rates rose slightly in Germany in the first quarter of 2025, before moving sideways and then rising towards the end of the year. Interest rates for construction in Sweden and Austria in 2025 were lower than in the previous year. However, as was the case in Germany, they were noticeably higher than before the interest rate turnaround of 2022.

The residential real estate markets are showing a mixed picture: while prices for residential property are stabilizing or rising again, the residential investment market in Germany fell just short of the previous year's result, despite the recovery in 2025, while transaction volumes increased in Sweden and Austria. On the supply side, new construction will not be able to meet housing demand in the short term, so rental prices will continue their upward trend. According to VALUE market data, quoted rents for existing homes in Germany were 4.2% higher in the fourth quarter of 2025 (new construction: 2.4%) than in the same quarter of the previous year. Colliers and Helaba Research & Advisory (Helaba) expects rents to continue to rise sharply. According to data supplied by Statistics Sweden (SCB), rents in Sweden rose by an average of 4.6% in 2025. The initial data on rent negotiations for 2026 from "Hem & Hyra", the member magazine published by the Swedish tenants' association ("Hyresgästföreningen"), point towards a further sharp rise in rents. In Austria, rents (including newly let apartments) increased by 4.3% in 2025 compared to the previous year, according to the Austrian statistical office. RE/MAX also expects rising rents here in 2026 (new rentals not subject to any rent restrictions).

House prices have cooled down considerably in Germany, Sweden and Austria since their peak in 2022. The price decline in Germany came to a standstill in the course of 2024 and average prices rose again in 2025. According to VALUE market data, the asking prices for existing apartments in Germany were 4.4% higher in the fourth quarter of 2025 (new construction: 4.3%) than in the same quarter of the previous year. Experts from LBBW Research, Fitch Ratings and Helaba expect prices to continue to rise in 2026. In Sweden, purchase prices for tenant-owned apartments

(Bostadsrätter) moved more or less sideways during 2025 and, according to Svensk Mäklarstatistik, were 0.2% higher in the fourth quarter of 2025 than in the same period of the previous year. Experts at Swedbank expect residential real estate prices to rise by 2% in 2026. In Austria, the values of the current residential real estate price index of the Austrian central bank (OeNB) on the basis of new and used condominiums and single-family residences show an increase in the fourth quarter of 2025 of 2.1% compared with the previous year. Measured in terms of quarter-on-quarter increases, the rise in residential property prices was interrupted by a period of weakness only in the second quarter of 2025. According to RE/MAX, the purchase prices for condominiums should increase moderately in 2026.

Germany's population is unlikely to have changed much (-0.1%) in 2025, while populations are likely to have risen again in Sweden and Austria. Population levels are predicted to grow further in all three countries. Many large cities and metropolitan areas are affected by housing shortages. Meanwhile, construction activity is on the decline. According to the ifo institute, the war in Ukraine has brought the long-standing boom in European residential construction to a halt. GdW estimates that only 218,000 apartments will have been completed in Germany in 2025, compared with around 251,900 in 2024. Helaba forecasts 210,000 completions for 2026 and GdW only 200,000. This will significantly fall short of the approximately 320,000 new homes needed annually until 2030, according to the latest BBSR housing demand forecast, and significantly widen the supply gap. Existing housing shortages are hindering migration to regions with strong labor markets. Declining residential construction is not only worsening the housing shortage but also hampering further economic development, according to the Arbeitsgemeinschaft für zeitgemäßes Bauen (Institute for Sustainable Constructions). The Central Association of the German Construction Industry (ZDB) meanwhile sees positive signals for residential construction, with projects being restarted again a long investment impasse. Boverket estimates that 50,300 apartments will have to be built per year in Sweden by 2034. Around 30,000 apartments are expected to have been built in 2025, with the figure expected to persist at this level in 2026. This means that the additional annual need will not be met. Given the improved conditions, the number of construction starts in 2025 picked up slightly compared to 2024 and could rise further in 2026. In Austria, approximately 38,000 apartments were completed in 2025 according to EUROCONSTRUCT forecasts, with a decline to just short of 34,000 expected for 2026. According to CBRE Austria, a growing population and falling completions will exacerbate the structural undersupply on the rental housing market, especially in Vienna.

Germany's residential investment market was stable in 2025. Residential real estate remains the strongest asset class in the real estate investment market, in terms of turnover. According to CBRE, transactions volumes (in excess of 50 residential units) amounted to € 8.4 billion and were therefore down only slightly on last year (2024: € 8.8 billion). The number of transactions meanwhile increased noticeably. Core and core-plus transactions accounted for 54% of the volume, while the value-add segment reached 44%. The share of international investors increased significantly. The largest net investors were asset and fund managers, ahead of municipal residential real estate companies. The prime yield remained stable at 3.4% in 2025. CBRE expects a slight market recovery in 2026 and a potential increase in transaction volume to as much as € 10 billion. According to Colliers, properties worth € 15.7 billion were traded across all segments on the Swedish transaction market in 2025, representing a year-on-year increase of approx. 30%. In terms of turnover, residential properties were the strongest asset class with a share of 26% alongside public sector properties (also with a share of 26%). According to CBRE, the transaction volume on the Austrian real estate investment market totaled € 4.1 billion in 2025, and therefore around 40% more than in the previous year. In terms of turnover, residential property was also the strongest asset class here with a share of 29%.

Housing policy developments in 2025 have included several measures and proposed laws. In Germany, the federal government, for example, extended the rent cap until the end of 2029 with a rent control law that came into force in July 2025, as agreed in the coalition agreement. In addition, the Federal Justice Minister submitted a draft bill at the end of 2025 for internal government consultation, which would cap index-linked and short-term rental agreements, and tighten the rules on the rental of furnished apartments. The Act to Accelerate Residential Construction and Secure Residential Capacity (Baturbo) came into effect at the end of October 2025. The budget for 2026, which the Bundestag passed at the end of November 2025, is also increasing the volume of funds available for housing construction, among other things. The budget will reinforce and promote social and climate-friendly housing construction; for example, the new one-time EH55 subsidy has been secured. A new non-profit housing structure was introduced on January 1, 2025, providing support to companies that build affordable apartments and rent them out on a long-term basis. Also at the beginning of 2025, the property tax reform was implemented, and the housing benefit was adjusted to reflect current price and rent developments. The CO₂ price increased simultaneously from € 45 to € 55 per metric ton and rose to € 55 to € 65 per metric ton at the start of 2026.

The planned EU Emissions Trading System for heat and transport will now not come into effect in 2027, but in 2028 instead. The member states must implement the Energy Performance of Buildings Directive (EPBD) into national law by the end of May 2026. The federal government plans to implement it together with a reform of the Buildings Energy Act (GEG). It is to be named "Building Modernisation Act" in the future and shall be open to all types of technology. By July 1, 2026 at the latest, the GEG regulation will require new heating systems to use at least 65% renewable energies in the big cities. New building regulations came into force in Sweden on July 1, 2025. A new regulatory framework for building permits has also been in force here since the beginning of December 2025 with the amendment of the Planning and Building Act. Its aim was to simplify and clarify the authorization provisions. Since the start of 2026, the rules for annual rent increases that apply to other rental apartments in Sweden also apply to apartments with presumptive rent (presumtionshyra, mainly new buildings). Earlier court rulings provided for lower increases. At the start of 2026, the 5th Inflation Reduction Act under Tenancy Law (5th MILG) came into effect in Austria. This will raise the minimum fixed term for rental agreements and install a rent cap for the unregulated and regulated housing market. To ease inflation, the rent increases due in the regulated housing market from the beginning of April 2025 have been suspended for one year. As part of the 2025 Budget Accompanying Act, the Austrian government implemented a reform of the real estate transfer tax on land transfers. It has been in force since July 1, 2025, and is specifically aimed at increasing taxation on share deals. The expiration of the KIM Regulation, as it is known, on July 1, 2025 is expected to ease the granting of loans for residential property.

Group's Business Development

Overview of Business Development in 2025

Vonovia achieved positive business development overall in the 2025 fiscal year.

The core rental business saw high demand for rental apartments and rising rents, as well as a positive trend in customer satisfaction.

The Value-add segment reported positive business development in the 2025 fiscal year, especially in its own trades organization and in energy distribution.

In the 2025 fiscal year, we invested around € 0.8 billion for maintenance (2024: € 0.8 billion) and around € 1.2 billion in

total (2024: € 0.8 billion) for modernization/portfolio and new construction.

In the 2025 fiscal year, 2,333 Recurring Sales units (2024: 2,470) as well as 8,973 units from the Non Core/Other portfolio (2024: 5,184) were disposed of.

In the Development segment, 800 units for our own portfolio (2024: 1,276) were completed. In addition, 1,290 units intended for sale (2024: 2,471) were completed.

The disposal of the former care business was concluded successfully in 2025.

The table below provides an overview of the development of the key performance indicators last forecast for 2025 and their target achievement in the 2025 fiscal year.

	2024	Forecast for 2025 in the 2025 Q3 report	2025
Adjusted EBITDA Total (continuing operations) in € million*	2,641.8	Around € 2.8 billion	2,800.8
Adjusted EBT (continuing operations) in € million*	1,816.3	Around € 1.9 billion	1,904.3
Operating Free Cash-Flow**	1,832.2	Slightly below previous year's level***	1,778.5
Sustainability Performance Index (SPI) in %	104	>100	106
Rental income in € million	3,323.5	Around € 3.4 billion	3,417.2
Organic rent growth in %	4.1	-4.1	4.1

* Including restatements for impairment losses/reversals of impairment losses from development-to-sell projects (previous year adjustment: +€16.7 million).

** In accordance with the current definition of key figures including intragroup profits/losses and specification of net working capital.

*** Before taking into account changes in net working capital Development to sell/Manage to Green.

Overall, the **Adjusted EBITDA Total** from continuing operations of € 2,800.8 million in the 2025 fiscal year was 6.0% higher than the previous year's figure of € 2,641.8 million. The Rental segment contributed € 2,445.0 million (2024: € 2,385.7 million), the Value-add segment € 197.5 million (2024: € 168.4 million), the Recurring Sales segment € 83.2 million (2024: € 57.6 million) and the Development segment € 75.1 million (2024: € 30.1 million).

The **Adjusted EBT** from continuing operations of € 1,904.3 million in the 2025 fiscal year was up 4.8% compared to the previous year's figure of € 1,816.3 million. In the reconciliation of Adjusted EBITDA to Adjusted EBT, the contributing factors were the adjusted net financial result of € -739.9 million (2024: € -709.0 million), depreciation and amortization of € -116.7 million (2024: € -112.7 million) and intragroup profits of € -39.9 million (2024: € -3.8 million).

The **Operating Free Cash-Flow** amounted to € 1,778.5 million (2024: € 1,832.2 million) in the 2025 fiscal year, a decline of -2.9%.

The **Sustainability Performance Index** stood at 106% (2024: 104 %) in the 2025 fiscal year. This was helped along especially by the development of the average primary energy requirements, (partial) modernization measures to make apartments fully accessible as well as high levels of employee satisfaction.

