

Dear readers,

2022 was a turbulent year: Global politics focused on the Russian invasion of Ukraine. European politics concentrated on shaking off Europe's dependency on Russian natural gas and tackling the rapidly rising cost of energy. In Germany, the government turned its attention to solutions aimed at balancing climate protection and affordability in housing. And last but not least, we had the financial markets: In reaction to skyrocketing prices, the central banks initiated interest rates changes that were unprecedented in their momentum. As you can imagine, we observed these developments in our company with bated breath.

Nevertheless, we have remained on track. We remain at our customers' side and keep a close eye on our climate targets. Only with regard to further new construction projects did we take our foot from the gas for the time being. It is our aim to provide affordable homes, and we can only do that if our construction work is economical.

However, in some ways, the past year has confirmed our intrinsic value. By this I mean the intrinsic value of our sustainable business model: We continue to provide our customers with affordable homes and support them when times get tough. We invest large sums in our property portfolio, thereby securing the implementation of our social targets.

We do what we can to contribute to solutions aimed at tackling the social challenges of our times. And even though we're not progressing as quickly as we would like under the current circumstances, we are using this time to develop our company intensively in other areas – in the field of digitalization, renewable energy production, and climate-friendly housing construction methods. We are also preparing numerous neighborhood development projects so that we can get straight to work once the economic situation has improved.

Without a doubt, one particular highlight in 2022 was our dialogue series with the motto "Perspectives on the Future of Construction." In March, we brought representatives from the fields of industry, research and politics together to discuss new possibilities for sustainable construction. In the months after these discussions, we followed up with workshops and then combined and discussed the findings in a trade conference with 300 participants. Communicating with one another and coming up with specific solutions together: This is how we will achieve progress.

In 2022, we expanded our climate path to include the housing stock of Deutsche Wohnen. This has changed the parameters but not our objective of achieving a virtually climate-neutral housing stock by 2045. Thanks to our continuous investment in our portfolio, more than 35% of our German housing portfolio now has an energy efficiency standard of C or higher and our CO₂ intensity is 33 kg CO₂e/m², and we were able to keep the average cost passed on for modernization work at € 1.20/m² last year. This puts us significantly below the legally permissible level.

We are also pushing ahead with the expansion of renewable energies, with Deutsche Wohnen joining our photovoltaic program, for instance. We are now aiming to install equipment with a total output of more than 280 MWp by 2030; this equates to an increase of 40%. And we are also looking at other options, such as heating pumps and district heating to achieve our environmental goals – and for the benefit of our customers who rely on affordable energy.

I also place value on the fact that we provide homes for everyone in society. We do not exclude anyone. Almost every tenth new rental agreement in the past year was entered into with Ukrainian citizens and almost every third newly rented out home is adapted to meet the needs of an aging society. We have also expanded hardship management and our special promise to people over the age of 70 to the Deutsche Wohnen portfolio. These are both important signals that show our determination to be there for people.

I'm delighted that our customers recognize our efforts: Customer satisfaction – which we measure several times a year through independent surveys – improved by 1.3% on average over the year. This puts satisfaction at an all-time high. And we have put great effort into achieving this result – with our customer service, on-site presence and the constant improvement in our services.

Internally, 2022 was a year of growing together. Petrol and blue, Vonovia and Deutsche Wohnen are coming together more and more each day, growing into a large, diverse and functional team. Each and every one of us is getting to know new people, making new experiences and exploring new possibilities.

This diversity increases our appeal as an employer: In 2022, we took on 2,100 new employees, with an above-average ratio of 5.2% with regard to training. Anyone who joins our company will experience modern human capital development. Ongoing training and education, talent promotion and fair remuneration and extensive social benefits to promote employee loyalty are extremely important to us.

Let me take this opportunity to come back to a recent event: The authorities conducted investigations on our premises in March 2023. It would seem that some employees of our subsidiaries accepted bribes with a detrimental impact on Vonovia. You can rest assured that we will be clarifying these incidents in full.

When you begin reading this report, you will also see that we have also developed our reporting: The merger has led to us combining our materiality analyses and the strategically relevant topics identified in the analyses. In addition, our data collection is also improving continuously and with it the quality of data.

If you have any questions that are not covered in this report, please feel free to contact us. I would like to encourage you to follow our work throughout the year. Perhaps one or two of the projects we feature on our website will inspire you to take action in your own everyday life. After all, sustainable action is most effective when a large number of people work together.

I hope you enjoy reading this report!

Bochum, April 2023

Yours,

A handwritten signature in black ink, appearing to read 'Rolf Buch', written in a cursive style.

Rolf Buch

Sustainability at Vonovia

Our Five Action Areas at a Glance

We critically reviewed our main sustainability topics in the reporting year in light of the merger with Deutsche Wohnen, the consolidated reporting and new and amended conditions and regulations. We identified a total of ten material and 14 important topics that we specifically address in our sustainability strategy. We have allocated these topics to **five different action areas**, which in turn serve as the basis for our sustainability reporting process.

> The **Environment and Climate** action area pursues the aim of reducing carbon in the real estate portfolio and sustainable construction and refurbishment.

- > In our **Society and Contribution to Urban Development** action area, we are committed to creating neighborhoods that are a pleasure to live in.
- > Our **Homes and Customers** action area focuses on our efforts to provide attractive housing for our tenants.
- > This is made possible by our diverse and creative workforce, whose needs are taken into account in the action area **Corporate Culture and Employees**.
- > The **Sustainable Governance and Responsible Business Practices** action area stipulates the guidelines and principles of our corporate governance and compliance and ensures our sustainable and long-term success on the capital market for our future viability.



We create neighborhoods for harmonious coexistence.

> Society and Contribution to Urban Development



We are committed to diversity, team spirit and new ways of thinking.

> Corporate Culture and Employees



We offer housing for all.

> Homes and Customers



We will be climate neutral by 2045 and our new builds will be increasingly more sustainable.

> Environment and Climate



We take responsibility and conduct our business successfully and sustainably.

> Sustainable Governance and Responsible Business Practices

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Vonovia is committed to providing attractive living space at an affordable price. By doing this, we are acting in the interest of society and working towards ensuring a sustainable future for the housing industry. We implement holistic measures to respond to ever-changing environmental, business and political requirements and meet our tenant's needs. These cover a wide ranges of areas, such as expanding the use of renewable energies, fostering a healthy corporate culture and securing our appeal on the capital market.

REFERENCES

→ to page(s) in the report

🌐 Website

Indicators
GRI 2-7
UNGC Principle 1
SASB IF-RE-410a.1

NOTE

For computational reasons, rounding differences may occur in tables and in explanations compared to the precise values recorded (euros, percent, etc.).

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Vonovia in the Context of Current Trends and Developments

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

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

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

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

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

VONOVIA SE AT A GLANCE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Vonovia in Figures

(December 31, 2022)

GRI 2-2

548,524

own apartments

€ 6.257 billion

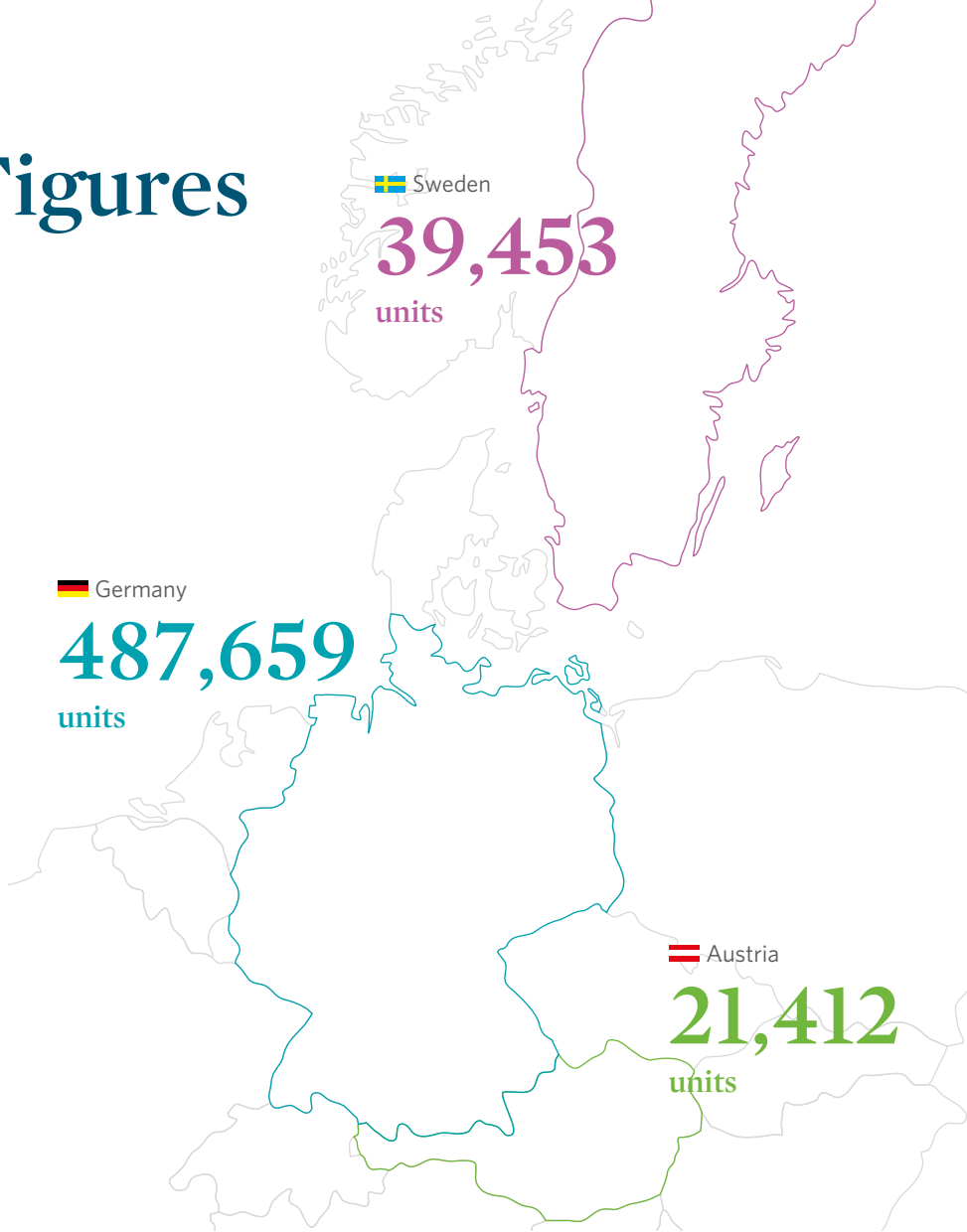
Total Segment Revenue

€ 2.763 billion

adjusted EBITDA

15,915

employees



New apartments built in 2022

Total: 3,749



Average rent

€ 7.49/m²



Average apartment size

G: approx. 61 m² / A: 74 m² / S: 71 m²



Total living area

34,386,000 m²



Commercial properties

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

G: Germany
A: Austria
S: Sweden

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

Our Approach to Sustainable Development in Detail

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

Integration of Sustainability into the Corporate Strategy

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

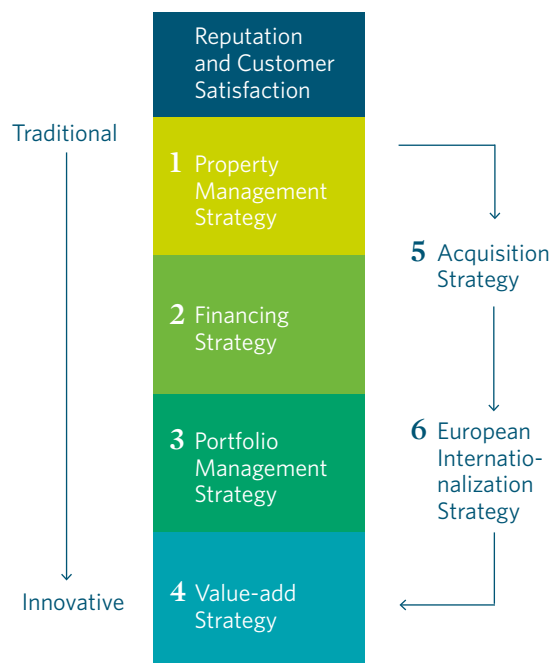
The strategy Vonovia introduced **at the time of its IPO** has reached a high **degree of maturity** and has proven its viability and flexibility. Customer satisfaction has improved significantly, and new demands and new business models have been successfully established. This strategy still consists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

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

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

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

The 4+2 Pillars of Our Strategy



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

Aspects of Sustainability at Vonovia



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

- > Contribution to climate protection and reducing CO₂ in both the housing stock and new construction **(E)**
- > Taking on social responsibility for our tenants, customers and employees **(S)**
- > Reliable, transparent and trust-based corporate governance **(G)**

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

Aspects of Sustainability at Vonovia

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

This specifically means that:

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

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

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

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

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

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

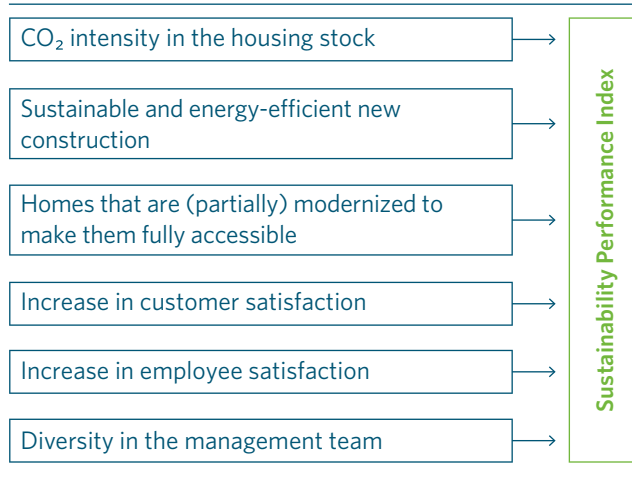
1. Outside-in perspective: the relevance and impact of social and environmental changes on the business and on value creation
2. Inside-out perspective: the impact and relevance of the business model and company activities on the environment and society