The **EPRA NTA per share** developed from € 45.23 at the end of 2024 to € 46.28 at the end of 2025, an increase of 2.3%. The 2025 forecast assumed a slight increase in EPRA NTA per share before taking into account further market-related changes in property values. The development in the net asset value figure was due primarily to the net income from fair value adjustments of investment properties of € 1,390.0 million in 2025 (2024: € -1,559.0 million). The distribution of the cash dividend of € 647.2 million in 2025 (2024: € 506.4 million) had the opposite effect. The number of shares rose from 822,852,925 at the end of 2024 to 848,216,385 at the end of 2025.

Statement of the Management Board on the Economic Situation

The net assets, financial position and results of operations of the Group are stable, particularly given the solid financing, the resulting balanced maturity profile and the flexibility gained through bond financings as a result of a diversified financing mix. The ongoing improvements to the property management processes and the use of new digital software solutions promote ongoing improvement in profitability.

Results of Operations

Overview

Vonovia achieved positive business development overall in the 2025 fiscal year.

Business development in the Rental segment is characterized by high demand for rental apartments and rising rental income. Despite a smaller portfolio due to the disposal of around 11,300 units compared to the previous year, the earnings contribution made in the 2025 fiscal year was up 2.5% in a year-on-year comparison.

The Value-add segment reported an increase in earnings of 17.3% in the 2025 fiscal year. This was due in particular to the positive business development in the company's own craftsmen's organisation and in the energy sales division. Modernization and portfolio investments in the 2025 fiscal year were up 32.0% on the volume of the previous year. This was also thanks to our increased investment in new heat pumps.

In the Recurring Sales segment, there was a significant increase in earnings of 44.4% as a result of higher sales margins.

Net income in the Development segment increased by more than 100% in the 2025 fiscal year. The positive effect was due, in particular, to the transfer of economic ownership resulting from the sale of land to two state-owned Berlin housing companies already agreed in April 2024. → [D36] **Assets and Liabilities Held for Sale**

In detail, Adjusted EBT developed as follows in the reporting period:

Adjusted EBT (Continuing Operations) per share in €***

in € million	2024	2025	Change in %
Revenue in the Rental segment	3,323.5	3,417.2	2.8
Expenses for maintenance	-470.5	-484.1	2.9
Operating expenses in the Rental segment	-467.3	-488.1	4.5
Adjusted EBITDA Rental	2,385.7	2,445.0	2.5
Revenue in the Value-add segment	1,359.4	1,471.5	8.2
thereof external revenue	179.6	139.5	-22.3
thereof internal revenue	1,179.8	1,332.0	12.9
Operating expenses in the Value-add segment	-1,191.0	-1,274.0	7.0
Adjusted EBITDA Value-add	168.4	197.5	17.3
Revenue in the Recurring Sales segment	441.3	439.6	-0.4
Fair value of properties sold adjusted to reflect effects not relating to the period from assets held for sale in the Recurring Sales segment	-359.8	-333.5	-7.3
Adjusted result Recurring Sales	81.5	106.1	30.2
Selling costs in the Recurring Sales segment	-23.9	-22.9	-4.2
Adjusted EBITDA Recurring Sales	57.6	83.2	44.4
Revenue from disposal of Development to sell properties	889.4	422.2	-52.5
Cost of Development to sell	-813.8	-323.1	-60.3
Carrying amount of assets sold of Development to sell	-27.8	-5.0	-82.0
Gross profit Development to sell	47.8	94.1	96.9
Rental revenue Development	7.3	11.0	50.7
Operating expenses in the Development segment*	-25.0	-30.0	20.0
Adjusted EBITDA Development	30.1	75.1	>100
Adjusted EBITDA Total (continuing operations)	2,641.8	2,800.8	6.0
Adjusted net financial result	-709.0	-739.9	4.4
Straight-line depreciation**	-112.7	-116.7	3.5
Intragroup profit/losses	-3.8	-39.9	>100
Adjusted EBT (continuing operations)	1,816.3	1,904.3	4.8
Adjusted EBT (continuing operations) per share in €***	2.22	2.29	3.1
Tax expenses (core business)	-210.6	-197.8	-6.1
Adjusted earnings for the period	1,605.7	1,706.5	6.3
Attributable to:			
Minorities	142.7	165.5	16.0
Vonovia's shareholders	1,463.0	1,541.0	5.3
Adjusted earnings for the period attributable to Vonovia's shareholders per share in €***	1.79	1.85	3.6

* Including restatements for impairment losses/reversals of impairment losses from development-to-sell projects (previous year adjustment: +€ 16.7 million).

** Depreciation on concessions/property rights/licenses, self-developed software, self-used real estate, technical equipment and machinery, as well as other equipment/operating and business equipment.

*** Based on the weighted average number of shares carrying dividend rights.

At the end of the fourth quarter of 2025, Vonovia employed 12,708 people in its continuing operations (end of the fourth quarter 2024: 12,056).

As of the end of the fourth quarter of 2025, Vonovia managed a portfolio comprising 530,979 of its own residential units (end of the fourth quarter of 2024: 539,753), 162,769 garages and parking spaces (end of the fourth quarter of 2024: 162,697) and 8,524 commercial units (end of the fourth quarter of 2024: 8,331). Furthermore, Vonovia managed 76,255 residential units (end of the fourth quarter of 2024: 73,400) on behalf of third parties as of the end of the fourth quarter of 2025.

As part of the new strategic approach "Manage to Green," two packages with around 900 residential units in North Rhein-Westphalia and northern Germany were purchased in the fourth quarter of 2025, with the objective of a specific timely modernization and subsequent resale.

Details on Results of Operations by Segment

Rental Segment

In the Rental segment, overall conditions on the residential real estate market remained virtually unchanged in the 2025 fiscal year. A severe housing shortage and strong demand for rental apartments continue to define the business environment. At the end of December 2025, the portfolio in the Rental segment had a vacancy rate of 2.1% (end of December 2024: 2.0%), meaning that it was nearly fully occupied.

In the 2025 fiscal year, revenue in the Rental segment increased by 2.8% year-on-year (2024: 2.2%) to € 3,417.2 million (2024: € 3,323.5 million). Of the segment revenue in the Rental segment in the 2025 fiscal year, € 2,897.5 million is attributable to rental income in Germany (2024:

€ 2,837.6 million), € 393.4 million to rental income in Sweden (2024: € 360.7 million) and € 126.3 million to rental income in Austria (2024: € 125.2 million). The organic rent growth (twelve-month rolling) stood at 4.1% at the end of the fourth quarter of 2025 (4.1% at the end of the fourth quarter of 2024). The increase in rent due to market-related factors came to 2.6% as of the end of the fourth quarter of 2025 (2.8% at the end of the fourth quarter of 2024). The increase from property value improvements stood at 1.0% at the end of the fourth quarter of 2025 (0.9% at the end of the fourth quarter of 2024). All in all, this produced a like-for-like rent increase of 3.6% at the end of the fourth quarter of 2025 (3.7% at the end of the fourth quarter of 2024). New construction measures and measures to add extra stories also contributed 0.5% at the end of the fourth quarter of 2025 (0.4% at the end of the fourth quarter of 2024).

At the end of December 2025, the average monthly in-place rent in the residential portfolio in the Rental segment came to € 8.38 per m² as against € 8.01 per m² at the end of December 2024. The monthly in-place rent in the German portfolio at the end of December 2025 came to € 8.19 per m² (end of December 2024: € 7.89 per m²), with a figure of € 11.68 per m² (end of December 2024: € 10.48 per m²) for the Swedish portfolio and € 5.82 per m² (end of December 2024: € 5.71 per m²) for the Austrian portfolio. The rental income for the Swedish portfolio is reported as inclusive rent, i.e., including ancillary and heating costs as well as water costs. Moreover, the rental income from the Austrian real estate portfolio includes maintenance and improvement contributions (EVB).

Total maintenance, modernization, investments in the existing portfolio and new construction (to hold) in the 2025 fiscal year came in at € 1,972.7 million, up 23.2% on the 2024 prior-year value of € 1,601.0 million.

Maintenance, Modernization/Portfolio Investments and New Construction (to hold)

in € million	2024	2025	Change in %
Expenses for maintenance	470.5	484.1	2.9
Capitalized maintenance	294.2	327.1	11.2
Maintenance measures	764.7	811.2	6.1
Modernization & portfolio investments	611.8	807.5	32.0
New construction (to hold)	224.5	354.0	57.7
Modernization, portfolio investments and new construction (to hold)	836.3	1,161.5	38.9
Total sum of maintenance, modernization, portfolio investments and new construction (to hold)	1,601.0	1,972.7	23.2

Operating expenses in the Rental segment in the 2025 fiscal year amounted to € -488.1 million, up by 4.5% compared to the previous year's figure of € -467.3 million.

Adjusted EBITDA in the Rental segment in the 2025 fiscal year of € 2,445.0 million, despite the sales completed in the 2025 fiscal year and higher maintenance expenses, was 2.5% higher than the previous year's figure of € 2,385.7 million.

Value-add Segment

The Value-add segment reported an increase in earnings of 17.3% in the 2025 fiscal year. This was due in particular to the positive business development in the company's own craftsmen's organisation and in the energy sales division. Modernization and maintenance investments in the 2025 fiscal year were up 32.0% on the volume of the previous year. This was also thanks to our increased investment in new heat pumps.

In the fourth quarter of 2025, Vonovia concluded an agreement with OXG Glasfaser GmbH, a Vodafone joint venture, to expand the fiber-optic infrastructure. The agreement encompasses around 295,000 apartments in the Vonovia neighborhoods and is an important step in expanding the fiber-optic connection in its portfolio.

All in all, revenue from the Value-add segment in the 2025 fiscal year amounted to € 1,471.5 million, up by 8.2% compared to the previous year's figure of € 1,359.4 million. External revenue from our Value-add activities with end customers in the 2025 fiscal year amounted to € 139.5 million and were therefore down 22.3% from the previous year's figure of € 179.6 million. The previous year featured a unique positive effect in the multimedia business resulting from the leasing of coax networks. Intra-Group revenue in the 2025 fiscal year amounted to € 1,332.0 million, up by 12.9% compared to the figure for the same period of the previous year of € 1,179.8 million.

Operating expenses in the Value-add segment in the 2025 fiscal year amounted to € -1,274.0 million and were thus up by 7.0% on the comparative figure for the previous year of € -1,191.0 million. The increase can be traced back primarily to higher personnel expenses due to the ongoing measures to expand the workforce.

Adjusted EBITDA in the Value-add segment in the 2025 fiscal year came in at € 197.5 million and was therefore up 17.3% on the comparative figure for the previous year of € 168.4 million.

Recurring Sales Segment

In the 2025 fiscal year, the Recurring Sales segment switched from the liquidity-oriented sales strategy pursued in 2024 to a returns-oriented approach. Recurring Sales segment revenue in the 2025 fiscal year amounted to € 439.6 million from the disposal of 2,333 units (2024: 2,470), of which 1,941 in Germany (2024: 2,037) and 392 in Austria (2024: 433). This corresponds to a decline in income of 0.4% compared to the € 441.3 million seen in the previous year. Income of € 332.8 million was attributable to sales in Germany (2024: € 339.5 million) and € 106.8 million to sales in Austria (2024: € 101.8 million).