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

Managing Sustainability

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

Vonovia’s Financial and Non-financial Key Performance Indicators



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

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

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

Organizational Establishment in the Company

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

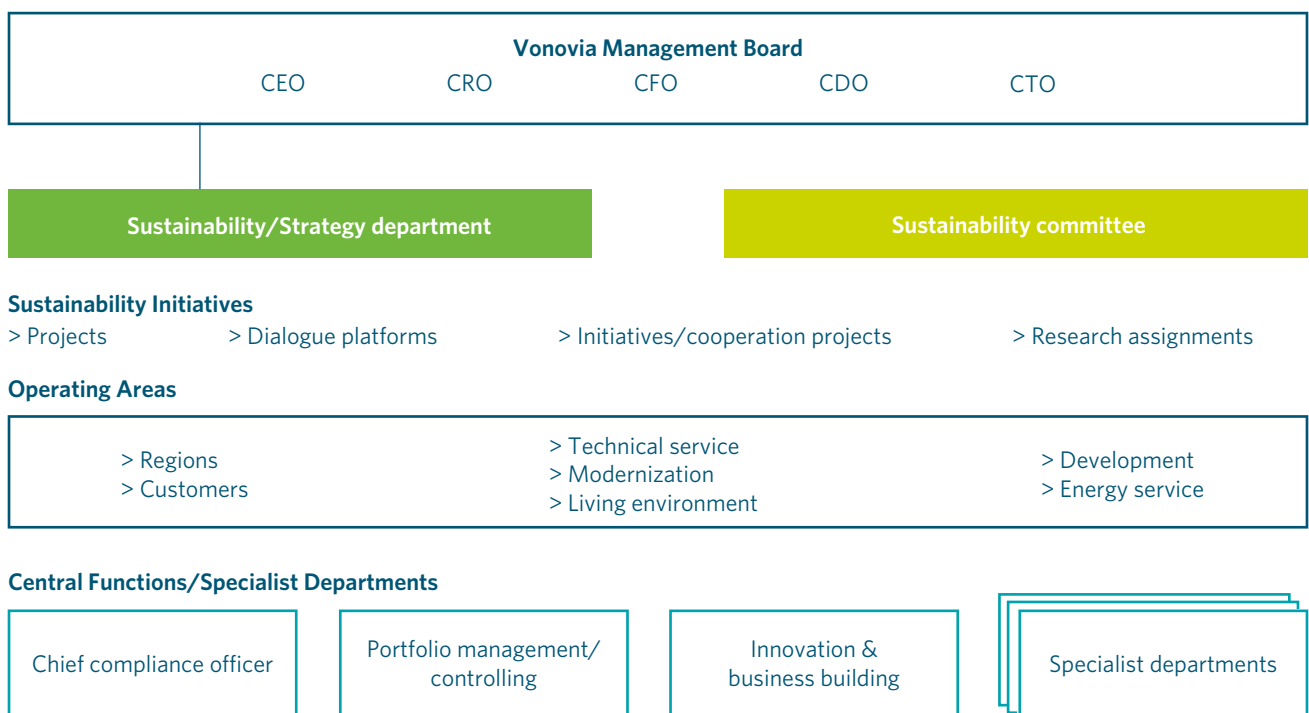
The **Sustainability/Strategy division** reports to and coordinates its operations directly with the CEO in terms of sustainability topics related to the company’s strategy and business model. The Head of Sustainability/Strategy regularly exchanges views with the CEO and the sustainability committee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

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

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

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

Sustainability in Vonovia’s Organizational Model



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

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

Our Understanding of Sustainability

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

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

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

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

Material Topics

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

Materiality Analysis

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

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

Definition of the Material Topics

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

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

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

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

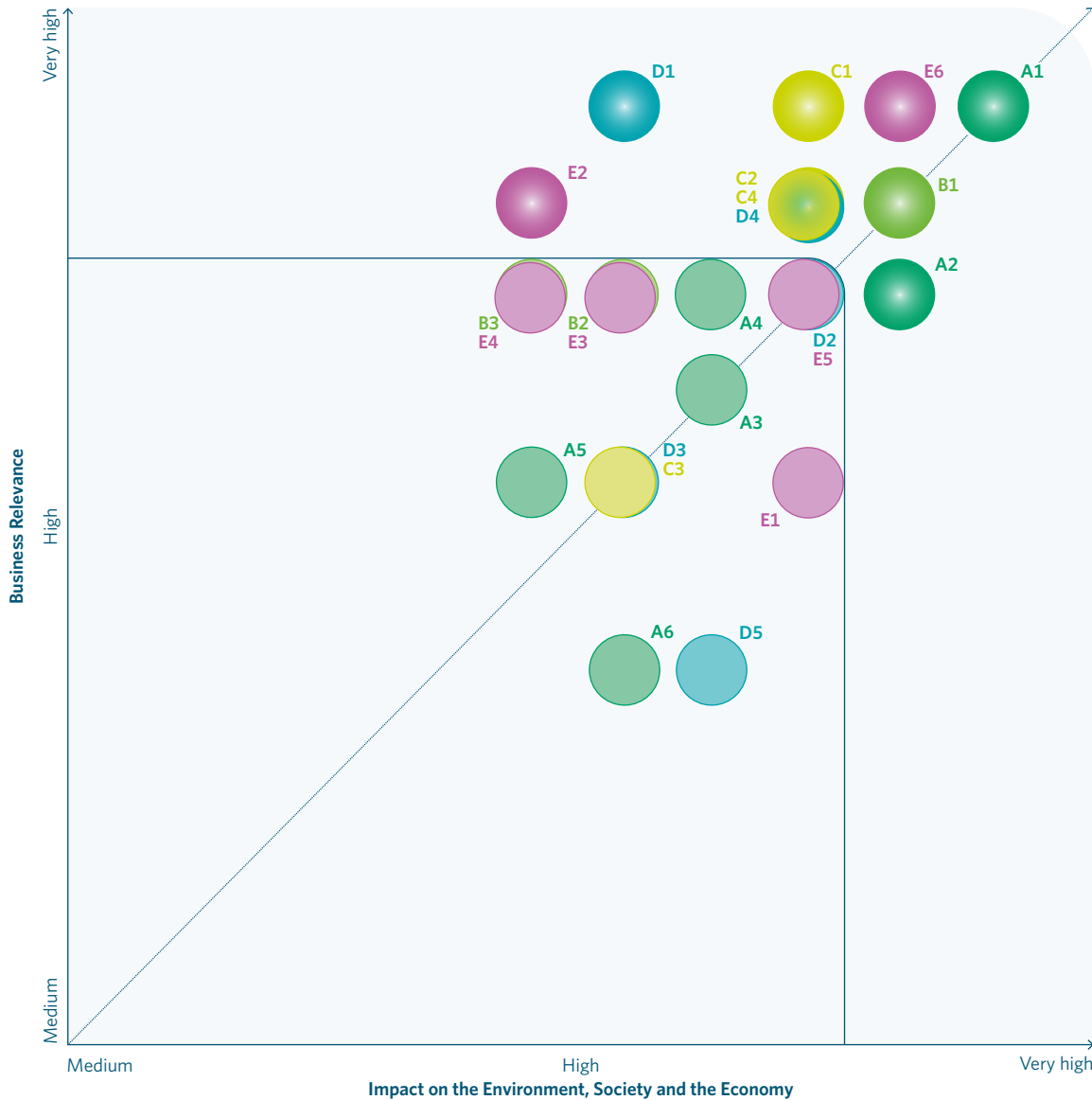
Adjustments in the Reporting Period

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

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

Materiality Matrix

GRI 3-2



Action Area A: Environment and Climate

- A1** CO₂ reduction in the housing portfolio
- A2** Sustainable construction and refurbishment
- A3** Sustainable materials and products
- A4** Protecting biodiversity
- A5** Water, effluents and waste
- A6** Resource and climate protection in business operations

Action Area B: Society and Contribution to Urban Development

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

Action Area C: Homes and Customers

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

Action Area D: Corporate Culture and Employees

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

Action Area E: Sustainable Governance and Responsible Business Practices

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

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

Material Topics

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

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




SUSTAINABLE DEVELOPMENT GOALS



Deriving Sustainable Development Goals

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

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

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

SDG	Targets	Our Contribution to Key SDGs
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Homes and Customers



Innovation and infrastructure

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

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

Society and Contribution to Urban Development & Sustainable Construction and Development



Sustainable cities and neighborhoods

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

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



Partnerships for sustainable development

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

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

Corporate Culture and Employees



Gender equality

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

- [Corporate Culture and Employees](#)

Sustainable Governance and Responsible Business Practices



Promote jobs and economic growth

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


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

Our Road Map

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

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

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

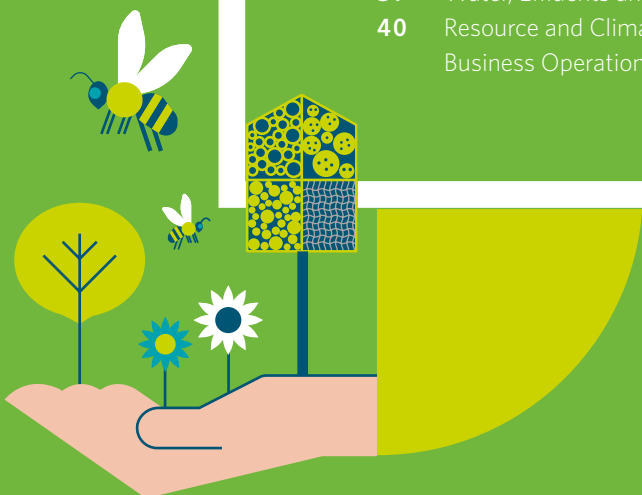
Our Aim	Our Goals	Year	Status	What We Achieved in 2022
 <p>We are continuously expanding our digital channels and offering extended accessibility. We regularly carry out customer satisfaction surveys.</p>	<p>Keeping customer satisfaction at a high level</p>	<p>Ongoing</p>	<p>☑</p>	<p>> 1.3% increase in customer satisfaction (in Germany) to all-time high</p> <p>> Improving the quality of communication and service by expanding the customer apps with additional self-service functions</p>
				<p>Corporate Culture and Employees</p>
<p>We want to be perceived as an attractive, trustworthy and forward-looking employer. We regularly carry out employee surveys to improve our performance.</p>	<p>Return to employee satisfaction to a high level throughout the Group</p>	<p>Ongoing</p>	<p>⊕</p>	<p>> Group-wide survey (excl. Deutsche Wohnen) conducted in 2022: Decline in employee satisfaction by 8 percentage points</p> <p>> Around 2,100 new hires</p> <p>> Above-average training ratio at 5.2% (in Germany)</p>
				<p>We make sure that we take active measures to support women and to open up opportunities for them to assume management and technical roles.</p>
<p>Sustainable Governance and Responsible Business Practices</p>				
<p>We are a trustworthy and reliable partner. It goes without saying that all of our employees comply with laws and regulations.</p>	<p>Continue to avoid misconduct through consistent preventative measures</p>	<p>Ongoing</p>	<p>⊕</p>	<p>> Whistleblower hotline in regular operation</p> <p>> Expansion of the catalog of regular and mandatory training courses on compliance topics</p> <p>> Establishment of a human rights officer and revision of our statement of principles on respect for human rights</p>
				<p>We are pursuing the goal of transparently presenting our sustainability performance to the capital market. One way we are doing this is by participating in relevant ESG ratings.</p>

☑ Target achieved ⊕ Under implementation



E

22	Environment and Climate
23	Implementation of the TCFD Recommendations
25	CO ₂ Reduction in the Housing Portfolio
32	Sustainable Construction and Refurbishment
36	Sustainable Materials and Products
38	Protecting Biodiversity
39	Water, Effluents and Waste
40	Resource and Climate Protection in Business Operations



Environment and Climate



GRI 2-23, 2-24, 2-25, 3-3, 201-2, 302-4, 302-5, 305-1, 305-2, 305-3, 305-4, 305-5
UNGC Principle 1, Principle 7, Principle 8, Principle 9
SASB IF-RE-130a.1



Disclosure

Climate change and resource shortages are not abstract future problems. They are already clearly noticeable in all regions of the world. The mitigation of global warming and the protection of natural resources for life on earth are some of the most important challenges facing society as a whole in our time. Corresponding agreements have been made and specific targets set all around the world. These include, at international level, the Paris Agreement and the European Union Green Deal, and at national level, such as the goal set for Germany by the Federal Government this year to achieve climate neutrality by 2045. At the same time, there is a constant demand for new homes – the German government has set a target of 400,000 new homes each year.

The real estate industry has an important part to play in tackling these tasks. The construction and operation of residential properties causes a large amount of greenhouse gases, directly and indirectly, and consumes considerable resources. As the housing industry market leader in Europe, we aim to be a central driving force behind climate and environmental protection. With a portfolio of more than 550,000 residential units in Germany, Austria and Sweden and its involvement in a number of wide-ranging development activities, Vonovia has a significant role to play in protecting our environment and mitigating climate change in the industry.

Maintaining and promoting biodiversity in the residential environment is also important to us in addition to protecting the climate. As a residential real estate company, we believe it is our job to make a positive contribution to biodiversity and environmental protection.

One vital aspect of our everyday work is a conscientious and careful attitude toward the use of resources and – wherever possible – reusing and recycling materials and products.