The fair value step-up came to 31.8% in the 2025 fiscal year (2024: 22.6%). In a year-on-year comparison, higher step-ups were achieved both in Germany and Austria in the reporting period.

Selling costs in the Recurring Sales segment in the 2025 fiscal year came in at € -22.9 million and were therefore down by 4.2% from the comparable figure of € -23.9 million for the previous year.

Adjusted EBITDA Recurring Sales in the 2025 fiscal year came in at € 83.2 million and was therefore up 44.4% on the comparative figure for the previous year of € 57.6 million.

In addition, in the 2025 fiscal year, outside the Recurring Sales segment, 8,973 units from the Non Core/Other portfolio (2024: 5,184) were sold as part of our portfolio adjustment measures, with proceeds totaling € 965.6 million (2024: € 662.5 million).

Development Segment

In the Development segment, economic conditions in the 2025 fiscal year were influenced primarily by the development in interest rates for construction. Price increases, particularly on the construction and commodity markets, continued to have a moderate impact. The main positive effect on the segment result came from the transfer of economic ownership resulting from the sale of land to two state-owned Berlin housing companies, already agreed in April 2024. → [\[D36\] Assets and Liabilities Held for Sale](#)

In the Development to sell area, a total of 1,290 units were completed in the 2025 fiscal year, all of them in Germany (2024: 2,471 units, all of them in Germany). In the 2025 fiscal year, income from the disposal of development properties amounted to € 422.2 million (2024: € 889.4 million), with € 367.1 million attributable to project development in Germany (2024: € 795.4 million) and € 55.1 million to project development in Austria (2024: € 94.0 million). The gross profit from Development to sell came to € 94.1 million in the 2025 fiscal year with a margin of 22.3% (2024: € 47.8 million, margin of 5.4%).

Operating expenses in the Development segment in the 2025 fiscal year amounted to € -30.0 million, up by 20.0% compared to the figure for the previous year of € -25.0 million. The increase was driven primarily by higher personnel expenses and additions to project provisions.

Adjusted EBITDA in the Development segment amounted to € 75.1 million in the 2025 fiscal year (2024: € 30.1 million).

In the Development to hold area, a total of 800 units were completed in the 2025 fiscal year (2024: 1,276 units), of which 777 units in Germany (2024: 1,264 units), and 23 units in Sweden (2024: 12 units).

Adjusted EBT

The **Adjusted EBITDA Total** from continuing operations came in at € 2,800.8 million in the 2025 fiscal year, 6.0% higher than the value of € 2,641.8 million seen in the previous year.

In the reconciliation of Adjusted EBITDA Total (continuing operations) to Adjusted EBT (continuing operations), the main contributing factors in the 2025 fiscal year were the adjusted net financial result of € -739.9 million (2024: € -709.0 million), depreciation and amortization of € -116.7 million (2024: € -112.7 million) and intragroup profits of € -39.9 million (2024: € -3.8 million). The intragroup profits result mainly from services provided by the internal

craftsmen's organisation, which are internally invoiced at market conditions in a third-party comparison. The margins generated in this process are eliminated from a Group perspective and represent the value added contributions of insourcing services.

The **Adjusted EBT** from continuing operations of € 1,904.3 million in the 2025 fiscal year was up 4.8% compared to the previous year's figure of € 1,816.3 million.

In the 2025 fiscal year, the non-recurring items eliminated in the Adjusted EBT (continuing operations) came to € 140.3 million (2024: € 241.8 million).

Transactions in the 2025 fiscal year include provisions set up for the purchased land to build on and old stock of the QUARTERBACK Immobilien Group in the amount of € 57.6 million.

In the 2024 fiscal year, HR-related scenarios had included non-recurring items associated with the reassessment of the probability of claims being asserted in connection with legal disputes with a social insurance provider. Remeasurement at the end of 2025 resulted in the reversal of the provision in the amount of € 45.2 million and more than compensated for the expenses associated with the other HR-related scenarios.

The following table provides a detailed list of the non-recurring items:

Non-recurring Items

in € million	2024	2025	Change in %
Transactions*	33.9	116.8	>100
Personnel matters	170.9	-16.1	-
Business model optimization	29.7	35.9	20.9
Research & development	5.9	3.7	-37.3
Refinancing and equity measures	1.4	-	-100.0
Total non-recurring items	241.8	140.3	-42.0

* Including one-time expenses in connection with acquisitions, such as HR measures relating to the integration process and other follow-up costs.

Reconciliations

The adjusted net financial result amounted to € -739.9 million in the 2025 fiscal year (2024: € -709.0 million).

Reconciliation of Adjusted Net Financial Result (Continuing Operations)

in € million	2024	2025	Change in %
Income from non-current securities and non-current loans	17.2	11.1	-35.5
Interest income - finance lease	1.2	3.0	>100
Interest received and similar income	51.1	52.2	2.2
Interest expense from non-derivative financial liabilities	-830.6	-818.0	-1.5
Swaps (current interest expense for the period)	45.6	-1.2	-
Capitalization of interest on borrowed capital Development	0.6	7.1	>100
Income from investments	5.9	5.9	-
Adjusted net financial result	-709.0	-739.9	4.4
Accrued interest	15.8	-52.5	-
Net cash interest	-693.2	-792.4	14.3

The profit for the period amounted to € 4,185.5 million in the 2025 fiscal year (2024: € -962.3 million). The increase in 2025 is primarily attributable to a tax effect as well as to net income from fair value adjustments of investment properties. The law for a tax-based immediate-action investment program was approved in the Bundestag (lower house of parliament) on June 26, 2025, and in the Bundesrat (upper house of parliament) on July 11, 2025. As a result of the gradual cut in the corporate income tax rate from the current level of 15% to 10% by 2032 adopted by the German government during the period covered by these financial statements, and given the very long-term nature of the temporary differences, deferred taxes are largely to be measured at the corporate income tax rate of 10% that will apply as of 2032. The resulting reduction in deferred tax liabilities led to deferred tax income of around € 2.5 billion being recognized in the 2025 fiscal year.

The reconciliation of the profit for the period to Adjusted EBT (continuing operations) or Adjusted EBITDA Total (continuing operations) is as follows:

Reconciliation of Profit for the Period/Adjusted EBT/Adjusted EBITDA Total (Continuing Operations)

	2024	2025	Change in %
Profit for the period	-962.3	4,185.5	-
Profit from discontinued operations	-26.7	-71.3	>100
Profit from continuing operations	-989.0	4,114.2	-
Income taxes	385.6	-1,586.5	-
Earnings before tax (EBT)	-603.4	2,527.7	-
Non-recurring items	241.8	140.3	-42.0
Net income from fair value adjustments of investment properties	1,559.0	-1,390.0	-
Impairment/value adjustments*	364.0	401.2	10.2
Valuation effects and special effects in the financial result	208.5	95.8	-54.1
Net income from investments accounted for using the equity method	53.8	60.5	12.5
Earnings contribution from Non Core/Other sales	6.6	58.9	>100
Period adjustments from assets held for sale	-14.0	9.8	-
Adjusted EBT (continuing operations)	1,816.3	1,904.3	4.8
Adjusted net financial result	709.0	739.9	4.4
Straight-line depreciation	112.7	116.7	3.5
Intragroup profit/losses	3.8	39.9	>100
Adjusted EBITDA Total (continuing operations)	2,641.8	2,800.8	6.0

* In accordance with the current definition of key figures including restatements for impairment losses/reversals of impairment losses from development-to-sell projects. Restatement for 2024 amounting to € 16.7 million.

The reconciliation of Adjusted EBT (continuing operations) to Operating Free Cash-Flow (OFCF) is as follows: The definition of the key figure OFCF was amended in the 2025 fiscal year. The "Change in net current assets" item (2024: € 274.1 million) in the reconciliation has been made more specific and is now referred to as the "Change in net working capital Development to sell/Manage to Green." The previous

year's figure was adjusted accordingly. The item "Intragroup profits/losses" was also supplemented to reflect the cash advantage associated with services rendered in house. The OFCF in the 2025 fiscal year amounted to € 1,778.5 million compared to € 1,832.2 million in the previous year, a decline of -2.9%.

Reconciliation of Adjusted EBT (Continuing Operations)/Operating Free Cash-Flow

in € million	2024	2025	Change in %
Adjusted EBT (continuing operations)	1,816.3	1,904.3	4.8
Straight-line depreciation	112.7	116.7	3.5
Change in net working capital Development to sell/Manage to Green*	185.2	138.3	-25.3
Carrying amount of investment properties (core business)	387.6	338.5	-12.7
Capitalized maintenance	-294.2	-327.1	11.2
Dividends and payouts to non-controlling shareholders (minorities)	-143.7	-202.9	41.2
Income tax payments according to cash flow statement (w/o taxes on Non Core sales)	-235.5	-229.2	-2.7
Intragroup profit/losses*	3.8	39.9	>100
Operating Free Cash-Flow*	1,832.2	1,778.5	-2.9

* In accordance with the current definition of key figures including intragroup profits/losses and specification of net working capital.

Assets

Consolidated Balance Sheet Structure

Consolidated Balance Sheet Structure

	Dec. 31, 2024		Dec. 31, 2025	
	in € million	in %	in € million	in %
Non-current assets	82,326.9	91.2	86,393.9	92.6
Current assets	7,909.4	8.8	6,861.4	7.4
Total assets	90,236.3	100.0	93,255.3	100.0
Equity	28,126.9	31.2	32,167.7	34.5
Non-current liabilities	54,644.6	60.6	54,656.9	58.6
Current liabilities	7,464.8	8.2	6,430.7	6.9
Total equity and liabilities	90,236.3	100.0	93,255.3	100.0

The Group's **total assets** increased from € 90,236.3 million as of December 31, 2024, by € 3,019.0 million to € 93,255.3 million as of December 31, 2025.

The main development in **non-current assets** is the increase in investment properties of € 4,049.7 million. This is due in particular to additions amounting to € 1,516.8 million, mainly in the context of the transactions concluded with the QUARTERBACK Immobilien Group, capitalized modernization costs of € 1,011.9 million and to net income from fair value adjustments of investment properties of € 1,390.0 million.

The transactions with Apollo Capital Management L.P. relating to the disposal of shares in the Südewo portfolio of residential properties in Baden-Württemberg and a portfolio in northern Germany in the 2023 fiscal year gave rise to call options on these shares. These were initially recognized directly in equity as an asset in the 2023 fiscal year. The call options have been adjusted, affecting net income, on a regular basis since December 31, 2023. These options were remeasured on December 31, 2025, resulting in a valuation of € 671.0 million. The adjustment affecting net income resulted in an expense of € 60.0 million in the 2025 fiscal year due to an increased cost of capital.

In **current assets**, it was in particular the disposal of assets held for sale in the amount of € 1,113.5 million and the disposal of assets of discontinued operations in the amount of € 729.9 million that resulted in a decrease in this item by € 1,048.0 million in total. Other changes in current assets relate to the decrease in financial assets by € 283.8 million, mainly due to the offsetting of loans as part of the QUARTERBACK transactions, and the decrease in trade receivables by € 350.8 million. Cash and cash equivalents rose by € 1,350.2 million.

On December 31, 2025, **goodwill** comprised 1.5% of total assets (December 31, 2024: 1.5%).

Total equity increased from € 28,126.9 million as of December 31, 2024, by € 4,040.8 million to € 32,167.7 million as of December 31, 2025. Key factors influencing this development in particular included profit for the period of € 4,185.5 million and other comprehensive income of € 334.6 million. The latter was particularly influenced by currency effects of € 275.9 million. The cash dividend distributions in the amount of € 647.2 million had the effect of reducing total equity. Under the control and profit and loss transfer agreement between Vonovia SE and Deutsche Wohnen SE, 12,594,898 shares in Vonovia SE were created using the 2025 authorized capital. This increased the subscribed capital and capital reserves by a total of € 388.4 million as of December 31, 2025. The non-controlling interests fell by € 483.0 million due to the stock exchange.

The **equity ratio** stood at 34.5% as of December 31, 2025 (December 31, 2024: 31.2%).

As against December 31, 2024, liabilities fell from € 62,109.4 million by € 1,021.8 million to € 61,087.6 million as of December 31, 2025. The total of **non-current non-derivative financial liabilities** increased from € 37,448.3 million by € 854.6 million to € 38,302.9 million. **Current non-derivative financial liabilities** fell from € 5,202.7 million by € 875.3 million to € 4,327.4 million.

Deferred tax liabilities fell from € 15,613.5 million on December 31, 2024, by € 1,508.6 million to € 14,104.9 million as of December 31, 2025. This is due primarily to the adoption of the law for a tax-based immediate-action investment program, which will involve a gradual cut in the applicable corporate income tax rate from 15% to 10%.

Net Assets

Vonovia's net asset value figures are based on the best practice recommendations of the EPRA (European Public Real Estate Association). At the end of the 2025 fiscal year,

EPRA NTA amounted to € 39,253.7 million, 5.5% over the value seen at the end of 2024 of € 37,215.6 million. EPRA NTA per share changed from € 45.23 at the end of 2024 to € 46.28 at the end of the 2025 fiscal year, up by 2.3%.

EPRA Net Tangible Assets (EPRA NTA)

in € million	Dec. 31, 2024	Dec. 31, 2025	Change in %
Total equity attributable to Vonovia shareholders	23,996.4	27,466.6	14.5
Deferred tax in relation to fair value gains of investment properties*	14,620.2	13,151.6	-10.0
Fair value of financial instruments**	23.4	69.2	>100
Goodwill	-1,391.7	-1,391.7	-
Intangible assets	-32.7	-42.0	28.4
EPRA NTA	37,215.6	39,253.7	5.5
EPRA NTA per share in €***	45.23	46.28	2.3

* Proportion of hold portfolio.

** Adjusted for effects from cross-currency swaps.

*** EPRA NTA per share based on the shares carrying dividend rights on the reporting date.

Fair Values

Major market developments and valuation parameters that have an impact on the **fair values** of Vonovia are assessed every quarter. The entire portfolio was revalued as of June 30, 2025 and as of December 31, 2025.

The demand for housing remains high and rent development is positive. Our assessment is that this trend will continue in the coming years. Based on market data, we therefore assume an average increase in market rents of 2.4% over the next ten years in the valuation of the portfolio. The **market values of our properties** are also being helped along by the investments made in the energy-efficient modernization of our buildings and improvements to the fittings in our apartments. On the market, the **higher rents** met with **stabilizing return expectations** among property buyers, particularly in the first half of the year. Overall, the fair value of our real estate portfolio was higher than in the previous year and, after adjustments for acquisitions and sales, and excluding currency effects, changed by 2.9%. The positive trend in real estate values has stabilized both across the two valuation periods and across all three countries.

In addition to the internal valuation, Vonovia's residential real estate portfolio was also valued by the **independent property appraisers** CBRE GmbH and Savills Sweden AB. The market value resulting from the external report was consistent with the internal valuation result.

Vonovia's project developments for subsequent management within its own portfolio are measured at **acquisition and production costs** until the construction work is complete as the fair value cannot be reliably calculated on a continuing basis. This is subject to a review of the values applied if triggering events occur. The fair value for the nursing care properties was assessed by the external appraiser W&P Immobilienberatung GmbH.

Regular Determination of the Fair Values Creates a Transparent Valuation of the Company's Properties

Calculating and showing the fair values provides a control parameter inside the company and also helps to make the development of the value of our assets transparent to people outside the company.

The fair value of the portfolio of residential properties was determined, in accordance with **IAS 40** and IFRS 13, on the basis of the International Valuation Standard Committee's definition of market value.

Vonovia, in principle, measures its portfolio on the basis of the **discounted cash flow (DCF) method**. Under the DCF methodology, the expected future cash inflows and outflows associated with a property are forecast and discounted to the date of valuation as the net present value. The cash inflows in the DCF model mainly comprise expected rental income (current in-place rent, current inclusive rent in Sweden, market rents as well as their development) taking vacancy losses and also sales revenues for an Austrian subportfolio into account. The expected rental income is derived for each location from the latest rent indices and rent tables (including Value AG, Immobilienverband Deutschland [IVD] and the Austrian Economic Chamber [WKÖ]) as well as from studies on spatial prosperity (Federal Institute for Research on Building, Urban Affairs and Spatial Development [BBSR], Prognos, Value AG, Federal Statistical Office, Statistics Austria, etc.). In Sweden, rents and rent increases are defined as part of negotiations with the Swedish tenants' association ("Hyresgästföreningen") and are reflected accordingly in the valuation model. The expected sales revenues in Austria are derived from historical sale prices as well as market data (e. g., the Austrian Economic Chamber [WKÖ], EHL).

On the cash outflow side, maintenance expenses and administrative costs are taken into account. Further cash outflows include, for example, ground rents, non-allocable ancillary costs, rent losses and, in Austria, selling costs. In the Swedish valuation, further expenses to be borne by the owner are also taken into account in the DCF model due to the inclusive rents that are a special feature of this market. All cash outflows are inflated in the reporting period. Modernization measures carried out in the housing stocks are factored in by decreasing the current maintenance expenses and adjusting market rents. The commercial properties in the portfolio are mainly small commercial units for the supply of the local residential environment. Different cost approaches are used to those for residential properties, and the capitalized interest rates were adjusted to reflect the market specifics.

The recognition and valuation of investment properties are explained in detail in the notes to the consolidated financial statements (see → [\[D27\] Investment Properties](#)).

The fair value of Vonovia's real estate portfolio comprising residential buildings, commercial properties, garages and parking spaces as well as project developments, existing areas with construction potential and land areas with hereditary building rights granted, as well as nursing care facilities, was € 84,448.2 million as of December 31, 2025 (2024: € 81,971.4 million). Net income from fair value adjustments of investment properties in the income statement comes to € 1,390.0 million (2024: € -1,559.0 million).

Financial Position

Cash Flow

The Group cash flow is as follows:

Key Data from the Statement of Cash Flows

in € million	2024	2025
Cash flow from operating activities	2,401.6	2,448.3
Cash flow from investing activities	-187.6	-127.1
Cash flow from financing activities	-1,821.0	-878.4
Influence of changes in foreign exchange rates	-3.4	5.7
Net changes in cash and cash equivalents	389.6	1,448.5
Change in cash and cash equivalents related to discontinued operations	-0.9	-43.5
Change in cash and cash equivalents related to disposal groups*	8.2	-8.2
Cash and cash equivalents at the beginning of the period	1,374.4	1,756.7
Cash and cash equivalents at the end of the period	1,756.7	3,256.9

* For reasons of comparability, a presentation is made for the year 2024 in accordance with IFRS 5 as in 2025.

The cash flow from **operating activities** amounted to € 2,448.3 million in the 2025 fiscal year (2024: € 2,401.6 million).

The cash flow from **investing activities** shows a net payment of € -127.1 million for the 2025 fiscal year (2024: € -187.6 million). Payments for the acquisition of investment properties came to € -2,403.3 million (2024: € -1,265.9 million). On the other hand, income from portfolio sales in the amount of € 1,710.3 million was collected (2024: € 1,398.3 million).

The cash flow from **financing activities** amounted to € -878.4 million in the 2025 fiscal year (2024: € -1,821.0 million). This includes payments for regular and unscheduled repayments on financial liabilities in the amount of € -5,722.3 million (2024: € -3,212.3 million) and, on the other hand, proceeds from issuing financial liabilities in the amount of € 5,799.5 million (2024: € 2,943.8 million). Payments for transaction costs and costs related to capital measures amounted to € -55.0 million (2024: € -16.5 million). Interest paid in the 2025 fiscal year amounted to € -865.7 million (2024: € -798.9 million).

Net changes in cash and cash equivalents came to € 1,448.5 million.

Financing

In its announcement of August 19, 2025, the agency Standard & Poor's confirmed that Vonovia's **rating** remains unchanged at BBB+ with a stable outlook for its long-term issuer credit rating and A-2 for its short-term issuer credit rating, while Vonovia's issued and unsecured bonds are rated BBB+.

In its announcement of December 8, 2025, the rating agency Moody's confirmed Vonovia's rating of Baa1 with a stable outlook.

On December 23, 2025, the rating agency Fitch confirmed its rating for Vonovia of BBB+ with a stable outlook.

The rating agency Scope has, in its announcement of June 19, 2025, awarded Vonovia an A- investment grade rating with negative outlook.

Vonovia SE has launched an **EMTN** (European medium-term notes) program. This program allows funds to be raised quickly at any time, without any major administrative outlay, using bond issues. The published prospectus for the € 40 billion program was expanded on March 24, 2025, must be updated annually and requires approval from the financial supervisory authority of the Grand Duchy of Luxembourg (CSSF).

As of December 31, 2025, Vonovia had placed bonds with a total volume of € 22.3 billion, € 20.6 billion of which were placed as part of the EMTN program. There are also Deutsche Wohnen bonds worth a further € 1.2 billion.

A bond in the amount of € 485.4 million was repaid as scheduled on March 31, 2025.

On April 1, 2025, Vonovia issued an NOK 1.0 billion (approx. € 88.3 million) bond with an eight-year term and a coupon of 5.51% p.a. (4.12% p.a. after currency hedging).

Vonovia issued a floating rate 2NC1 bond in the amount of € 750.0 million on April 14, 2025. After interest rate hedging, the coupon for one year is 2.89%.

Deutsche Wohnen repaid a bond in the amount of € 589.7 million as planned on April 30, 2025.