Our activities are impacted heavily by economic and legal conditions. These can change abruptly in some cases. Currently, the economic environment is dominated by

HIGHLIGHTS 2022

- > Climate path confirmed incl. Deutsche Wohnen; alignment with Paris targets confirmed externally
- > Carbon intensity in Germany improved from 38.4 to 33.0 kg CO₂e/m²
- > Development of Climate risk tool for analyzing physical climate risks
- > Launch of heat pump initiative with more than 100 buildings in Dortmund
- > Average primary energy demand of new constructions reduced by more than 2% to 37.7 kWh/m² per year
- > More than 98% of new buildings completed in Germany are in energy efficiency class A or A+
- > Cross-sector dialogue process “Perspectives on the Future of Construction”
- > Embedded carbon emissions determined for completed new constructions
- > Modular wood construction strengthened by strategic cooperation with GROPYUS AG

changes in interest rates and the rising cost of construction and materials. Other factors include the form that building efficiency standards take, the associated public authority subsidy conditions, the breakdown of the CO₂ price on fossil fuels between tenants and landlords, and the legal measures to restructure the electricity and heating sectors.

We are also observing growing demand for sustainable investment opportunities and products on the financial markets. Financial institutes are being pushed by regulators to ensure more transparency regarding the sustainability of their asset portfolios and, like companies in the industrial sectors, report in accordance with the EU Taxonomy. The analysis of long-term developments and their impacts on the business model is also growing in importance (see → [Implementation of the TCFD Recommendations](#)).

During the merger of Vonovia's and Deutsche Wohnen's materiality analyses, we combined a number of action areas and redefined topics in our sustainability reporting. The Environment and Climate action area consists of two material topics: **Reducing CO₂ in the Housing Portfolio** and **Sustainable Construction and Refurbishment**. Other important topics include **Sustainable Materials and Products**, **Protecting Biodiversity, Water, Effluents and Waste** and **Resource and Climate Protection in Business Operations**.

Implementation of the TCFD Recommendations

GRI 3-3, 201-2

With our climate strategy, we are systematically addressing climate change – with regard to both our contribution to mitigating climate change and the effects of climate change on our company's economic development. Our climate pathway combines grand ambitions for CO₂ reduction with the economic efficiency required to implement them. In continuing to develop this path further, we maintain an overview of the risks, e. g., those resulting from future increases in prices for causing CO₂ emissions or the impact of climate change on our buildings, as well as the opportunities, e. g., in the form of climate-resilient and particularly competitive neighborhoods. The recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD) constitute important guidance in this regard.

During the reporting year, Vonovia developed an IT tool in accordance with EU taxonomy requirements in order to analyze the physical risks associated with climate change. This tool enables physical climate risks to be identified and evaluated for the Group-wide portfolio on a continuous basis using the prescribed climate scenarios (RCP2.6, RCP4.5 and RCP8.5). 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. The climate risks examined using this tool are heat, cold, drought, increases in precipitation, wind and storms, snow loads and flooding. Depending on the granularity of the available data source, we measure climate risks at the building or neighborhood level and are able to complete a climate risk assessment for each building in the portfolio.

The risk assessment is based on scenario RCP4.5, which, according to the United Nations (UNEP Emissions Gap Report 2022), represents the probable increase in the global average temperature that will result from the national contributions 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.

Implementation of the TCFD Recommendations at Vonovia

Content of the Recommendations	Implementation at Vonovia	Further Information
Governance		
Organizational Structure of the Company Regarding Climate-Related Risks and Opportunities	<ul style="list-style-type: none"> > The entire Management Board bears responsibility for sustainability and climate protection, as well as climate-related risks and opportunities > Sustainability Committee - comprising the entire Management Board and representatives of the central functional departments Sustainability/Strategy, Controlling, Communication, Investor Relations and Accounting - determines the strategy and targets and monitors progress > The central department Sustainability/Strategy, within the executive division of the CEO, coordinates and spearheads the measures and their implementation > 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 in the existing portfolio in Germany is the responsibility of the CRO (Regions and Portfolio Management); for Austria, the CDO is responsible, for Sweden the CEO of Victoriahem. > The Value-add unit is responsible for technically implementing and using new technologies > The central non-financial performance indicator Sustainability Performance Index (SPI) includes the carbon intensity of the building portfolio 	<p>2022 Sustainability Report: → Environment and Climate → Management of Opportunities and Risks</p> <p>2022 Annual Report: ☐ The Company ☐ Corporate Structure ☐ Sustainability Management at Vonovia ☐ Management System ☐ Environmental Issues ☐ Opportunities and Risks</p>
Strategy		
Actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	<ul style="list-style-type: none"> > As key drivers of long-term business success, climate protection and CO₂ reduction are fundamental components of the corporate strategy > A binding climate pathway, taking into account various scenarios, defined in cooperation with the scientific community. > An extensive modernization program to increase energy efficiency, as well as the use of heat pumps and neighborhood solutions with renewable energies (fuel switch) > Transitory rather than physical risks currently expected, including through legislation in Germany (CO₂ pricing) and the European Union, as well as through a lack of cost-effectiveness of energy efficiency modernization and the development of renewable energy generation (balance between investments and capacity for passing on costs/affordability for tenants) > Opportunities in particular through decentralized internal energy generation for the supply of heating and the provision of electricity for tenants 	<p>2022 Sustainability Report: → Environment and Climate → Sustainable Construction and Refurbishment</p> <p>2022 Annual Report: ☐ Strategy ☐ Sustainability Management at Vonovia ☐ Environmental Issues ☐ Risk Assessment Based on Sustainability Aspects</p>
Risk Management		
How the Organization Identifies, Assesses, and Manages Climate-Related Risks	<ul style="list-style-type: none"> > Climate-related risks form part of the company-wide risk management process; half-yearly evaluation of all risks by the management > In the future, physical risks will be evaluated on the basis of regularly updated risk maps > No material risks currently identified for the Vonovia building portfolio 	<p>2022 Sustainability Report: → Management of Opportunities and Risks</p> <p>2022 Annual Report: ☐ Risk Assessment Based on Sustainability Aspects ☐ Opportunities and Risks</p>
Metrics and Targets		
Metrics and Targets Used to Assess and Manage Relevant Climate-Related Risks and Opportunities	<ul style="list-style-type: none"> > Comprehensive and complete carbon footprint for the building portfolio and business operations in accordance with the GHG Protocol and IW.2050 > CO₂e in the portfolio (in Germany) in 2022: 1,019,431 metric tons (scopes 1, 2, 3¹⁾) > Expansion of renewable energies through PV: 533 systems with a nominal output of 19.3 MWp <p>Targets:</p> <ul style="list-style-type: none"> > Virtually climate-neutral housing stock by 2045 (<5 kg CO₂e/m² rental area) > Reduction of CO₂ intensity in Germany from current level of 33.0 to less than 25 kg CO₂e/m² of rental area by 2030 > Installation of photovoltaic systems with a nominal output of around 280 MWp by 2030 > Reduction in average primary energy consumption in new buildings to 27 kWh/m² by 2025 	<p>2022 Sustainability Report: → Environment and Climate → Sustainable Construction and Refurbishment → Environmental Key Figures</p> <p>2022 Annual Report: ☐ Strategy ☐ Management System ☐ Environmental Issues ☐ Forecast Report</p>

1) Scope 3.3: "Fuel and energy-related emissions upstream".

CO₂ Reduction in the Housing Portfolio

GRI 3-3, 3, 305-1, 305-2, 305-3, 305-4, 305-5

Our Approach

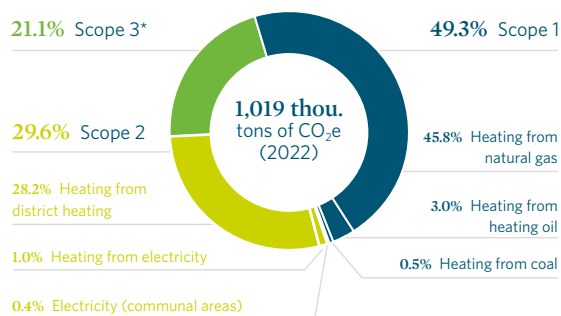
Environmental and climate protection play an important role in our sustainability strategy. Our main focus is on the greenhouse gas emissions that we have a direct influence on – Scope 1 emissions (direct emissions group-wide, approx. 45%) and Scope 2 emissions (indirect emissions caused by consumption of district heating and power, approx. 30%) of the properties in our portfolio. We also account for various greenhouse gas emissions in the upstream value chain, including in the upstream chain of the energy sources we use. These and other Scope 3 emissions along with other environmental aspects are becoming increasingly important for our company.

Vonovia has set itself the target of achieving a virtually climate-neutral housing stock by 2045, with carbon intensity of less than 5 kg of CO₂ equivalents per m² of rental area. By 2030, our housing stock in Germany is to have a CO₂ intensity of less than 25 kg CO₂e/m². These targets remain unchanged following the merger with Deutsche Wohnen and were confirmed in 2022.

In terms of its weighting, carbon intensity is the most important component of our sustainability performance index (SPI), which is our key non-financial performance

CO₂e Emissions – Portfolio (in Germany)

in %



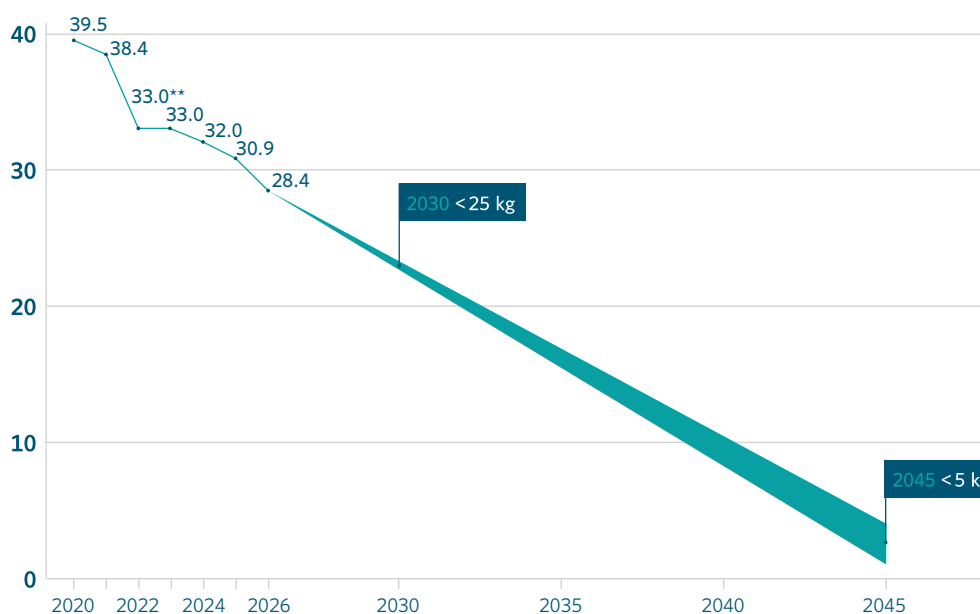
* Scope 3 emissions comprise energy-related emissions upstream and downstream leased assets.

indicator. In this context, it is also fully integrated in investment planning and linked to specific targets through the five-year planning. As part of the SPI, it also forms part of the remuneration for the Management Board and the top levels of management.

During the reporting year, we had the Vonovia climate pathway's compatibility with the Paris Agreement target calculated using the XDC model from right.based on science. The XDC model converts CO₂ emissions based on our climate pathway into a number of degrees that shows by

Vonovia's Climate Pathway: Strategy for Decarbonizing the Housing Stock

CO₂ intensity in kg CO₂e/m²a*



The 3 elements of the climate path

- 1 > Continuation of comprehensive energy efficient refurbishment
- 2 > Replacement of conventional heating units with hybrid systems and heat pumps
> Photovoltaic systems on all suitable roofs
> Establishment of a local heating network in the neighborhood with renewable energies
- 3 > Conversion of the energy sector to carbon-free district heating and green electricity

* Includes scopes 1 & 2 as well as scope 3.3 "Fuel- and energy-related activities upstream"; referring to German building stock. Development of the energy sector according to the Agora Energiewende KNDE 2045 scenario; comparison: CRREM path MFH 1.5° DE 2045 = 5.4 kg/CO₂/m² (July 2021); development of climate path supported by Fraunhofer ISE.

** Carbon intensity in 2022 better than was assumed at time of planning.

how much the earth's temperature would increase if the entire world's climate performance were identical to that of Vonovia. This calculation reveals that Vonovia's climate pathway is compatible with global warming of 1.4° Celsius. The 1.5° target path of the Carbon Risk Real Estate Monitor (CRREM) for multifamily residences in Germany (as of 07/2021) was used as a benchmark.

Vonovia climate path
compatible with

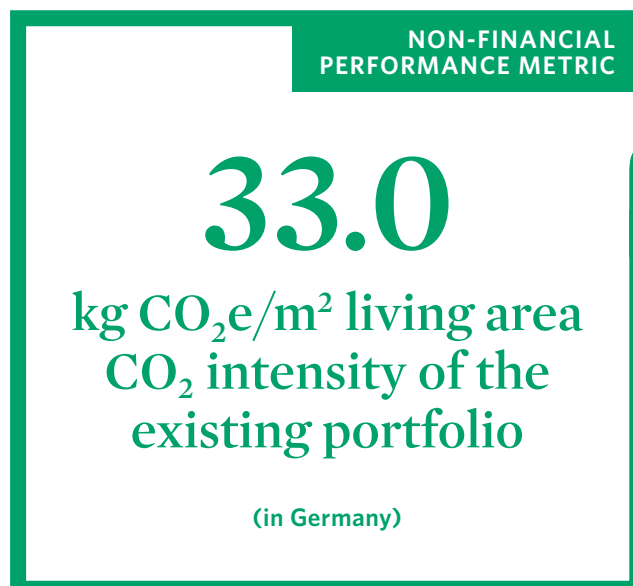
1.5°C target

In the 2022 fiscal year, the carbon intensity for our housing stock in Germany was 33.0 kg CO₂e/m² (2021: 38.4 kg CO₂e/m², excluding Deutsche Wohnen). As we switched to using the Carnot method to calculate district heating CO₂ emissions in 2022, as announced in the previous year, the values are not entirely comparable. Once adjusted for method, there is a reduction of around 10% compared with the previous year's figure (CO₂ intensity in 2021 taking into account the Carnot method: 35.6 kg CO₂e/m², excluding Deutsche Wohnen). Carbon intensity has therefore already reached the level planned for 2023. In addition to the modernization measures, this can also be attributed to our further improved monitoring, as part of which numerous energy performance certificates were updated and the specific emission values of a major district heating supplier were taken into account.

We expect CO₂ reduction to slow down in 2023 in comparison with the previous years. Due to the rise in the cost of construction and changes in interest rates, the focus is more on the implementation of modernization work already begun and in the planning stages. Investments in refurbishment will be down against the previous year. Since we already exceeded our CO₂ reductions targets in previous years, this won't endanger our ability to stick to our climate path. In the future, we aim to return to our long-term refurbishment rate of above 2.5%.

Organizational Focus

The Group's climate strategy is coordinated by the Sustainability/Strategy unit, which reports to the Chief Executive Officer. The Portfolio Management unit reports to the Chief Rental Officer (CRO) and is responsible for the general planning and coordination of modernization measures in the



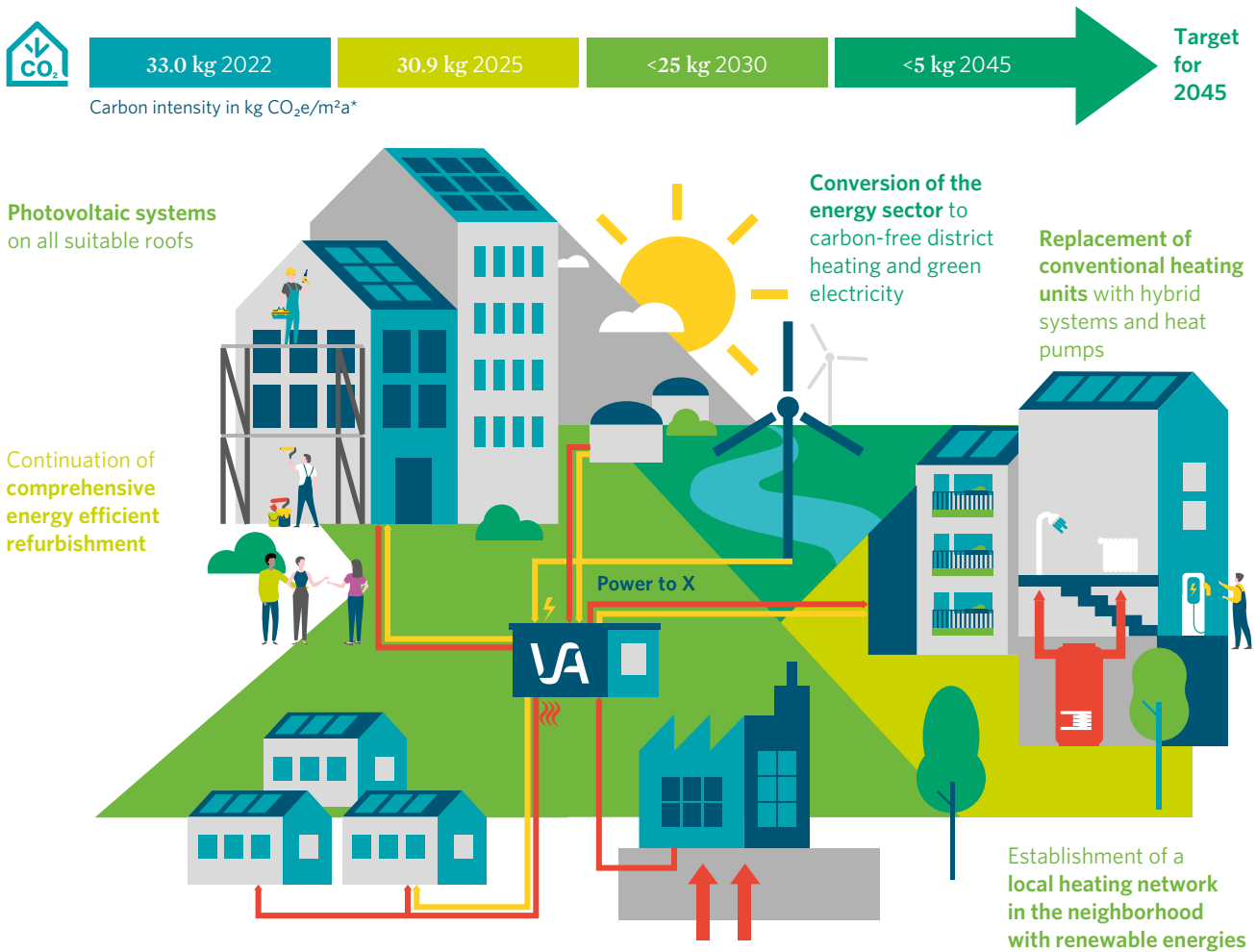
German portfolio. Within the unit, the Climate-neutral Portfolio department is tasked with developing solutions for bringing our property portfolio and the corresponding investment strategy in line with our climate action goals.

The properties and neighborhoods to be modernized are selected in a targeted manner in cooperation with the regions, and the right modernization for each building is defined. The investments for the modernization programs are approved by the Management Board.

The Investment department manages the budget for modernizing the portfolio. Vonovia Technical Service (VTS) is responsible for planning and execution. Renewable energy activities – especially the photovoltaic program and energy sales in Germany – are organized by the Value-add division. They are managed by the Chief Transformation Officer. Energy sales, through which our customers can sign green electricity contracts directly with Vonovia, are handled through the company's own Vonovia Energie Service GmbH (VESG).

Energy efficiency modernization measures in Austria are, like overall business operations in Austria, the responsibility of the Chief Development Officer (CDO) under the BUWOG umbrella, where they are led by the Real Estate Management division. Business operations in Austria are the responsibility of the Chief Development Officer (CDO) and Managing Directors under the umbrella of BUWOG. All sustainability-related measures (for both new construction and the

Vonovia's Climate Pathway: Strategy for Decarbonizing the Housing Stock



* Includes Scopes 1 and 2 as well as Scope 3.3 "Fuel- and energy-related activities upstream"; referring to German portfolio. Detailed explanations can be found in the footnote to the climate path chart on p. 25.

existing portfolio) are developed and managed by the Development and Property Management divisions.

The Division Heads of Victoriahem in Sweden are responsible for planning and installing photovoltaic systems on the roofs of buildings in the company's portfolio. The Head of the Energy and Environment Department in Sweden and his team support this process by providing technical advice and calculating savings in partnership with the Business Controller. The Head of the Energy Management Team reports to the head of the Real Estate Development Department.

Objectives and Measures

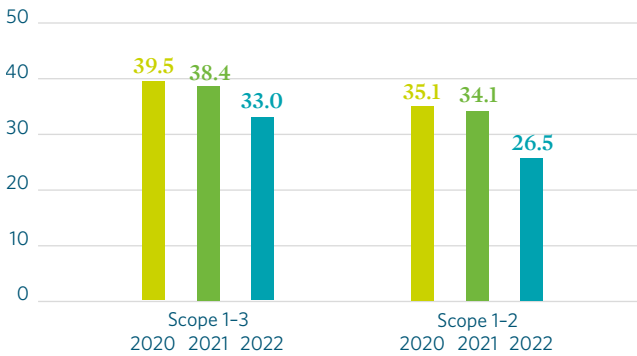
We have three levers for implementing Vonovia's climate pathway: comprehensive energy-efficient modernization work, increasing the share of renewable energies within neighborhoods and a fundamental transformation of the energy sector.

Energy-Efficient Modernization

Energy-related modernization to improve energy efficiency is an essential pillar of our climate pathway. In order to determine the ideal modernization pathway for the portfolio, Vonovia developed the decarbonization tool (DKT), which digitally reconstructs the housing stock and calculates the current and future greenhouse gas emissions of each building. Climate-relevant key figures and energy-technical and economic indicators are fed into the tool. The decarbonization tool defines priorities based on economic efficiency and carbon reduction and so determines the ideal point in time for the modernization of each individual building. Differentiated solutions are identified for all neighborhoods, which are then set out in more specific detail in the development plans for each particular neighborhood. The decarbonization tool received the DENEFF RealGreen Award in the reporting year.

Carbon Intensity – Portfolio (in Germany)

in kg CO₂e/m² of rental area



Carbon emissions from heating and electricity; comparability restricted between 2021 and 2022 due to change in method.

A new end-to-end process for ensuring efficient cooperation between all departments involved in neighborhood development was defined during the reporting year. The neighborhood advisors provide an interface between the various stakeholders, bundle requirements and information in the context of neighborhood development and act as the link between Vonovia’s internal departments. In the future, this will allow the different neighborhoods to be treated individually, and tailored, economically viable concepts to be developed in terms of a modular system for scalable solutions that focus on linking the heat, electricity and mobility sectors. In doing so, we adopt a holistic view of the neighborhood, examining both the modernization of the building envelope (insulation of facades, basement ceilings and attics, and replacement of windows) and the conversion of the energy supply to climate-friendly systems in their wider context. We believe that many integrated solutions for energy provision with renewable energies and CO₂ optimization can only be implemented in a technically feasible and economically viable way within larger neighborhoods.

Public-sector subsidy programs are being used for many of the modernization measures in order to minimize the costs for our tenants. Here, federal subsidies for energy-efficient buildings (BEG) play a particularly crucial role. Planning in the real estate sector involves long timescales and is complex in a neighborhood context. The BEG’s subsidy eligibility conditions, which changed multiple times at short notice, made it much more difficult for us to plan in the reporting year. For us to be able to successfully implement our climate pathway, we need reliable framework conditions and predictable subsidy eligibility conditions. While the inclusion of district heating in the CO₂ Cost Sharing Act provides an incentive to reduce emissions, it also represents an additional liability for future investment opportunities.

We completed energy-efficiency modernizations in around 6,800 units in Germany in the reporting year, not including heating system upgrades. This equates to a refurbishment rate of 1.9% (excluding Deutsche Wohnen). The year-on-year drop (2021: 2.3%) is, among other things, attributable to the new conditions for subsidies and the adjustments to the internal management system to focus on the neighborhood level, which requires more complex and therefore longer planning. In the year ahead, the refurbishment rate will be between 0.3% and 0.8% due to the challenging interest rate environment, increased construction costs and reduced subsidies.

In order to make energy-efficient building refurbishment even more cost-effective in the medium and long term, we continued to forge ahead with serial refurbishment in the reporting year. In Bochum, a refurbishment project comprising 24 apartments was completed in accordance with the Energiesprong principle. Preparations for further serial refurbishment projects are currently underway. Additionally, Vonovia is undertaking remote digital monitoring of heating systems to ensure optimized operational management and early detection of faults.

With regard to heating modernization, we have begun to ramp up the electrification of heat production against the backdrop of the current situation on the energy markets. We therefore launched a heat pump initiative in the reporting year (see → [Heat Pumps Task Force](#)). This represents a further step in the implementation of our climate pathway. Our aim here is to further reduce the CO₂ intensity of buildings that already have a good energy efficiency standard and cut demand for gas within the portfolio by up to 30%. In Dortmund, a pilot-scale batch of single-energy-source systems will be installed in 50 heating networks with over 100 buildings. Building on the results of this pilot, the initiative is to be rolled out to other regions in 2023.

Renewable Energies

Another aspect of implementing the climate pathway is increasing energy generation from renewable sources. To achieve this, Vonovia launched a long-term program to expand photovoltaic capacity in 2021. In the reporting year, Vonovia owned 533 photovoltaic systems with an installed output of 19.3 MWp. The 24.4 MWp target was not met due to supply difficulties and delays associated with the network operators.

Overall potential has increased as a result of the merger with Deutsche Wohnen. Our new aim is to continuously increase the additional installed output per year and to achieve an installed output of around 280 MWp by 2030 (compared to 19.3 MWp in 2021). Since 2022, we have focused exclusively on tenant installations, where the electricity generated is used within the neighborhood itself – to supply our tenants

Heat Pumps Task Force

Vonovia is working on different scenarios and solutions to reduce dependency on the import of fossil fuels. One of these consisted of establishing the interdepartmental “Heat pumps task force” in the company.

Our target: We intend to reduce our gas demand by 30% by 2027 and install approximately 6,000 heat pumps in the next five years. We are therefore expanding our



As a first step in the operational implementation, a batch of single-energy-source heat pump systems was ordered in the reporting year at short notice. Unlike the hybrid solutions often used, these run completely on electricity.



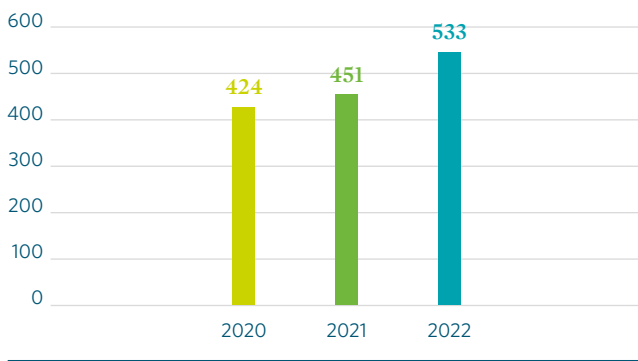
“From the cooperation with Fraunhofer ISE, we expect a better understanding of the optimal use of heat pump technology.”