On May 13, 2025, Vonovia placed two new convertible bonds with a total volume of € 1.3 billion. The first bond in the amount of € 650.0 million will mature in May 2030 and does not bear any periodic interest. The second bond - also with a volume of € 650.0 million - will fall due in May 2032 and has a coupon rate of 0.875% p.a. The bonds can either be converted into shares in Vonovia or settled in cash. The bond

terms and conditions are such that the convertible bonds are treated as borrowed capital in full. For accounting purposes, the conversion rights are separated, as a derivative component, from the debt transaction and are measured and reported separately as a derivative within financial liabilities. Upon initial recognition not affecting net income, the value of the derivative came to € 143.7 million. The value came to € 79.4 million as of December 31, 2025. The change in value in the period since initial recognition was recognized affecting net income in the amount of € 64.3 million in other interest result from derivatives.

The partial buyback of bonds with a total volume of € 800 million was completed on June 6, 2025. This involved buying back a social bond with an issue volume of € 750.0 million and a term expiring in 2027 in the amount of € 435.7 million (selling price € 454.3 million). This bond has a 4.75% coupon rate. A further bond, a green bond, with an issue volume of € 750.0 million and a term expiring in 2030 was bought back in the amount of € 364.3 million (selling price € 399.5 million). This bond has a 5.00% coupon rate.

On June 13, 2025, Vonovia issued two green bonds in Swedish krona, each with a volume of SEK 500.0 million (around € 45.6 million each). Both bonds will run until June 2028. The first bond is a floating-rate bond, with Vonovia paying a fixed coupon of 3.0885% after currency hedging. The second bond has an original fixed coupon of 3.308%. SEK 200.0 million of the nominal volume was hedged using a foreign currency derivative (3.1455% p.a. after currency hedging).

A bond with an outstanding nominal volume of € 429.2 million was also repaid as scheduled on June 29, 2025.

On September 3, 2025, Vonovia issued a bond in the amount of AUD 850.0 million for the first time. One tranche of the bond, in an amount of AUD 300.0 million (approximately € 168.3 million) has a term expiring in seven years and a 5.266% coupon (3.677% p.a. after currency hedging). The term of the second AUD 550.0 million (approx. € 308.6 million) tranche is ten years and this tranche has a coupon of 5.717% (3.980% after currency hedging).

On September 5, 2025, Vonovia took out secured financing with Hessische Landesbank in the amount of € 150.0 million with a maturity of ten years.

On September 8, 2025, a bond with a nominal volume of € 429.8 million was repaid as scheduled.

On September 22, 2025, Deutsche Wohnen SE took out secured financing with BERLINER SPARKASSE in the amount of € 130.0 million with a maturity of ten years.

Secured financing of around € 582 million fell due for repayment in the Deutsche Wohnen subgroup as of September 30, 2025. Of that amount, € 338.0 million was refinanced with the same lenders, with the remaining € 244.0 million being repaid.

Vonovia issued a € 2,250 million bond on November 12, 2025, in three tranches with terms of 7, 11 and 15 years. The tranche with an 11-year term was issued as a green note. The average coupon is 3.96% p.a.

Another buyback of an outstanding bond in the amount of € 559.6 million was completed on November 17, 2025. This involved buying back a bond maturing in 2026 (coupon of 0.625%), two bonds maturing in 2027 (coupons of 1.75% and 0.75%) and another bond maturing in 2027 (coupon of 4.75%). In early December 2025, early termination was announced with effect from January 15, 2026 for the outstanding volume of this bond totaling around € 217 million, and repayment was made.

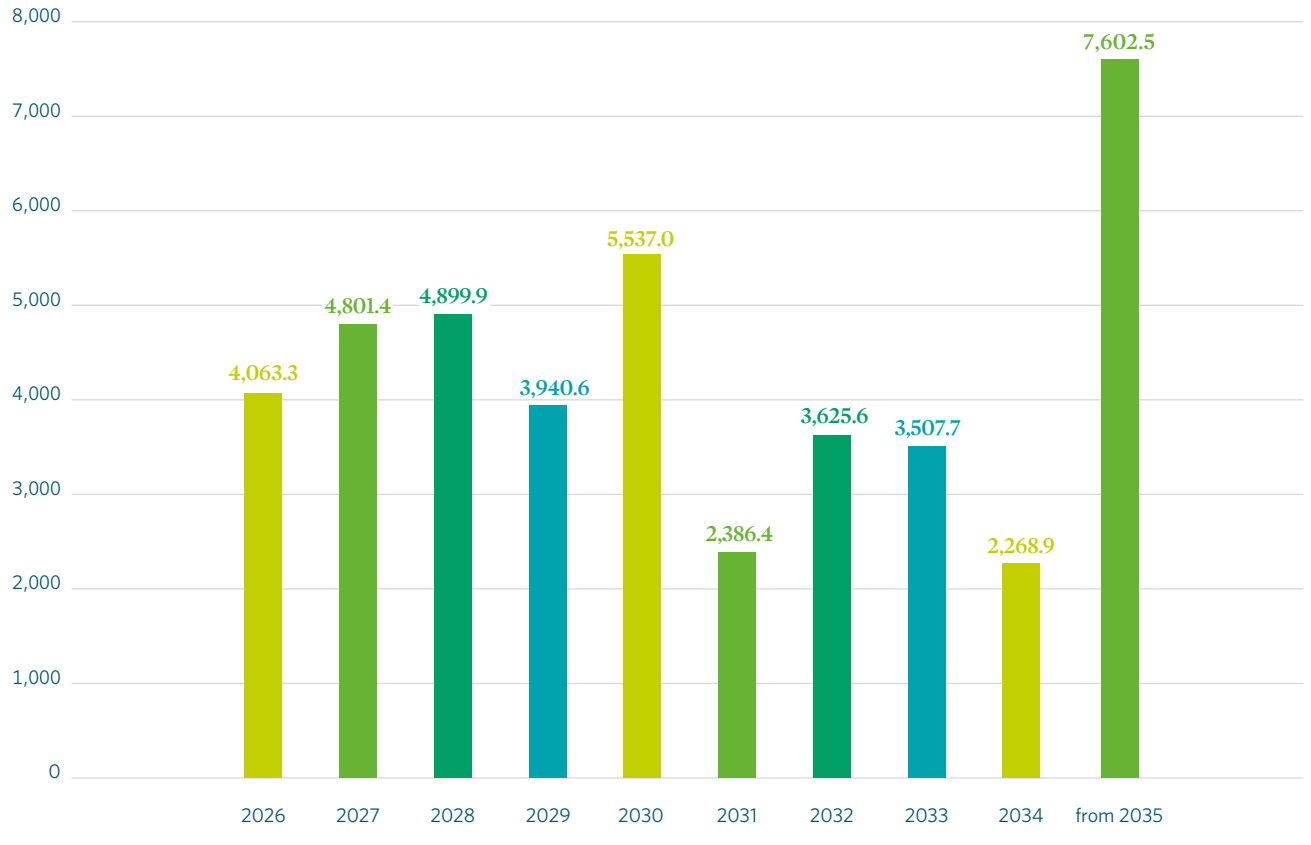
In addition, Vonovia concluded the scheduled repayment of a bond with an outstanding volume of € 1,250 million on December 1, 2025.

On December 8, 2025, Vonovia SE repaid a loan taken out with the European Investment Bank, with an outstanding amount of € 330.0 million, in line with the contractual provisions.

The **debt maturity profile** of Vonovia's financing was as follows as of December 31, 2025:

Debt Maturity Profile

as of December 31, 2025, in € million (face values)



The key debt ratios and other internal financial indicators are as follows as of the reporting date:

in € million	Dec. 31, 2024	Dec. 31, 2025	Change in %
Non-derivative financial liabilities	42,651.0	42,630.3	-0.0
Foreign exchange rate effects	-19.8	-4.2	-78.8
Cash and cash equivalents*	-2,127.5	-3,574.1	68.0
Net debt	40,503.7	39,052.0	-3.6
Sales receivables	-873.3	-277.6	-68.2
Adjusted net debt	39,630.4	38,774.4	-2.2
Fair value of the real estate portfolio	81,971.4	84,448.2	3.0
Loans to other housing companies**	571.4	140.1	-75.5
Shares in other housing companies	615.9	771.7	25.3
Adjusted fair value of the real estate portfolio	83,158.7	85,360.0	2.6
LTV	47.7%	45.4%	-2.2 pp
Adjusted net debt	39,630.4	38,774.4	-2.2
Adjusted EBITDA Total***	2,625.1	2,800.8	6.7
Adjusted net debt/Adjusted EBITDA Total	15.1x	13.8x	-1.3x
Adjusted EBITDA Total***	2,625.1	2,800.8	6.7
Adjusted net financial result	-709.0	-739.9	4.4
ICR (Adj. EBITDA Total/Adj. financial result)	3.7x	3.8x	0.1x

* Incl. term deposits not classified as cash equivalents.

** Extension of inclusion to all housing companies (including housing construction and housing-related service companies). The adjustment was made to improve transparency.

*** Previous year's figure as reported in 2024.

Vonovia has undertaken to comply with the following standard market covenants (calculation based on the definitions in the financing documentation) in the context of its issuance of unsecured bonds and financing as well as its structured secured financing. Non-fulfillment of the agreed

financial covenants may have a negative effect on Vonovia's liquidity status. The financial covenants have been fulfilled as of the reporting date.

in € million	Threshold	Dec. 31, 2024	Dec. 31, 2025	Change in %*
Total financial debt		42,651.0	42,630.3	-0.0
Total assets		90,236.3	93,255.3	3.3
LTV	< 60.0%	47.3%	45.7%	-1.6 pp
Secured debt		13,204.7	13,355.2	1.1
Total assets		90,236.3	93,255.3	3.3
Secured LTV	< 45.0%	14.6%	14.3%	-0.3 pp
LTM Adjusted EBITDA		2,625.1	2,808.8	7.0
LTM Net Cash Interest		693.2	792.4	14.3
ICR	> 1.8x	3.8x	3.5x	-0.2x
Unencumbered assets		46,797.0	48,298.3	3.2
Unsecured debt		29,446.3	29,275.1	-0.6
Unencumbered assets	> 125.0%	158.9%	165.0%	6.1 pp

* Unless otherwise specified.

Economic Development of Vonovia SE

(Reporting on the basis of the German Commercial Code [HGB])

Foundation

Vonovia SE has been entered in the commercial register of Bochum Local Court under HRB 16879 since 2017. Vonovia SE was established as Deutsche Annington Immobilien GmbH on June 17, 1998, with its registered headquarters in Frankfurt am Main, to serve as an acquisition vehicle for the purchase of residential properties by financial investors.

Following its initial listing in 2013 and further successful acquisitions over the course of time, it now forms the **Vonovia Group** together with its subsidiaries and is one of the leading German, Austrian and Swedish residential real estate management companies. Following the successful integration of the BUWOG Group, Vonovia also ranks among the leading real estate developers in Germany and Austria. Deutsche Wohnen SE and its subsidiaries have also been part of the Vonovia Group since September 2021.

Vonovia SE performs the function of the **management holding company** within the Vonovia Group. In this function, it is responsible for determining and pursuing the overall strategy and implementing it in the form of the company's

goals. It performs property management, project development, financing, service and coordination tasks for the Group. Furthermore, it is responsible for the management, control and monitoring system as well as risk management. To carry out these management functions, Vonovia SE also maintains service companies to which it has outsourced selected functions, allowing it to realize corresponding harmonization and standardization effects, as well as economies of scale.

The description of the company's **net assets, financial position and results of operations** is based largely on the reporting of the Vonovia Group. The net assets, financial position and results of operations of Vonovia SE as the management holding company are ultimately determined by the assets of the Group companies and their ability to make sustainable positive contributions to earnings and generate positive cash flows. The company's risk profile is therefore largely the same as the Group's. The preceding reporting for the **Group** of Vonovia SE therefore also expresses the company's position.

The Vonovia SE **annual financial statements** have been prepared in accordance with the provisions of the German Commercial Code (HGB) taking into account the supplementary regulations of the German Stock Corporation Act (AktG) and the SE Regulation. As a listed company, Vonovia SE is classed as a large corporation.

The annual and consolidated financial statements as well as the combined management report are published in the business register.

Overview of Business Development in 2025

The **residential real estate sector** is still faced with complex overall conditions characterized by high demand for housing and homes that are in short supply, also due to an insufficient number of real estate development projects. Demand is being driven to a considerable degree by migration and sociological aspects, while supply is being influenced primarily by higher construction costs, regulatory issues related to construction, and interest rates.

Also in light of the current overall conditions, the successful **strategy** defined at the time of the company's IPO has been analyzed to identify the key value drivers and create a more targeted management system.

At the beginning of the 2025 fiscal year, the extraordinary Annual General Meetings of Vonovia SE and Deutsche Wohnen SE on January 24 and 23, 2025 approved the control and profit and loss transfer agreement between Vonovia SE and Deutsche Wohnen SE dated December 15, 2024. On June 30, 2025, a court settlement pursuant to Section 278 (6) of the German Code of Civil Procedure (ZPO) was reached with all of the parties involved in the action for annulment brought against the resolution passed by the extraordinary Annual General Meeting of Vonovia SE regarding the approval of the conclusion of the control and profit and loss transfer agreement, the creation of the 2025 conditional capital and the corresponding amendment of the Articles of Association to include an Article 6a, ending the action for annulment by court order. As the control and profit and loss transfer agreement took effect upon entry into the commercial register on August 1, 2025, Deutsche Wohnen SE will, in the future, transfer its total annual profit to Vonovia SE, or Vonovia SE will cover any losses incurred by Deutsche Wohnen SE. This profit and loss transfer obligation will apply for the first time to the fiscal year that is ongoing at the time the control and profit transfer agreement is entered into Deutsche Wohnen SE's commercial register.

Under the terms of the control and profit and loss transfer agreement, Vonovia SE undertakes to purchase shares from Deutsche Wohnen SE shareholders and exchange them for shares in Vonovia, with an exchange ratio of 1 : 0.7947. By December 31, a total of 15,842,652 shares in Deutsche Wohnen SE had been exchanged for 12,594,898 new shares in Vonovia SE as part of this transaction.

On September 30, 2024, Vonovia and Apollo agreed to establish a company that is to hold 20% of the shares in Deutsche Wohnen SE. In addition to Vonovia, with a 49% stake, long-term investors advised by Apollo are to hold a total stake of 51% in this company. Vonovia's cash inflow from this transaction amounts to around € 1 billion. The agreement was closed on July 29, 2025.

The operating **rental business** of Vonovia SE and its subsidiaries went largely to plan, and proved successful, in the 2025 fiscal year. While the Value-add segment closed 2025 better than planned, the results reported by the Development and Recurring Sales segments fell short of expectations. Vonovia was nevertheless able to report a satisfactory transaction volume in 2025, despite the difficult overall conditions.

The **nursing care activities** performed under the Deutsche Wohnen umbrella were subjected to a strategic analysis as part of the merger, with the outcome that these activities were no longer to be part of Deutsche Wohnen's strategy and, as a result, were to be sold. In the 2024 fiscal year, the nursing care activities under the Katharinenhof umbrella, encompassing 27 nursing care properties, were sold. A sales contract was signed in January 2025 for those nursing care activities under the "nursing and assisted living" umbrella.

The Annual General Meeting held on May 28, 2025, resolved to pay a **dividend** for the 2024 fiscal year in the amount of € 1.22 per share. As in previous years, shareholders were offered the option of choosing between being paid the dividend in cash or being granted new shares. During the subscription period, shareholders holding a total of 35.53% of the shares carrying dividend rights opted for the scrip dividend instead of the cash dividend. As a result, 12,768,562 new shares were issued using the company's authorized capital for a total of € 356,728,085.16. The total amount of the dividend distributed in cash therefore came to € 647,152,483.36.

Results of Operations of Vonovia SE

The company regularly generates **income** from the charging of the services it provides, from income from investments in the form of distributions from Group companies and income from the transfer of profits. Profit-and-loss transfer agreements exist indirectly with, among other entities, real estate holding companies and service companies, which themselves generate income by charging the real estate companies for the services they have provided.

The income from investments collected is based on the net profit of the subsidiaries that is eligible for distribution, which is, in turn, calculated based on the accounting standards set out in the German Commercial Code (HGB). The main difference between these standards and the IFRS Accounting Standards lies in the fact that, under IFRS accounting, the fair value principle has more of an impact than the cost principle and the realization principle do under HGB accounting.

Expenses relate largely to personnel and administrative expenses associated with the management holding function, as well as to losses to be compensated for in connection with profit-and-loss transfer agreements.

The **financial result** is characterized by group financing, impairment losses on non-current financial assets and the result from profit-and-loss transfer agreements.

Business development in 2025 and, as a result, the annual profit are once again dominated by special effects. These relate to higher income from profit transfers, lower loss transfers, the reversal of impairments on non-current financial assets and expenses linked to structuring measures. As a result, Vonovia SE closed the 2025 fiscal year with net income of € 505.8 million.

If other operating income is adjusted to reflect the gains from the reversal of impairment losses in the amount of € 4.1 million (previous year: € 850.5 million) and other operating expenses are adjusted to reflect structuring measures of € 63.5 million (previous year: € 146.2 million), then the **result before financial result and tax** came to € 77.5 million, down by around € 31.6 million on the prior-year figure of € 45.9 million.

To improve comparability of operating trends, gross profit is adjusted for reversals of impairment losses as special effects, which amounted to a total of € 4.1 million in fiscal year 2025 (previous year: € 850.5 million).

The gross profit adjusted for reversals of impairment losses decreased from €146.1 million to €120.5 million in fiscal year 2025 compared to the previous year, representing a decline of €25.6 million on the prior-year figure.

Compared to the previous year, the **result from profit transfer and loss compensation** increased by € 680.8 million to € 1,282.5 million (previous year: € 601.7 million).

The balance of other interest income and similar income as well as interest expenses and similar expenses deteriorated by € 26.0 million from € -752.4 million to € -778.4 million during fiscal year 2025. This was primarily due to higher interest expenses to third parties as a result of increased bond volumes.

Revenue increased by € 17.9 million from € 263.6 million in 2024 to € 281.5 million in the past year due to higher fees charged under agency agreements. This also fueled an increase in the cost of materials from purchased services.

Other operating income fell by around € 878.0 million to € 28.2 million (previous year: € 906.2 million). Write-ups on shares in affiliated companies in the amount of € 4.1 million (previous year: € 850.5 million) were recognized within other operating income in the fiscal year. This item also includes income from repayment waivers in the amount of € 3.5 million (previous year: € 31.8 million). This decline is primarily attributable to changes in the subsidy landscape. In the past, Vonovia applied for low-interest loans with repayment grants for energy-efficient modernizations and new constructions, particularly through KfW subsidy programs. However, these programs are no longer available.

Expenses for purchased services increased by € 19.8 million, largely in line with the higher fees charged due to an increase in internally purchased services in the context of the integration of the Deutsche Wohnen Group.

Personnel expenses increased by € 7.1 million in 2025, climbing from € 39.8 million to € 46.9 million in the current

fiscal year, primarily due to higher additions to provisions for the Long-term Incentive Plan (LTIP), additions to provisions for pensions, and provisions for special payments.

Other operating expenses fell by € 76.7 million from € 338.3 million in the previous year to € 261.6 million. This drop can be attributed primarily to lower expenses in connection with restructuring measures. These declined from € 146.2 million in the previous year by € 82.7 million to € 63.5 million in fiscal year 2025. In addition to the declining expenses for restructuring measures, expenses from repayment waivers also decreased compared with the previous year, falling by € 25.9 million to € 3.3 million (previous year: € 29.2 million).

Expenses from repayment waivers decreased in line with income from repayment waivers, as the KfW loans centrally raised by Vonovia SE are passed on to subsidy-eligible subsidiaries.

The **financial result** improved by € 561.0 million to total net income of € 656.3 million. This can be explained largely by the marked improvement in **income from profit-and-loss transfer agreements** resulting from profits at subsidiaries fueled by effects associated with write-ups and the sale of shares in affiliated companies.

Tax in 2025 came to tax income of € 49.3 million compared with a tax expense of € -38.6 million in 2024. Taxes in the fiscal year under review include deferred tax income of € 88.2 million (previous year: tax expense of € -27.3 million). This is primarily due to the assumption of deferred taxes of Deutsche Wohnen SE owing to the conclusion of the control and profit and loss transfer agreement between the companies in 2025.

Vonovia SE closed the 2025 fiscal year with **net income** of € 505,755,362.92. 5% or € 25,287,768.15 of this net income for the year is allocated to the **legal reserve** in accordance with Section 150 (2) AktG. After offsetting the remaining amount of € 480,467,594.77 against the **profit carried forward** from the prior year of € 96,119,431.50, the Management Board withdrew a further € 548,412,973.73 from capital reserves, resulting in a **net profit** for the 2025 fiscal year of € 1,125,000,000.00.

The Management Board and the Supervisory Board propose to the Annual General Meeting that, of the profit of Vonovia SE for the 2025 fiscal year of € 1,125,000,000.00, an amount of € 1,060,270,481.250 on the 848,216,385 shares of the share capital as of December 31, 2025 (corresponding to **€ 1.25 per share**) be paid as a **dividend** to the shareholders, and that the remaining amount of € 64,729,518.75 be carried forward to the new account or be used for other dividends on shares carrying dividend rights at the time of the Annual General

Meeting and which go beyond those as of December 31, 2025.

Income Statement

in € million	2024	2025
Revenues	263.6	281.5
Other operating income	906.1	28.2
Cost of purchased services	-165.3	-185.1
Personnel expenses	-39.8	-46.9
Amortization and impairment of intangible assets and depreciation and impairment of property, plant and equipment	-15.1	-16.0
Other operating expenses	-338.3	-261.6
Loss (profit) before financial result and tax	611.2	-199.9
Income from profit transfer	757.6	1,409.9
Income from investments	33.5	31.1
Write-down of financial assets	-4.5	-85.3
Income from other non-current securities and non-current loans	217.0	206.3
Interest and similar income	171.2	185.9
Expense from the assumption of losses	-155.9	-127.4
Interest and similar expense	-923.6	-964.3
Financial result	95.3	656.3
Tax	-38.6	49.3
Net income	667.9	505.8

Net Assets and Financial Position of Vonovia SE

On September 30, 2024, the company reached an agreement with Apollo Capital Management L.P. to establish a company that is to hold 20% of the shares in Deutsche Wohnen SE. The company, Delphinus SubCo GmbH, was established and 20% of the shares in Deutsche Wohnen SE sold in the 2024 fiscal year.