**Dr. Klaus Afflerbach,
Project Manager in the
Portfolio Management**

expertise so that over time we can standardize the process of expanding and installing heat pump technology in our portfolios. We are exchanging information with the Fraunhofer Institute for Solar Energy Systems (ISE – a leader in heat pump research) regarding the selection of new technologies and operational and strategic issues. In the pilot phase we are initially focusing on the regional area of Dortmund – a location that is well prepared for the deployment of heat pumps due to a high number of buildings already having been refurbished.

The intention of our approach is to recognize and exploit optimization potential at an early stage. Our task force represents a paradigm shift at Vonovia from fossil fuels to low-carbon energy sources, simultaneously making us a pioneer in our sector.

Photovoltaic Plants Installed (Number)



and to power heat pumps. The installation of these systems is therefore also closely interlinked with the heat pump initiative and the modernization program.

In order to achieve the targets for PV output, we are also investing in in-house installation capacities and creating about 100 new jobs in total. In 2023, installed output is set to more than double to around 43 MWp. In the long term, we intend to fit all suitable roof spaces in the German portfolio with PV panels by 2050.

The newly formed energy innovation team, which is part of the Innovation & Business Building department, actively works to ensure that climate pathway targets are met by analyzing and testing innovative technologies. Targeted efforts have already been made to scout out new technologies at all stages of the stringent innovation process, which are then assessed for technical feasibility and economic viability with the involvement of relevant stakeholders. Particular focus is given to the testing of innovative genera-

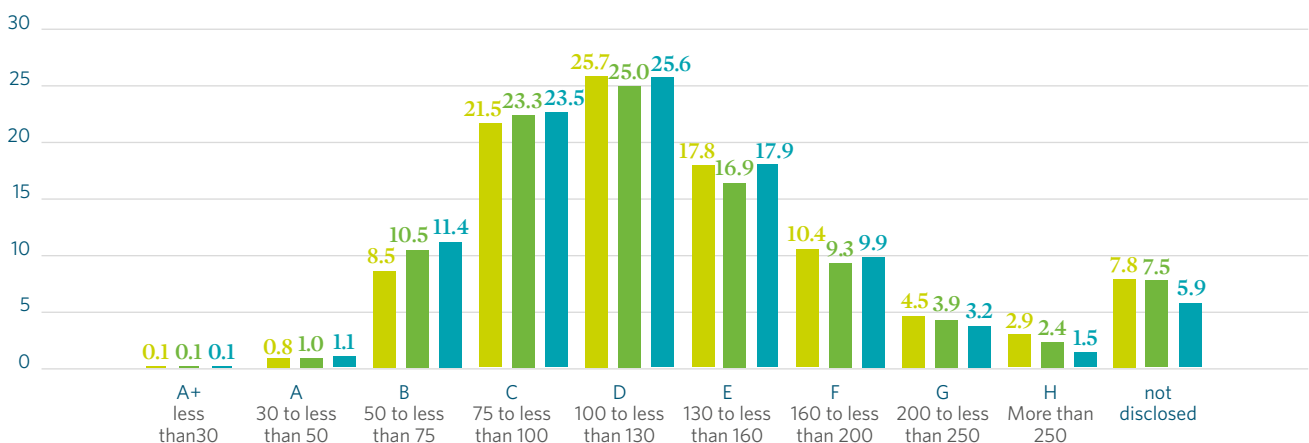
tion and storage solutions in the context of decentralized energy supplies. Vonovia is offering its customers the opportunity to purchase electricity from renewable energy sources via its own energy distribution company (VESG). By providing green energy that has been generated or certified in the neighborhood, we are supplying them with cheap electricity and helping them to reduce greenhouse gas emissions. 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. The purchase of certified green electricity to supply communal areas makes a further contribution to our climate strategy.

Decarbonizing District Heating

A further component of our climate pathway is the supply of sufficient quantities of CO₂-free district heating and electricity by the energy sector. This requires that the energy sector implement the targets set by policymakers for phasing out coal and increasing the share of renewable energies in energy or electricity generation. We consider the proposal of the German Federal Ministry for Economic Affairs and Climate Action (BMWK) on municipal heating planning to be an important step towards this goal. This can provide long-term planning security with respect to the availability of district heating within the municipalities. In this regard, adopting an integrated view of heat and electricity generation that takes all stakeholders into account is of particular importance. Wherever it is economically feasible, we are connecting more portfolio properties to the district heating grid, thus consistently advancing the decarbonization of heat generation. During the reporting year, Vonovia therefore examined the decarbonization strategies of the most important district heating providers in depth and, based on

Energy Efficiency Standards in the Portfolio (Germany) – 36.1% in Efficiency Class C or Better*

Portfolio share in % (relates to final energy demand and rentable area)
Energy efficiency classes in kWh/m²a



* Not a like-for-like assessment.

■ 2020 ■ 2021 ■ 2022

these conclusions, drew up potential courses of action for incorporating them into its long-term neighborhood strategy.

Exchanging views about climate protection and CO₂ reduction within the sector and beyond is important to us. We do this through, for example, Initiative Wohnen.2050 (IW.2050), where we are one of the founding members. We were also involved with a variety of exchange formats in 2022, and shared our ideas. The aim of IW.2050 is to create a shared understanding of the importance of climate change mitigation and to take a unified approach to combating climate change in the housing industry. A variety of joint guidelines, tools and dialogue formats on strategic and technical issues support this purpose. Other initiatives that we are involved with include the Stiftung KlimaWirtschaft (German CEO Alliance for Climate and Economy) and the Open District Hub (ODH) (see → [Contribution to Socio-Political Dialogue](#)).

Decarbonization Pathway in Austria and Sweden

In Austria, BUWOG has been a partner of the “klimaaktiv Pakt” climate protection initiative launched by the Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology since 2011. As part of this initiative, BUWOG has defined the goal of achieving a reduction of 55% by 2030 compared to the baseline year of 2005. The highest share of the CO₂ reduction will be accounted for by modernization and improvements to existing stocks, particularly energy-efficient refurbishment, improvements in the efficiency of heating systems and conversion to renewable energy sources. Furthermore, all oil heating systems are to be replaced by 2030, five years earlier than required by law. BUWOG has had a certified energy management system that is consistent with ISO 50001 standards in place in Austria since 2013/14 and in Germany since 2018. The system is a tool used voluntarily to systematically manage energy performance and improve it continuously. The corresponding establishment of processes that reflect this policy in the company and clear objectives serve to increase energy efficiency, reduce energy consumption and cut energy costs.

In Sweden, virtually all existing Victoriahem buildings are supplied with district heating, the generation of which already produces extremely low CO₂ emissions. Therefore, the road to climate neutrality will primarily be shaped by further decarbonization of heating supply, coupled with ongoing improvements in energy efficiency. As such, the aim is to reduce energy consumption per m² by 30% by 2030 compared to 2015. In 2022, Victoriahem also joined the Swedish housing association’s “Allmännyttans klimatinitiativ”, which also aims to achieve a CO₂-free energy supply by 2030.

Sustainable Construction and Refurbishment

GRI 3-3, 302-4, 302-5, 306-1, 306-2

Our Approach

Our new construction activities are helping us to create urgently needed new and affordable homes, especially in metropolitan areas. In our new construction and refurbishment projects, we take care to ensure optimized energy design, the use of renewable energies and environmentally-aware construction methods that conserve resources. In this context, it is also of particular significance that the layouts of our buildings and developments are suitable for a wide variety of lifestyles, in addition to providing accessible homes.

A key aspect of our work in new construction and conversions is an integrated neighborhood ideal, where we pool planning skills and construction measures. For example, we create additional homes through vertical expansion and densification, thus minimizing unnecessary sealing.

Our Building Information Management (BIM) strategy, which allows us to identify effective measures on the basis of data from across the entire life cycle of our neighborhoods, plays a central role. This reflects our commitment to long-term sustainability, which takes a close look at every stage of a building's life – from finding plots of land through to handing over the keys and demolition – in order to minimize its emissions, the impact it has on the environment and the amount of resources that it consumes.

In its new construction and refurbishment projects, Vonovia takes care to ensure optimized energy design and the use of renewable energies. We achieve this, for instance, by using the German efficiency house standard or the new-build criteria of the Austrian "Klimaaktiv Pakt" initiative. The average primary energy demand of newly constructed buildings, in relation to rental area, is the most important non-financial performance indicator in development. This performance indicator is part of the Sustainability Performance Index (SPI) and planning process and must be made transparent as part of all Management Board approvals of new-build and development projects.

Organizational Focus

The development business operating under the BUWOG brand is active in both the development of high-quality residential neighborhoods for the company's own portfolio (to hold) and for direct sale (to sell) in Germany and Austria, and the densification of buildings as part of the development of existing neighborhoods in Germany. The activities of the BUWOG development business in Germany and Austria are the responsibility of the Chief Development Officer (CDO), and the individual development projects are approved by the Management Board.

The integration of the new construction division of Vonovia Technische Service GmbH (VTS) into BUWOG Germany was fully implemented in the reporting year. Due to the continued expansion of BUWOG, we have separated our construction activities into the two BUWOG regional areas South-West and North-East with a regional manager for

Valuable Contributions to Society and the Group

Development				
1 Acquisition	2 Development	3 Planning	4 Construction	5 Marketing and Sales
<ul style="list-style-type: none"> > Identification of acquisition opportunities > Assessment of development opportunities > Due diligence (legal, tax, technical, environmental, etc.) > Cross-disciplinary acquisition teams > Development of project pipeline, property database 	<ul style="list-style-type: none"> > Design idea > Analysis of market and regulations > District and city representatives, citizens, service providers and other stakeholders > Construction optimization and city development > Coordination of zoning 	<ul style="list-style-type: none"> > Integral planning and cross-disciplinary project teams > Type and product development > Determination of aesthetic, ecological, functional and economic requirements > Detailed project calculation > Professional planning > Coordination of construction approval process 	<ul style="list-style-type: none"> > Preparing for construction > Procurement and awarding of construction contracts > Trade coordination/construction management > Construction > Quality control 	<ul style="list-style-type: none"> > Development of marketing concepts > Sale > Initial rental > Customer service and aftercare

each. The purpose is to strengthen the future performance of the development business, while also boosting the local presence.

Objectives and Measures

We completed 3,749 new residential units in 2022, of which 2,071 were for our own portfolio (to hold) and 1,678 for sale (to sell).

approx. 3,750
new apartments
completed in 2022

Due to the rise in the cost of capital and construction, we will not be launching any new projects in 2023. The projects already under construction will be completed, as will those in planning. The latter will be prepared for a later construction start. We have set a target of completing approx. 3,450 new units in 2023. A total of around 10,000 units are currently under construction. The full potential (to hold and to sell) is considerably higher and consists of approx. 60,000 units.

In the reporting year, the average primary energy demand for new construction amounted to 37.7 kWh/m² per year. It was thus lower than that of the previous year (38.6 kWh/m² per year) and below the target for 2022, for which we had assumed a significantly higher value compared to 2021. This can be explained in particular by the early completion of a relatively large project with a low primary energy demand. We again expect to see a significantly lower primary energy

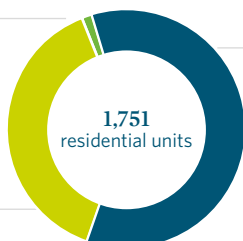
Over 98% of New Buildings Completed in Line With Efficiency Class A or Better*

Breakdown in %

1.3% >50 and ≤75 kWh/m²a (equivalent to efficiency class B)

38.6% >30 and ≤50 kWh/m²a (equivalent to efficiency class A)

60.1% ≤30 kWh/m²a (equivalent to efficiency class A+)



* Based on energy certificates, excluding purely commercial spaces and extensions. Proportion in relation to rental area.

NON-FINANCIAL PERFORMANCE METRIC

37.7

kWh/m² p. a.
average primary energy demand in new buildings

based on energy certificates, excluding purely commercial spaces and vertical extensions

demand in 2023 compared to 2022. By 2025, the primary energy demand should average approximately 27 kWh/m² per year.

The continual improvements in the energy performance of our new constructions is achieved in two ways: Firstly, through the combination of a high standard of insulation and mainly being supplied by district heating with a low primary energy factor. Secondly, through increased use of air-to-water heat pumps combined with photovoltaic plants. These two approaches allow us to ensure that more than 55% of the heating and warm water supply comes from renewable energy sources in some projects. In Austria we are already implementing the requirement for 2023 of not having natural gas heating in new construction projects today through our participation in "klimaaktiv Pakt 2030."

Wherever possible, Vonovia strives to revitalize existing real estate and urban usable areas, thus reusing already sealed or urbanized space and revitalizing it rather than creating new building grounds. Examples of this are the Main Au neighborhood in Hanau and the Wohnwerk in Niederschönweide, Berlin. Abandoned industrial areas are being developed into modern residential neighborhoods that also include new green spaces and biotopes. In the Münsterberger Weg project in Berlin, around two-thirds of the previously sealed area is set to be unsealed over the course of the development.

In the reporting year, resource-saving and eco-friendly construction and analysis of the entire life cycle came more to the fore. As part of our [“Perspectives on the Future of Construction”](#) (in German) dialog process, we discussed the necessary framework conditions for climate-neutral construction with representatives of the scientific community, building materials manufacturers, planners and the construction industry. We presented the results at our final conference in November (see [→ Vonovia Leads the Way to Sustainable Construction](#)) and discussed them with representatives from the world of politics. Vonovia has committed to a series of measures that will be transferred into specific implementation plans in 2023.

Comprehensive

measures for sustainable construction

adopted

Taking the entire building life cycle into consideration during the planning and assessment of our sustainability performance is a particular priority. We intend to significantly reduce the carbon footprint of our buildings and also use more sustainable and renewable raw materials, both in new construction and in modernizations.

The strategic cooperation with GROPYUS AG, announced in the reporting year, will contribute to this. Their platform-based solution for modular and prefabricated wood-hybrid construction combines saving resources with affordability. This will lead to an increase in the recyclability of constructions and building projects. We intend to promote this by introducing a key figure for recyclability and the gradual introduction of material passes for new buildings.

We will continue and expand our cooperation with our suppliers and planners, construction companies and construction material manufacturers. We intend to request sustainability data for products and take these into consideration in our tendering and awarding processes. We also want to promote innovation through competition and pilot projects in order to move from ideas to real implementation.

The dialogue process shows that policymakers in particular need to adapt the framework conditions. We are therefore calling for the harmonization and simplification of regulations, the acceleration of approval procedures for sustainable materials, higher subsidy rates for using sustainable building materials, the strengthening of centralized collection and return systems, and mandatory deconstruction concepts for new buildings.

As part of a digitalization project, we have decided to merge the skills already developed in our German and Austrian construction units and unite the synergies of both countries in terms of the building information modeling (BIM) method. The cooperation between the two countries will promote mutual learning and lead to developments being used multiple times. Based on this decision, we have set ourselves the target of creating a uniform BIM strategy for the Group. This will connect skills and the direction of the method managed centrally in a targeted manner.

Development of

Group-wide BIM Strategy

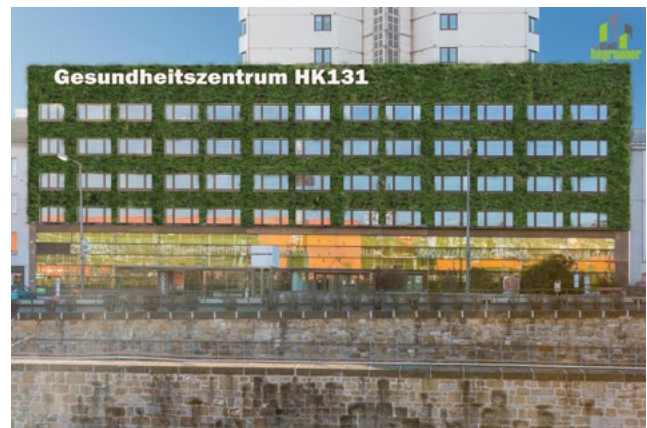
launched

Designing the residential environment and preserving biodiversity are top priorities for us. Many of our buildings feature green spaces that serve as natural habitats for flora and fauna at ground level, but also on roofs or on facades. One green facade project implemented in the reporting year is the redesign of the former BUWOG customer and administration center at Hietzinger Kai in Vienna (see [→ Green Facades at Hietzinger Kai, Vienna](#)). In addition to the optical effects, these green spaces also offer a practical added value. They increase climate resilience, for example by slowing the flow of rainwater into the partially overburdened municipal sewage system and by making a positive contribution to the microclimate by preventing urban heat islands in built-up areas. Our residential environment service only creates parking lots with seepage paving for new construction projects. We also take care to conserve resources and protect the environment during construction (see [→ Protecting Biodiversity](#)).

Green Facades at Hietzinger Kai, Vienna

As BUWOG moved to its new customer and administration center in Vienna town center, the question of how to convert the old location in Hietzing came up. “We found three appropriate successors with a modern health center, the city of Vienna and the adult education center Hietzing, who will create added value for the community,” explains Kevin Töpfer, Managing Director in charge of BUWOG’s real estate management.

BUWOG had previously completely refurbished the historical building and redesigned it according to sustainability criteria. A green facade system was established across the full front of the building, a surface amounting to 350 m², which will also look good in the winter with its high proportion of evergreens. The full coverage will also make air conditioning the building in summer easier and reduce heat loss in winter, which in turn



Good for energy efficiency, soundproofing, biodiversity and the look of the building; the green facade at Hietzinger Kai 131 in Vienna.

makes a significant contribution to the building’s energy efficiency. In addition to the positive effects on how the building looks and is operated, the green facade also produces oxygen and thus binds carbon dioxide. This is particularly beneficial for the high-traffic western entrance. And, finally, the greening of the building is also beneficial because it acts as soundproofing and promotes biodiversity in the area by offering animal species a new habitat.

Making sure that construction site management are aware of their responsibilities has a key role to play in ensuring that construction and refurbishment are done in a sustainable way. The German Occupational Safety and Health Act (ArbSchG) requires us to meet a high standard when it comes to protecting the health of our employees and promoting their well-being. This is strengthened by employer’s liability insurance associations and the German Employee Secondment Act. A security and health coordinator ensures that the requirements on construction sites are followed as closely as possible. Our general contractors and

subcontractors are also subject to strict safety standards. These include measures like risk assessments and discussions, on-site safety inspections, rules about fencing, warning signs, protective clothing and safety equipment, in addition to an obligation to provide regular training for all employees (see → [Promoting Health and Safety](#)).

The German Waste Management Act (AWG) sets strict requirements for waste management. Mistakes like failing to sort waste properly carry the risk of significant financial penalties. In addition to the impact of our sustainability

ambitions, this also represents an economic incentive: Using responsible waste management, we can keep costs low. That is why we include the cost of disposal in our tenders as standard in Germany and Austria.

To keep biodiversity intact in new constructions and conversions, we also implement programs to protect species that are under threat. We make sure to follow all of the relevant statutory requirements in this area and ensure that surveys are done at an early stage of the planning process for every refurbishment or construction project to determine whether the project poses a threat or an issue to any protected plant or animal species in the area.

We follow a strict statutory framework – which includes the German Federal Nature Conservation Act (BNatSchG) in Germany and the Federal Environmental Impact Assessment Act (UVP-G-200) in Austria – in addition to municipal building regulations and our internal planning guidelines (such as those related to protecting woodland areas and incorporating protected species into the planning process) in order to protect any species in the immediate vicinity of the construction site that may be under threat.

We commission all surveys required under biodiversity legislation whenever we buy new areas or plots of land for construction purposes. Whenever a survey uncovers a protected species, we implement a wide range of measures to ensure that this species is protected from the impact of any construction or refurbishment projects. We work closely together with the responsible authorities and professionals when implementing protection measures. Where necessary, we create replacement habitats by acquiring the necessary space for the planned compensatory planting or the resettlement of endangered animal populations.

Sustainable mobility concepts are another building block in our development activities. We promote sustainable mobility in our projects by creating numerous, low-threshold offers. One example of this is the completion of the Helio Tower in the urban development area “The Marks” in Vienna. It features a bicycle arcade that is the only one of its kind in Austria, with room for 2,000 bicycles across the site, of which 652 spots are for the Helio Tower. On average, we planned 1.8 bicycle parking spots for each newly constructed apartment. In addition, there is a car-sharing program with e-cars, city bikes and electric cargo bikes and up to 27 e-charging stations with intelligent load management just in BUWOG’s parking garage. On average, the new buildings constructed in the reporting year can be reached in around four minutes by foot from public transport (see → [Key Figures Development and New Construction](#)).

Sustainable Materials and Products

Using sustainable materials and products for construction, refurbishment and demolition work has an impact on the climate and the environment and is becoming increasingly important in construction processes. Sustainable construction methods such as modular timber or hybrid methods have a lower energy consumption and reduced carbon emissions over their entire life cycle. They are also increasingly used in our construction projects. We also largely use mineral wool for insulation, which has less of an impact on the environment than polystyrene, especially because it is more suited for recycling.

Carbon Footprint of Construction Materials

In the reporting year, we integrated the principle of life cycle assessments into our planning process. These assessments are based on our investigation of the climate impacts and the energy consumption of six construction methods over the entire life cycle – that is, from the manufacture of the construction materials to the operation and final demolition. 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. The design and implementation of proven sustainable construction projects helps us to include subsidies in the financing and achieve sustainable construction certification.

With the help of our analysis methods, we can also calculate the greenhouse gas emissions generated upstream from the materials used in the construction of our new buildings, also known as gray emissions. In 2022, this figure came to approximately 125 thousand metric tons of CO₂ equivalents.

Embodied emissions

**from construction integrated
in planning process**

We are also pushing for transparency on environmental impacts over the full life cycle with regard to the materials and products we use in energy modernizations. In a detailed analysis of the historical data of purchased goods, we calculated the carbon footprint for the materials and services employed and identified the relevant hot spots. They relate particularly to windows, insulation materials and heating systems. The next step involves integrating these calculations into the data systems.

Circular Economy

Another important aspect in the sustainability of materials and products is their recyclability. Vonovia is committed to using environmentally sound raw materials and production methods, as well as sustainable and recyclable construction materials. In order to lower the environmental impact of construction, more construction materials must be recycled and more construction materials must be made from recycled products. This reduces the need to produce new materials, which is intensive in terms of energy and resource.

The construction materials that we use should be reusable and highly recyclable. This means it must be possible to demolish constructions and reclaim the original components. Timber structures that are held together with screws and joints perform very well in this regard. We have partnered with Madaster – an initiative to develop a global cadastre for materials – for two years now. The online platform functions as a materials database. We use it to manage data about the materials that go into our properties and create material passports. These documents contain information about the quality, origin and location of the materials used in a particular building. They also provide an insight into the financial value of a building and its materials, while also giving users an indication of the value of these materials in the circular economy. We intend to gradually introduce these material passes for all of our new buildings.

Partner of Madaster

since beginning of 2021 – an initiative to develop a global cadastre for materials

We aim to introduce recyclability as a criteria in our planning, tendering and awarding processes in the future. We intend to analyze the environmental impacts and life cycle costs (manufacture, operation, maintenance, renovation, demolition) of construction materials and products and establish the importance of circular economies in our product manual in the future.

The product manual already contains information regarding the carbon footprint and proportion of recycled materials for the products used in the design of open spaces. Pursuant to the requirements in the manual, we only use wood products that come solely from FSC-certified sources for playground equipment and insect habitats. The product manual is mandatory for our partners and application of the manual is part of the contractual agreement. We run training workshops to inform our employees in the central procurement department about the importance of sustainability in their day-to-day work and due diligence in the supply chain and their own department.

We want to push sustainable product innovations. We therefore organized an innovation competition during the dialogue process “Perspectives on the Future of Construction,” which premiered innovative materials and products. We have already used the winning materials presented in the competition to show as examples, e.g., for the construction of a daycare center in Weitmar, Bochum.

We aim to install energy-efficient electric devices during refurbishments and in new constructions while also increasing the proportion of products made of, for example, secondary raw materials. In response to the increasingly tight rules surrounding the disposal of materials, we avoid using hazardous or toxic substances from the outset.

A large number of the apartments in our portfolio were not built by Vonovia. In some cases, there are materials in these buildings that were the latest technology available at the time of construction, but are now considered hazardous upon release. Potentially harmful materials, such as asbestos, “old” artificial mineral fibers (AMFs), polycyclic aromatic hydrocarbons (PAHs), or lead-based paints in existing buildings, are usually removed during maintenance or refurbishment projects or when a new tenant moves in and replaced with suitable materials. Whenever the disposal of hazardous or contaminated building materials requires careful professional handling, we expect all of our service providers to comply with applicable legislation and regulations, particularly those concerning health and safety and environmental protection. Our employees receive regular training on these subjects.

Protecting Biodiversity

Managing a large real estate portfolio means we have an impact on the local climate and ecological environment of our neighborhoods. These neighborhoods are located in urban areas. The value of green spaces and trees is especially high in these areas, and this offers huge potential for sustainable action. We want to exploit this potential – not least to improve the quality of living for our tenants.

Our portfolio today comprises around 18.4 million m² of green space, more than 337 km of hedges and approx. 211,000 trees. The tasks associated with maintaining these areas are performed by our residential environment organization and select partner companies. Our residential environment organization, which is focused on the German portfolio, employs around 1,300 people. It is responsible for the typical maintenance of outdoor areas and implements larger gardening and landscaping projects.

The natural environment is changing: heatwaves, higher temperatures, storms and heavy rains are increasingly leading to vegetation damage and infrastructure outages. Monoculture agriculture and ground sealing are driving these developments. The result: a decrease in biodiversity and in the quality of the residential environment in the neighborhood.

We thus see it as our task to combine living quality in the residential environment in our neighborhoods with an ecological balance. Therefore, we strive to make our neighborhoods as resilient against negative climatic events as possible. With each of our measures, we are looking to find a balance between an ecologically valuable and an economically sensible solution that benefits the quality of the neighborhood.

Data Collection and Anticipation

We assess risks in the early stages of construction projects. Here, too, we have an eye on biodiversity. We perform analyses and biodiversity reports for the existing flora and fauna before each new planned construction project. The purpose of these reports is to ensure that all of the animal and plant species in an area are protected and maintained during the rest of the process. We also determine the health and conservation value of existing trees through a woodland survey.

We consider ourselves a green residential real estate company. We want to have as low an impact on the environment and climate as possible, and create added value for their protection and balance. We use forward-looking plans to ensure that aspects such as maintenance and potential future changes in climatic conditions are taken into account.

Our Promise:

1. Minimizing surface sealing!

- > No surface sealing in protected areas or areas with high levels of biodiversity
- > Construction preferentially in brownfield rather greenfield areas
- > Reduction of the use of concrete in open spaces to minimum possible and aim of using carbon-neutral concrete
- > Use of seepage paving for all newly built parking spaces

2. Preserving and promoting biodiversity!

- > Local risk assessment using species and woodland reports before all construction work
- > Creating habitats for animals in urban areas

3. Securing and protecting existing woodlands!

- > Using deadwood to create habitats
- > Compensation and replacement planting for any removals in construction
- > Planting of climate-resilient trees and shrubs

Modular System for Ecological Neighborhood Development

With our decentralized organizational structure, we respond to the local requirements on case-by-case basis. We simultaneously employ standardized and quality-assured processes. We have documented these processes in a product manual, which includes a modular system for ecological neighborhood development. It sets out the framework for implementing structural-design measures in the neighborhoods.