In the third quarter of 2025, an indirect sale of 51% of the shares in Delphinus SubCo GmbH to Apollo Capital Management L.P. was completed for a purchase price of approximately € 1.0 billion. The shares in Delphinus SubCo GmbH were then reclassified from shares in affiliated companies to non-current equity investments in the course of the 2025 fiscal year.

As the control and profit and loss transfer agreement between Vonovia SE and Deutsche Wohnen SE took effect upon entry into the commercial register on August 1, 2025, Deutsche Wohnen SE will, in the future, transfer its total annual profit to Vonovia SE, or Vonovia SE will cover any losses incurred by Deutsche Wohnen SE. This obligation to

transfer profits and assume losses shall apply for the first time in the 2025 fiscal year.

This process involved Vonovia making an offer to external shareholders of Deutsche Wohnen SE to acquire their shares in return for compensation in the form of newly issued shares in Vonovia SE.

By December 31, 2025, 15,842,652 shares in Deutsche Wohnen SE had been exchanged for 12,594,898 new shares in Vonovia SE as part of the exchange offer. This corresponds to 4.0% of the share capital of Deutsche Wohnen. This reduced shares in affiliated companies by € 388.4 million.

The company's **assets, liabilities and financial position** are characterized by net receivables from, and loans and liabilities to, affiliated companies amounting to € 2,034.2 million in favor of Vonovia SE, debt financing of € 30.8 billion and shares in affiliated companies of € 31.0 billion. The company's **non-current assets** in the amount of € 39,651.4 million (December 31, 2024: € 39,622.6 million) are largely characterized by non-current financial assets in the amount of € 39,615.0 million (December 31, 2024: € 39,593.0 million).

Within **other securities under current assets**, the investment associated with a commercial paper program in the amount of € 150.0 million (previous year: € 0.0 million) is reported. All in all, the increase in cash and cash equivalents can be traced back to more stringent requirements regarding the minimum liquidity that the company has to keep available.

Provisions came to € 566.1 million at the end of the year (December 31, 2024: € 315.7 million), with € 102.1 million attributable to provisions for pensions (December 31, 2024: € 101.1 million) and € 63.2 million attributable to tax provisions (December 31, 2024: € 39.9 million). Other provisions were up by € 226.2 million, mainly due to the provision for cash settlement options from conversion rights in the amount of € 143.7 million (December 31, 2024: € 0.0 million) and the recognition of provisions for restructuring measures in the amount of € 163.9 million (December 31, 2024: € 96.7 million).

Total equity had increased by € 247.0 million to € 4,871.2 million by the end of the fiscal year. This was due, on the one hand, to the profit for the period amounting to € 505.8 million less the cash dividend of € 647.2 million. On the other hand, the issuance of new shares from the conditional capital increase as part of the exchange of Deutsche Wohnen SE shares contributed € 388.4 million to the increase in equity.

The € 1,001.5 million increase in **bonds** to € 23,789.5 million at the end of 2025 is due primarily to the placement of two convertible bonds with a total volume of € 1.3 billion on May 13, 2025. The first bond in the amount of € 650.0 million will mature in May 2030 and does not bear any periodic interest. The second bond – also with a volume of € 650.0 million – will fall due in May 2032 and has a coupon rate of 0.875% p.a. The first convertible bond can be converted into shares in Vonovia as of November 21, 2029, and the second convertible bond as of November 21, 2031.

As part of the initial recognition process, a discount of € 143.7 million was capitalized, with the opposite effect, for the conversion right, which corresponds to the difference between the settlement amount of the liability and the amount paid out, which is attributable to the pure bond. This discount will be reversed gradually, affecting net income, over the bond term. An amount of € 14.3 million was reversed, affecting net income, in the reporting period, such that the remaining discount, as a prepaid expense, still amounts to € 129.4 million (recognized within other receivables and other assets).

Employees of Vonovia SE

In the 2025 fiscal year, an average of 136 employees (2024: 154) were employed at the company, 127 of whom were full-time employees and nine of whom were part-time.

Opportunities and Risks for Vonovia SE

The likely development of Vonovia SE in the 2025 fiscal year depends to a considerable extent on the development of the Group as a whole and its opportunity and risk situation. This situation is set out in the Group's opportunity and risk report, meaning that the statements set out there in regard to the opportunity and risk situation of the Group also apply to the annual financial statements of Vonovia SE prepared in accordance with German commercial law, where the risks can have an impact on the valuation of long-term financial assets and on the amount of the results of subsidiaries collected/compensated for.

Assets

in € million	Dec. 31, 2024	Dec. 31, 2025	in € million	Dec. 31, 2024	Dec. 31, 2025
Assets			Equity and liabilities		
Financial assets	39,593.0	39,615.0	Equity	4,624.2	4,871.2
Other assets	29.6	36.4	Provisions	315.7	566.1
Receivables from affiliated companies	1,357.8	1,738.1	Loans	22,788.0	23,789.5
Other receivables and assets	127.3	453.6	Liabilities to banks	6,655.4	6,739.3
	-	-	Liabilities to affiliated companies	6,587.2	7,010.1
Cash and cash equivalents	777.8	2,076.6	Other liabilities	915.0	943.4
Total assets	41,885.5	43,919.6	Total equity and liabilities	41,885.5	43,919.6

Significant Events After the Balance Sheet Date

In November 2025, a nominal outstanding volume of EMTN bonds, amounting to € 559.6 million, was repurchased. The remaining nominal volume of approximately € 217 million was called early in December 2025 and repaid on January 15, 2026.

On January 23, 2026, Vonovia issued a bond of CHF 150.0 million (approximately € 160 million) with a term of 8.75 years and a coupon of 1.5516% (3.797% after currency hedging).

On February 5, 2026, Vonovia issued a bond denominated in Swedish krona of SEK 1,500 million (approximately € 140 million) in three tranches with maturities of 3 and 5 years. Two tranches are floating rate, and Vonovia pays a fixed coupon of 3.052% for the 3-year maturity and 3.53% for the 5-year maturity after currency hedging. The third tranche, with a 5-year term, carries an originally fixed coupon of 3.504%.

On January 30, 2026, Vonovia entered into a bilateral credit line agreement with Skandinaviska Enskilda Banken (SEB) and Swedbank for € 200.0 million with a 2-year term (including extension options).

On February 18, 2026, Vonovia concluded a private placement of JPY 10,000.0 million (approximately € 54 million) with a 10-year term. The coupon is 2.94% or 4.08% after currency hedging.

Forecast for Vonovia SE

Since the company's net assets, financial position and results of operations are determined solely by the ability of the Group companies to make positive earnings contributions and generate positive cash flows in the long term, we refer at this point to the Forecast Report for the Group. The most important financial performance indicator for the annual financial statements of Vonovia SE is the annual result.

The company's result for 2025 is influenced to a significant degree by special effects due to impairment losses, and the reversal of impairments recognized on investments and shares in affiliated companies. Without taking these special effects into account, Vonovia would report an adjusted operating loss running into the mid-double-digit millions for 2025, in line with the company's forecast.

The results for the 2026 fiscal year will once again be characterized by the results of subsidiaries collected/compensated for on the basis of income from investments and profit-and-loss transfer agreements, income from services, personnel and administrative expenses, and the financial result.

All in all, we expect the company to report a net loss in the mid-double-digit million range in the 2026 fiscal year, excluding special effects. For the transferred result of Deutsche Wohnen SE, the company expects an amount in the low double-digit million range.

Statement of the Management Board on the Economic Situation

The net assets, financial position and results of operations of the company are positive, particularly given the solid financing, the resulting balanced maturity profile and the financing flexibility gained through the rating-backed bond financing with a view to both organic and external growth. The ongoing improvements to the property management processes, the expansion of the Value-add segment, Recurring Sales and a value-adding development business promote ongoing improvements in profitability and enterprise value. Developments in Germany are complemented by equally positive developments in Sweden and Austria.

Forecast Report

2026 Outlook

The forecast was based on the accounting principles used in the consolidated financial statements, with the adjustments described elsewhere in the management report being made. The forecast does not take account of any larger acquisitions of real estate portfolios.

The forecast for the 2026 fiscal year is based on corporate planning determined and updated for the Vonovia Group as a whole, and considers current business developments as well as possible opportunities and risks. It also includes the material macroeconomic developments and the economic factors that are relevant to the real estate industry and Vonovia's corporate strategy. Further information is provided in the sections entitled → **Development of the Economy and the Industry** and → **Fundamental Information About the Group**. Beyond this, the Group's further development remains exposed to general opportunities and risks (see → **Opportunities and Risks**).

We expect the price increases on the construction and commodity markets, in particular, to continue to have a moderate impact on Vonovia and our customers. While these will have a direct impact on ancillary expenses, they will also have an indirect effect on all areas of the economy due to general price increases. We also expect prices for construction materials to remain high, which will affect our construction projects as well. Unchanged high interest rates and inflation are creating increased volatility on the equity and debt capital markets. The evaluation of the regulatory framework regarding tenancy law, energy/modernization and new construction is based on regular monitoring as well as active dialogue with stakeholders from politics and business; at present, we do not expect to see any negative impact on the business development forecast for the 2026 fiscal year.

We are also keeping an eye on the potential effects of U.S. trade policy and the associated implications of a growing recession on interest rates, construction costs and the availability of skilled workers. The Iran conflict is leading to additional uncertainties for our customers, investors, and other capital providers. However, we currently see no direct impact of the Iran conflict on Vonovia's expected business development. Indirect effects, such as increasing energy prices, inflation, interest rate developments, as well as other impacts on the capital markets, are currently not assessable but are being actively observed. We therefore assess the overall economic situation and developments on an ongoing basis, particularly with regard to the return requirements for investment and divestment decisions.

The EBITDA contribution for our core **Rental** business is expected to be slightly higher than the previous year's level. In a year-on-year comparison, organic rent increases and associated higher rental income will have more of an impact than rent losses stemming from sales resulting in a smaller portfolio. For the **Value-add** segment, we expect the EBITDA contribution for 2026 to be significantly above the previous year's level. The expected additional earnings contributions from increased investment activity in our craftsmen's organisation and rising earnings contributions from the energy business are decisive here. In the sales-related segments, we anticipate a market recovery and associated rising price expectations. For the **Recurring Sales** segment in Germany, we are expecting higher demand on the transaction market resulting in higher margins and sales volume and thus in a very strong increase in Adjusted EBITDA. For the **Development** segment, we forecast an EBITDA contribution significantly above the previous year's level, with the expected increase in demand for newly built condominiums more than offsetting the very positive result from the sale of undeveloped land in the previous year. At Group level, for 2026 we therefore expect to see an **Adjusted EBITDA Total** that is moderately higher than in the previous year.