For instance, the product manual contains 22 area-specific seed mixes for wildflower meadows, several climate-resistant trees (e.g. field maple, common hornbeam or tree-hazel) and shrubs, seepage paving for paths and parking lots, and different drainage systems for water management. We exclusively use FSC-certified timber for playground equipment and insect habitats. We include the expertise of our product suppliers and use their information regarding the carbon footprint and recyclability of their products in order to integrate the information into our building information modeling (BIM) in open space design.

Before adding a measure to our modular system for ecological neighborhood development, we perform a qualitative development process with experts from Naturschutzbund Deutschland e. V. (NABU), Germany's largest association for biodiversity issues. Together, we investigate a number of projects, e.g. various habitat types and nesting boxes for insects, bats and endangered bird species (such as the common swift) or the vitalization of habitats in the water

collected in retention basins. Following three years of joint development and investigation work, we achieved the maximum number of habitats that could be implemented in the housing industry in our pilot neighborhood in Weitmar, Bochum. We will now let this neighborhood develop for three to four years and then reexamine the flora and fauna in this area.

We also take the neighborhood criteria of the DGNB (German Sustainable Building Council) for biodiversity (ENV2.4) and water cycle systems (ENV2.2) into consideration and already meet these standards in a number of neighborhoods.

We actively involve our tenants in order to raise their awareness of ecological issues, e. g., by landscaping common areas to make them close to nature or setting aside spaces that can be used for urban gardening. We also include the design suggestions and ideas that our tenants provide us with. We launched a partnership with the non-profit organization Acker e. V. (previously known as Ackerdemia e. V.) in 2020. We support the “Gemüseakademie” project, which uses vacant land on the grounds of nurseries and primary schools to grow fruit and vegetables. This gives children a chance to find out about plants and gardening. We also use other projects like “Bohnenabenteuer” and “Ackerhelden” to make the residents of our neighborhoods more aware of biodiversity. We include articles about projects of this kind in our customer magazine “zuhaus” on a regular basis. With the help of NABU, we have created an ecological nature trail around our headquarters in Bochum, which informs employees and visitors about the eco-friendly measures we are implementing in our residential environments.

Water, Effluents and Waste

GRI 303-5, 306-1, 306-2

Water Management

The increasing scarcity of water is becoming an increasingly important topic of discussion in Germany. Climate change is already making itself known in the form of longer periods of dry weather and more frequent heavy rain and storms. We expect that these incidents will increase in the future – and are applying our climate risk tool, which was developed further in the reporting year (see → **CO₂ Reduction in the Housing Portfolio**), to assess the risks more accurately. Although our portfolio has been relatively unaffected so far, we are preparing for the possible consequences. To this end, we are working on measures that will help to mitigate extreme weather conditions at a microclimate level or have the capacity to cool urban heat islands, such as greening the facades of buildings or installing roof trenches. We need an innovative approach to water management that will be able to handle the challenges of the future. There is significant potential in local rainwater seepage systems (based on retention basins and green roofs, for example) and using rainwater to water gardens. This potential also applies to ancillary costs. Our water management pursues the aims of lowering water consumption and using local rain and gray water.

Our standard processes contain numerous measures to minimize risk and damage. These include soil and flood surveys, which will allow us to draw up more effective water management plans for our neighborhoods. Water management is an integral part of all of our planned refurbishment and neighborhood development work. We have taken the “Rain management” planning topic into account in almost 30% of our 18 currently ongoing neighborhood developments.

Typical water management measures in the neighborhoods include the use of retention basins and areas, green roofs and facades, and drainage systems. Water from the roof drainage systems no longer runs into the public sewage system, but is collected and increasingly used for irrigation directly in the neighborhood. The increased use of seepage paving on paths and parking lots also contributes to lowering the extent to which our land is sealed and creates more space for natural ground drainage.

Our influence over the water consumption of our tenants is limited. The tenants themselves play the most important role when it comes to reducing water consumption. In addition to providing tenants with information, such as through our customer magazine “zuhause,” which is published three times a year, we also install water-saving components during modernization and refurbishment work, for example in toilets and taps. Regular functional checks and viewings in the buildings are also an opportunity to notice water leaks early on.

We use water-saving sanitary systems in our offices to reduce water consumption. We provide drinking water systems for the roughly 1,000 employees who work at the corporate headquarters in Bochum to reduce their use of plastic. We were able to significantly reduce water consumption by relocating our customer service site from Duisburg to a new property in Essen.

Waste Management

Waste separation concepts for good waste management and the promotion of recycling play a particularly important role in our construction and refurbishment work because they enable us to reuse valuable resources like windows. They are also becoming increasingly relevant for waste management purposes in our neighborhoods. During the year under review, we expanded our use of sustainable recycling schemes in our neighborhoods. We launched a pilot project in a neighborhood in Essen to investigate ways in which we can recycle green waste and separate household waste. Our findings will be rolled out to other neighborhoods in the future. We separate the waste produced in offices and common areas and do not use disposable items in the cafeteria. In Sweden we involve our tenants in the subject of waste separation and tell them about the opportunities that exist in the area of waste separation and prevention. This is one of the ways in which we plan to significantly reduce the amount of waste in Sweden - by 30% by 2030.

By means of careful documentation and monitoring of the work carried out on the construction sites by qualified staff and health and safety officers, we always strive to ensure that (contaminated) materials are disposed of correctly and lawfully. We provide Vonovia technicians with training on how to dispose of materials correctly.

There is also potential in how we manage our green spaces. We recycle horticultural waste for energy production in biomass power plants, compost green waste and use leftover wood offcuts as lumber. We are making use of these opportunities by developing new and sustainable schemes for recycling and reusing materials.

Resource and Climate Protection in Business Operations

GRI 302-1, 302-4

In contrast to the manufacture of industrial and consumer goods, letting homes is not a resource-intensive business. Therefore, only a very small proportion of our greenhouse gas emissions - less than 3% - are caused by our own operations (based on Scope 1 and Scope 2). Nevertheless, we continuously seek out opportunities to increase our level of resource efficiency and reduce our impact on the climate and the environment in our internal processes. Our vehicle fleet, our tools and appliances, our own office buildings and the behavior of our employees all offer opportunities to make a difference, e.g. by transitioning the fleet to low-emission vehicles, using power-saving electrical appliances for work in neighborhoods, buying green power for office buildings and avoiding business travel and transport.

4.8%
reduction

in average carbon emissions per km driven with the vehicle fleet (against previous year)

The vehicle fleet accounts for about three-quarters of emissions from our business operations. Following the merger with Deutsche Wohnen, Vonovia had approx. 6,065 vehicles - primarily light commercial vehicles for use by our technicians and the residential environment service in Germany. This is therefore where we have the most leverage for reducing carbon emissions in our own processes. We continued the process of switching our fleet over to low-emission vehicles over the course of the year. Whenever possible, we provided innovative transport solutions based on small low-emission vehicles. The company limited the speed of its commercial vehicles to reduce emissions. We are also continuing to switch our fleet over to electric vehicles and are using more bikes and electric bikes. Electric vehicles are now available as company cars. We continued to gradually add electric vehicles to our fleet in Austria. We have made a correction to the calculation of our emissions,

which has resulted in the journey length calculated being lower and thus the average consumption and emissions being higher than previously. We have also applied this change to the figures for 2021 (253 instead of 210 g CO₂ /km). Our measures have led to a reduction in average consumption of around 3.8% (from 8.3 to 8.0 l/100 km). The average emissions fell by 4.8%. Despite an increase in the size of the fleet due to the merger with Deutsche Wohnen, the average energy consumed by the fleet has risen at a disproportionately lower level of +1.3% to 5.5% (319 vehicles).

We are not just aiming to use our resources as efficiently as possible when it comes to mobile energy consumption, but also in our offices and administration buildings. In Germany, we have a legal obligation to complete an energy audit once a year pursuant to DIN EN 16247-1. The last audit was in 2020. This includes random inspections and an examination of the energy aspects of our business operations in the buildings that we use ourselves. The areas that were identified for improvement can be applied to the entire Group due to the homogeneity of asset structures and consumption patterns at Vonovia. The recommendations of the energy consultant who performs the audit are forwarded as packages of measures to the Group's organizational units who then implement these at their individual locations. These include energy- and resource-saving measures such as LED lighting, using motion sensors with lighting systems or installing air heat pumps as energy-efficient heating solutions. Our IT department has introduced an automatic screen shutdown following 15 seconds of inactivity and thus implemented a recommendation from the energy audit. We are also moving towards paperless offices. We have brought the next audit forward to 2023 in order to take Deutsche Wohnen's administration buildings into account at an early stage.

We began transitioning the administration buildings that we use from our portfolio to green electricity from our own energy generation and sales division Vonovia Energie Service GmbH (VESG) in the 2022 reporting year. This initially affects around 60 sites concentrated in the South region. All of these sites are now supplied with carbon-free green electricity. All office locations of BUWOG in Austria have used certified green electricity (UZ46) since 2021. In addition to improving our carbon footprint, this also optimizes our internal processes. We therefore intend to roll this model out to other regions.

**Administration buildings that we use
from own portfolio transitioned to**

green electricity

**from the Group's energy
subsidiary VESG**

Both our corporate headquarters in Bochum and BUWOG's central administration building in Vienna have sustainability certificates. The building in Bochum holds a DGNG Gold certificate while the building in Vienna has a ÖGNI Gold certificate. BUWOG has an ISO 50001-certified energy management system in place for all Austrian operations and the German development division.

In the field of our residential environment service, too, we were able to take another step in reducing the use of fossil fuels. The project initiated last year to make the switch from gardening equipment with combustion engines to more environmentally friendly battery-powered equipment was continued in the reporting year. Around 1,500 battery-powered tools are now in use. The new appliances are highly recyclable and have the potential to significantly lower carbon and noise emissions, benefiting our tenants and improving the health of our employees. We have decided to expand our product range in 2023 and test mobile charging options.

Around 1,500 battery- powered tools

in use in the Residential Environment Service



Rolf Buch, Daniel Föst (Member of the Bundestag, FDP), Timo Schisanowski (Member of the Bundestag, SPD), Kassem Taher Saleh (Member of the Bundestag, Bündnis 90/Die Grünen) and Konstantina Kanellopoulos in a panel discussion on approaches to finding sustainable solutions and future political demands in urban and housing construction

Vonovia Leads the Way to Sustainable Construction

How could new buildings be constructed in a more climate friendly and sustainable way in the future? This was the main question asked in the sustainable construction dialogue process organized by Vonovia: [“Perspectives on the Future of Construction”](#) (in German). The dialogue process started with a kick-off meeting in March 2022 and brought together representatives from the fields of industry, research and politics. On November 23, 2022, the symposium closed the series of events at the Futurium Berlin with approximately 300 attendees. The limelight was on the solutions that had been developed together. Working groups with participants from our departments had been working on innovative approaches to various focal points together with industry experts and the Fraunhofer Institute in an intensive process since the spring. In the future, these will be turned into specific measures and targets. Specific demands were also made of politicians to encourage sustainable construction.



A Selection of Our Approaches to Sustainable Construction

- > Increasing the proportion of renewable and sustainable construction materials through serial and modular construction methods
- > Formulating a company-wide target for life-cycle emissions in new construction and the modernization of existing stock
- > Further development of calculation tools to calculate the recyclability of construction materials
- > Digitalization of the housing stock with the aim of improving recyclability and optimized maintenance as well as longer management periods and improved dismantling options including innovative solutions to minimize organizational expenditure
- > Launch of a skills and information campaign on alternative construction materials and methods
- > Training offers on specific topics for Vonovia employees



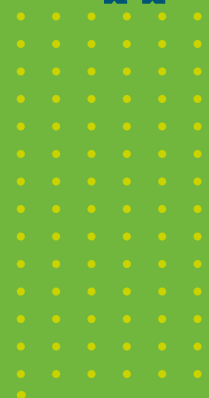


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Society and Contribution to Urban Development



GRI 3-3, 203-1, 413-1
UNGC Principle 1



Disclosure

The requirements for planning, new construction and conversion of residential buildings and entire neighborhoods are becoming increasingly complex, particularly in light of climate-neutral and low-energy construction and living (see → [Environment and Climate](#)). Added to this are the continual changes in individual needs and social structures (see → [Living at Fair Prices](#)), the ongoing trend of moving into urban areas and, last but not least, the demographic change toward older societies (see → [Homes That Meet People's Needs and Demographic Change](#)). All of these factors are interdependent. They represent the main challenges for a sustainable real estate sector that is fit for the future. And they put the limelight on the issue of the best-possible, future-proof design of neighborhoods.

Our focus lies on the neighborhood as the main design area for integrated living concepts. Vonovia specifically targets social and ecological needs because sustainability is more than just climate-neutral housing stock: Social and economic aspects play an important role, especially in terms of building functionality that is suitable for the intended use, a high quality of accommodation and living, and long-term stability of value.

People want to live in a safe environment and feel "at home." A balanced mix of rented apartments and condominiums, the integration of small businesses, attractive and accessible open and communal spaces, the availability of local suppliers, modern transport connections and mobility, good educational facilities, and social and cultural amenities – the interplay of all these factors promotes diverse and vibrant neighborhoods. This is also becoming increasingly important to tenants. The real estate sector has a significant responsibility here and can simultaneously offer its own expertise from direct contact with tenants to the design processes involved. The interaction of these factors encourages climate-friendly, diverse and lively neighborhoods that are fit for the future.

HIGHLIGHTS 2022

- > Holistic orientation of future neighborhood development projects while taking our environmental and social responsibilities seriously
- > Portfolio segmentation aligned with neighborhood approach: around 70% of our portfolio located in areas that make up urban quarters
- > 18 neighborhood development projects with around 9,600 residential units under implementation (investment volume of € 78.5 million)
- > Internal knowledge management for neighborhoods (Neighborhood Academy and Vonovia Neighborhood Guide) successfully expanded and continued
- > Immediate aid and employee volunteering for Ukrainian refugees in Germany
- > Grants for social/cultural projects and facilities of approx. € 1.2 million
- > More than 9,800 m² of rent-free or discounted commercial space made available for social institutions (in Germany)

In order to successfully implement the measures and changes to the neighborhoods, we not only need the support of the residents but also often political assistance. We include both in the planned measures. This allows us to take any concerns on board and include them in the development of solutions. We believe talking to local residents and including them is a great opportunity to develop our neighborhoods together, which has a positive impact on the satisfaction of our tenants and promotes social cohesion.