The rise in interest rates since 2022 is resulting in a marked increase in borrowing costs and the associated negative adjusted net financial result. With a moderate increase in

depreciation and amortization due to greater investment in property, plant and equipment (particularly photovoltaic systems) we therefore anticipate that **Adjusted EBT** will be slightly higher than the previous year's level.

We also expect **operating free cash flow** before changes in net working capital to remain at the previous year's level.

Due in particular to heavier investment in our existing portfolio, we expect our investment activity to increase in 2026. In addition, we expect the value of our company to increase further and, as a result, predict a slight increase in **EPRA NTA per share**, before taking into consideration any further market-related changes in property values, which

also corresponds to our expectation for the 2025 financial year compared to the 2024 financial year. The EPRA NTA per share as of 31 December 2025 is €46.28, compared to €45.23 as of 31 December 2024.

The values for the individual weighted targets for the 2026 fiscal year produce a standardized forecast of 100% for the **Sustainability Performance Index**.

The table below provides an overview of the development of the performance indicators forecast for 2025, their target achievement level in the 2025 fiscal year as well as a forecast for the 2026 fiscal year.

	Actual 2024	Forecast for 2025	Forecast for 2025 in the 2025 Q3 Report	Actual 2025	Forecast for 2026
Adjusted EBITDA Total (continuing operations) in € million	2,641.8	€ 2.70-2.80 billion	Around € 2.8 billion	2,800.8	€ 2.95-3.05 billion
Adjusted EBT (continuing operations) in € million	1,816.3	€ 1.75-1.85 billion	Around € 1.9 billion	1,904.3	€ 1.9-2.0 billion
Operating Free Cash-Flow*	1,832.2	Moderately below previous year**	Slightly below previous year's level**	1,778.5	At previous year's level**
Sustainability Performance Index (SPI) in %	104	100	>100	106	-100
Rental income in € million	3,323.5	€ 3.3-3.4 billion	Around € 3.4 billion	3,417.2	€ 3.45-3.55 billion
Organic rent growth in %	4.1	-4	-4.1	4.1	-4.2

* In accordance with the current definition of key figures including intragroup profits/losses and specification of net working capital.

** Before taking into account changes in net working capital Development to sell/Manage to Green.

Further Statutory Disclosures

Corporate Governance

In the corporate governance declaration, we report on the principles of management and corporate governance in accordance with Principle 23 of the German Corporate Governance Code and Section 289f et seq. of the German Commercial Code (HGB). The declaration contains the Declaration of Conformity, information on corporate governance practices, a description of how the Management Board and Supervisory Board work and key corporate governance structures. The corporate governance declaration, which is not included in the audit conducted by the auditor of the annual financial statements pursuant to Section 317 (2) (6) HGB, has been published on the [Investor Relations website](#) and is an unaudited part of the management report.

Corporate governance is the responsible management and supervision of a company.

With balanced corporate governance, the Management Board and the Supervisory Board wish to safeguard Vonovia SE's competitiveness, strengthen the trust of the capital market and the general public in the company and sustainably increase the company's value.

As a major real estate company, we are aware of the particular significance of our entrepreneurial actions for society at large.

The Management Board has looked at the appropriateness of the internal control system that has been set up and has evaluated its effectiveness. Within this context, the Management Board verified, also based on discussions with the Internal Audit department, that the technical and organizational safeguards put in place for control purposes are suitable for the purposes of ensuring that the company is protected from material damage resulting from financial losses, fraudulent acts or mismanagement in all key matters. This verification was based on the German Corporate Governance Code in its most recent version from 2022, among other things. Ultimately, the Management Board has

no reason to believe that the internal control system is not appropriate and effective in all key aspects.

Based on findings from internal or external audits, we make continuous improvements to our internal control system. Another component of our internal control system is regular monitoring, on the basis of which any weak points identified are eliminated. Optimization potential identified as part of an extensive internal investigation on the basis of the investigations against individuals who are largely former employees, of which Vonovia was notified on March 7, 2023, has since been implemented. The findings of the internal investigation also reveal that collusion between the defendants meant that otherwise effective control mechanisms were circumvented.*

Subscribed Capital and Shares

The share capital of Vonovia SE as of December 31, 2025 amounted to € 848.2 million (previous year: € 822.8 million), divided into 848,216,385 no-par-value shares with a notional interest in the share capital of € 1.00 per share. All shares carry the same rights and obligations. Each share grants one vote at the Annual General Meeting and is decisive for the share held by shareholders in the company's profits. The rights and obligations of the shareholders result in detail from the provisions of the German Stock Corporation Act (AktG), in particular from Article 9 (1c) (ii) of the SE Regulation in conjunction with Sections 12, 53a et seq., 118 et seq. and 186 AktG. There are no shares with special rights conferring powers of control.

* The content of this and the previous paragraph - in particular the statement on the appropriateness and effectiveness of the internal control system - does not form part of the statutory audit of the annual and consolidated financial statements, meaning that it has not been audited.

Shareholdings in the Capital Exceeding 10.0% of the Voting Rights

Pursuant to Section 33 (1) of the German Securities Trading Act (WpHG), shareholders who exceed or fall below the threshold of 10.0% of the voting rights of a listed company, among other criteria, must notify the company and the German Federal Financial Supervisory Authority (BaFin) without delay. These notifications are published by Vonovia SE in accordance with Section 40 WpHG. Direct or indirect shareholdings in the share capital of Vonovia SE that exceed the threshold of 10.0% of the voting rights have been reported by Norges Bank, which has its registered office in Oslo. As of December 31, 2025, Norges Bank had a direct shareholding of 14%.

Authority of the Management Board to Issue or Repurchase Shares

At the Annual General Meeting on May 28, 2025, a resolution was passed to cancel the 2022 authorized capital after using it for the scrip dividend and create new 2025 authorized capital in the amount of € 246,855,877.00; pursuant to the resolution, the Management Board is authorized, in accordance with Article 5 of the Articles of Association, to raise equity once or multiple times until May 27, 2030 by issuing up to 246,855,877 new no-par-value registered shares ("2025 authorized capital").

On June 23, 2025, the Management Board made use of this authorization to use the 2022 authorized capital, with the consent of the Supervisory Board, to issue 12,768,562 shares in return for the contribution of dividend entitlements (scrip dividend) and increased the share capital by € 12.7 million to € 835.6 million.

"2025 conditional capital" was created for the purpose of compensation by way of shares of Vonovia SE to the external shareholders of Deutsche Wohnen SE in accordance with the provisions of the control and profit and loss transfer agreement between Vonovia SE and Deutsche Wohnen SE dated December 15, 2024. The share capital is conditionally increased by up to € 55,000,000.00 through the issuance of up to 55,000,000 new no-par-value registered shares with an entitlement to dividend.

15,842,652 Deutsche Wohnen SE shares were submitted in the 2025 fiscal year. In accordance with the exchange ratio, the company created 12,594,898 shares in Vonovia SE from the 2025 conditional capital and distributed them on a pro rata basis to Deutsche Wohnen SE shareholders. The remaining 2025 conditional capital is therefore € 42,405,102.00.

In order to serve the authorization, passed by the Annual General Meeting of April 16, 2021 and reduced by resolution of the Annual General Meeting of May 28, 2025, to issue convertible bonds, bonds carrying option rights, participating rights, and participating bonds, "2021 conditional capital" was created. The share capital is conditionally increased by resolution of the Annual General Meeting on May 28, 2025, by up to € 57,525,732.00 through the issuance of up to 57,525,732 new no-par-value registered shares with an entitlement to dividend. The conditional capital increase shall only be carried out to the extent that the owners (i.e., creditors) of the debt instruments stipulated in the capital increase resolution on 2021 conditional capital make use of their conversion right/meet conversion obligations, or to the extent that the company grants shares in the company instead of paying the monetary amount due and to the extent that the conversion rights are not satisfied in any other way.

Furthermore, in order to service the authorization, adopted by the Annual General Meeting of May 28, 2025, to issue convertible bonds, bonds carrying option rights, participating rights and participating bonds, new conditional capital, i.e., "2025 II conditional capital" was created. For this purpose, by resolution of this Annual General Meeting, the share capital is conditionally increased by up to € 164,570,585.00 through the issuing of 164,570,585 new no-par-value registered shares carrying dividend rights. The conditional capital increase shall only be carried out to the extent that the owners (i.e., creditors) of the debt instruments stipulated in the capital increase resolution on 2025 II conditional capital make use of their conversion right/meet conversion obligations, or to the extent that the company grants shares in the company instead of paying the monetary amount due and to the extent that the conversion rights are not satisfied in any other way.

The authority to acquire own shares is based on Article 9 (1c) (ii) SE Regulation (SE-VO) in conjunction with Sections 71 et seq. AktG and as of the balance sheet date from the authorization by the Annual General Meeting dated April 29, 2022. The Management Board is authorized, with the approval of the Supervisory Board, until April 28, 2027 to acquire and use own shares in the company up to a total of 10% of the share capital of the company existing at the time of the resolution or – if this value is lower – at the time the authorization is exercised, in accordance with the conditions granted, while observing the principle of equal treatment (Article 9 (1c) (ii) of the SE Regulation in conjunction with Section 53a AktG). The shares acquired on the basis of this authorization, together with other shares in the company that it has already acquired and still holds or that are attributable to it in accordance with Sections 71a et seq. AktG, may at no time exceed 10% of the respective share capital of the company.

Appointment and Removal from Office of Members of the Management Board and Amendments to the Articles of Association

Members of the Management Board are appointed and removed from office by the Supervisory Board in accordance with Article 9 (1), Article 39 (2) SE Regulation and Sections 84 and 85 AktG. The Supervisory Board appoints members of the Management Board for a maximum period of six years in accordance with the Articles of Association of Vonovia SE. Reappointment or extension of the term of office, in each case for a maximum of six years, is permissible. The Articles of Association of Vonovia SE further stipulate in Section 8 (1) that the Management Board shall consist of at least two members. It may appoint a member of the Management Board as Chairperson of the Management Board and a Deputy Chairperson.

Pursuant to Article 59 of the SE Regulation, the Annual General Meeting adopts resolutions on amendments to the Articles of Association. In accordance with Article 17 (4) of the Articles of Association, amendments to the Articles of Association require a majority of two thirds of the votes cast or, if at least half of the share capital is represented, a simple majority of the votes cast, unless mandatory statutory provisions require a different majority.

Change of Control Clauses and Compensation Agreements in the Event of a Takeover Bid

The main agreements of Vonovia SE that are subject to a change of control relate primarily to financing agreements. In the event of a change of control, these provide for the right of termination and early repayment on the part of the lender, as is customary. Under certain circumstances, a change of control would have an impact on the bonds, promissory note loans and mortgages issued by Vonovia SE and on the existing credit lines and loan agreements concluded by Vonovia SE or Group companies with banks. The relevant terms and conditions comprise standard market agreements that grant the creditors the right of early termination or conversion in the event of a change of control pursuant to these terms and conditions.

Bochum, March 16, 2026

The Management Board



Luka Mucic
(CEO)



Arnd Fittkau
(CRO)



Philip Grosse
(CFO)



Daniel Riedl
(CDO)



Ruth Werhahn
(CHRO)