As a big player in the real estate industry, Vonovia is aware of its role in terms of enabling forward-looking, philanthropic and sustainable urban development. We believe that the social infrastructure in neighborhoods, including the communal facilities and local engagement that give it its character, is vital for cohesion of society as a whole. A cohesive civil society with all its social and cultural offerings creates space for diversity and contributes significantly to the attractiveness and liveliness of neighborhoods.

We have identified **Neighborhood Development and Contribution to Infrastructure** as a material topic. It is supplemented by the important topics of **Integration, Diversity and Social Cohesion**, as well as **Dialogue with Tenants and Participation**. The section below provides information about our approach, the steps we have taken to integrate this approach into our processes and our targets and measures.

Neighborhood Development and Contribution to Infrastructure

GRI 3-3, 203-1

Our Approach

As the main arena for action and development and as innovation platforms, the neighborhoods are vitally important to our company. They represent the connection between the needs of their inhabitants and the overarching idea of vibrant cities and communities. It is where we provide people with a home. This includes good neighborly relations, a sense of security and different generations living together in a way that is beneficial to all.

We are convinced that a livable neighborhood strengthens tenant loyalty and increases the value of residential properties. Thinking and acting in terms of neighborhoods is our answer to these relevant and crucial megatrends – it is also the approach we adopt to find solutions for the economic, environmental and social (new) development of our urban housing portfolios, which are largely located in neighborhoods. We want to create infrastructures that suit the specific situations in our neighborhoods. In every neighborhood, this means focusing on the needs of the tenants and combining climate protection, building design and social offers.

Our portfolio in Germany consists of approximately 70 percent apartments grouped in neighborhoods – also referred to as urban quarters. Urban quarters – as per the definition of the Association of German Housing and Real Estate Companies (GdW) – are 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. It comprises at least 150 apartments. In addition to urban quarters, we also have urban clusters that we apply our strategy and the Vonovia business model to in an adjusted format (see [The Company](#)).

Structural prerequisites, social environment, needs and location factors: every neighborhood is different. With this in mind, Vonovia creates specific offers and measures for a tailor-made, neighborhood-specific infrastructure. Our neighborhoods are always aligned with clear climate protection requirements (see [→ CO₂ Reduction in the Housing Portfolio](#)) and social compatibility criteria (see [→ Living at Fair Prices](#)). We combat climate change with individual and innovative concepts, in particular measures designed to reduce carbon emissions. We design our residential environments and green spaces (see [→ Protecting Biodiversity](#)) to be sustainable from an ecological perspective. Environmental and social aspects go hand in hand here. We create space for local suppliers, medical services and educational institutions, social facilities and services, and creative artists (see [→ Inclusion, Diversity and Social Cohesion](#)). We actively involve our tenants in the intensive coordination processes (see [→ Dialogue with Tenants and Participation](#)). We also cooperate with authorities and other municipal and social institutions and exchange ideas with political representatives (see [→ Contribution to Socio-Political Dialogue](#)). Only if our concepts and ideas are supported by everyone can we implement them successfully and promote value creation.

Organizational Focus

We plan and manage neighborhood development on a decentralized basis via the regions. The regional managers are responsible for the respective projects and implement them along with their area managers. The Chief Rental Officer (CRO) is the Management Board member responsible for the property management business as well as for customer service and portfolio management.

We are increasingly using our own neighborhood developers for on-site implementation. This allows us to address any specific issues as and when they arise.

The investment and participation formats are also the responsibility of, and are managed by, the regions, just like Vonovia's social commitment. This approach is supplemented by centrally controlled donation and sponsorship measures via corporate communications.

Objectives and Measures

Our goal is to create housing that meets people's needs and is worth living in. This specifically means that:

- > We design affordable homes by means of vertical expansion, densification and new construction.
- > We implement modernization in a socially responsible manner.
- > We are optimizing the energy requirements of our portfolio and – where necessary – driving forward the CO₂-neutral change of energy source.
- > We are implementing the expansion of photovoltaics in the neighborhood context.
- > We think about and design the residential environment, including recreational areas, playgrounds, and holistic mobility concepts, in an integrated way.
- > We include local suppliers, day-care centers, doctors and social and cultural institutions.
- > We redesign vacant and/or unused (commercial) spaces, giving them a new lease on life in order to create low-threshold participation opportunities in the neighborhood.
- > We promote dialogue with tenants and stakeholders in order to encourage acceptance and influence.

To achieve these aims, we initiate neighborhood development projects together with cities and municipalities and put in place measures to improve infrastructure and realize integrated energy and urban development concepts.

Long-Term Investment Program

Our investment program, which spans several years, comprised 18 neighborhood development projects throughout Germany and around 9,600 residential units in the reporting year. This program will also be extended to Deutsche Wohnen's portfolio and developed further as part of the integration process. However, due to the deterioration in the investment climate during the reporting year, we were recently forced to push back the start date for new neighborhood developments to reflect general economic conditions. A number of changes to subsidy eligibility conditions – e.g., for new-build energy standard requirements and the sudden discontinuation of certain types of support – made neighborhood development planning, which is long-term and complex, immensely difficult. This is an area that is especially dependent on reliable funding systems. We were therefore unable to use the € 117.8 million that had been earmarked for investment in neighborhood developments in Germany for

the 2022 fiscal year in full. We also expect a reduced investment volume for 2023.

Despite the current conditions, we are sticking to our climate pathway and pushing ahead with the planning of further neighborhood developments. We will continue to refine our plans for more neighborhoods in such a way that we can begin to implement them as soon as the investment environment allows. In the meantime, we will also continue to further improve our internal structures and processes.

18 neighborhood developments projects with

around 9,600 residential units

in the operational implementation stage as part of the community development investment program

In 2022, Vonovia invested

€ 78.5 million

in 18 neighborhood development projects

We employ various tools and enter into partnerships in our neighborhood development projects. In converting and giving a new life to vacant commercial spaces, for instance, we create community spaces that we make available to local initiatives and social institutions rent-free (see → [Dortmund Westerfildе – Social and Ecological Added Value](#)). In addition, we establish local services, neighborhood meet-ups and day-care centers hand in hand with cooperation partners that focus on the greater good.

We also provide regular funding for the rental and set up of spaces for child day care, social services and assisted living facilities in the local areas. Many are already benefiting from this in Berlin, Munich, Lübeck and many other communities throughout Germany. In Austria, we set up community development programs – where necessary – right after completion of our new construction projects, which will support the new surrounding area until its structures have been fully established.



The colorful facade art by artist Igor Jablunowskij is part of the redesign of our Westerfilde neighborhood in Dortmund.

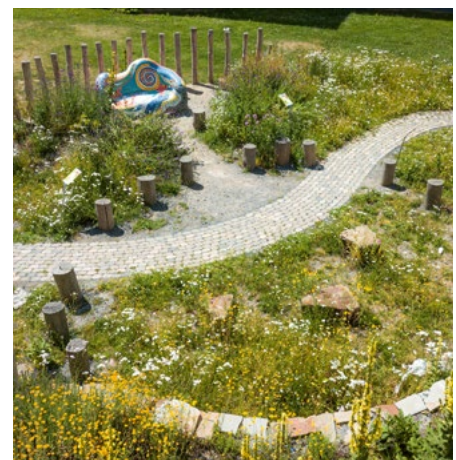
Dortmund Westerfilde – Social and Ecological Added Value

The Westerfilde district in the northwest of Dortmund is characterized by a lively social structure. With around 650 residential units, it is one of our largest neighborhood development projects. We want all residents in the neighborhood to enjoy living there and feel completely safe. We have therefore implemented a variety of ideas since the start of the modernization work in 2016, such as moving the entry areas of two residential buildings from the basement to the ground floor and connecting them with a glass portal, making the residential units barrier-free as well as safer and more convenient. Vonovia also has an office in the new entrance area, with a concierge service, established for the first time in 2021, which is available to address all tenant concerns.



“The new concierge office and the other measures have increased the sense of security and identity, and improved service on site.”

**Ralf Peterhülseweh,
Regional Area Manager**



The PikoPark was improved through various planting and clean-up activities with children and residents, and now serves as a central, green feel-good space.

We have also introduced a number of other measures to improve the residential environment: For instance, artist Igor Jablunowskij has painted many facades, giving them a colorful new look. The refurbishment of both underground garages has also improved the quality of the residential environment and the sense of security in the neighborhood. One highlight of our initiatives is provided by the non-profit organization “Tausche Bildung für Wohnen”: The project in Westerfilde became the fifth of its kind established in Germany in August 2022. Young adults act as education mentors for children in disadvantaged districts and in return can live in an apartment rent-free. An enriching experience for all involved that brings social value added in and around Westerfilde.

The PikoPark, maintained since 2017 through various partnerships and since 2022 by us in cooperation with NABU, is especially popular with the neighborhood’s residents. The nature-packed garden park hosts workshops which have resulted in a number of projects, such as the well-being path and an apple tree planted together with children.

We also want our tenants to identify with and appreciate their residential environment. In this context, protecting historic buildings and maintaining architectural culture are important topics for us – as can be seen in the historic neighborhoods in the Deutsche Wohnen portfolio that have been named UNESCO World Heritage Sites. When planning and implementing neighborhood development measures, we take the applicable requirements to preserve historic buildings into account and take care to ensure that the neighborhoods retain their original character. Our Swedish subsidiary Victoriahem is also promoting the advantages and potential of its own portfolio properties built in the 60s and 70s – created as part of the “Miljonprogrammet” – in a wide-ranging image campaign (see → [Redesigning the Milestones of Architectural History](#)).

Implementing Modern Mobility Concepts

Another central aspect of our neighborhood development work is the promotion of modern mobility concepts. The right solutions are not only beneficial for the climate but level up the residential environment in general. Neighborhoods that are well planned in terms of traffic benefit from smaller parking lots, lower traffic volumes and lower emissions. This also reduces costs for our customers, which can also have a positive impact on customer loyalty to the company.

We regularly review the continuation and implementation of existing e-mobility offers, which include the following:

- > Reducing car parking spaces and installing bicycle parking spaces and bicycle garages for e-bikes
- > Expanding car and bike sharing services (including for e-vehicles)
- > Providing connections to public transportation
- > Promoting electromobility, e. g., by installing charging infrastructure for cars and e-bikes
- > Providing and renting out e-cargo bikes

The continuation of existing
e-mobility offers

For instance, we launched a project to make e-cargo bikes available with transport company BOGESTRA (Bochum-Gelsenkirchener Straßenbahnen AG) in the Heßler district of Gelsenkirchen in the reporting year. The expansion of an affordable e-bike offer for tenants is also being reviewed for the coming reporting year.

Training and Partnerships

We have carried out many neighborhood development projects in recent years and have employees across Germany with extensive expertise in this area. This is helpful as neighborhood development is complex and requires teamwork.

To ensure the success of the neighborhood development projects, we offer centralized support services for the local decision makers and operational employees. This includes the internal training and networking format – the Vonovia Neighborhood Academy. Through the Academy, Vonovia trains employees from various areas and with different levels of experience to experts in neighborhood development. In addition to disseminating future-oriented, practical modules and basic knowledge on development and managing the neighborhoods of tomorrow, participants can also gain specific skills. The Vonovia Neighborhood Academy encourages a systematic exchange of experience on neighborhood-related topics (see → [Training and Personal Development](#)). This is supported by a web-assisted knowledge management system, the Vonovia Guide, which can be used throughout the Group.

Vonovia Neighborhood Academy

as an internal platform for
qualification, exchanging information and
networking on all neighborhood topics

In order to spearhead research in the field of neighborhood development and living, Vonovia also sponsors a foundation professorship at the EBZ Business School in Bochum.

Redesigning the Milestones of Architectural History

What do the Berlin Modernism Housing Estates and the Swedish concrete architecture of the 60s and 70s have in common? Both revolutionized the idea of how living could be. The six Berlin Modernism Housing Estates were named a UNESCO World Heritage Site in 2008. Four of them, the Hufeisensiedlung, the Carl Legien housing estate, the White City and the Siemensstadt Ring Estate, belong to the part of the Deutsche Wohnen portfolio. The housing estates were designed by renowned architects, such as Bruno Taut or Otto Rudolf Salvisberg – some inspired by the “garden city” concept. With plain, light-colored buildings and practical floor plans, they were built around the needs of city-dwellers from the beginning, while also addressing the housing shortage of the early 20th century. The apartments, designed to let in plenty of light and air, now offer a special home in the middle of the metropolis for Vonovia and Deutsche Wohnen tenants.

Just like the Berlin Modernism Housing Estates, our Swedish portfolio also offered exceptional living comfort and quality

The “White City,” as it is known, was built between 1928 and 1931 and is one of four Berlin Modernism historical housing estates in the Deutsche Wohnen portfolio.



The Carl Legien housing estate in Berlin was renovated and refurbished in line with listed-building preservation requirements and is very popular.



of living for their time. The state-initiated “Miljonprogrammet” (Million Programme) aimed to build one million new homes within ten years and was launched to counter the housing shortage at the time. Today, there is a social stigma attached to the homes, due to their primarily satellite-city-like locations, and some are in need of renovation. Our Swedish subsidiary has now launched an image campaign – because behind the facades, there are many interesting stories and ideas for neighborhood development today. This applies to the cost and resource-efficient serial building method and also the close interaction between research, industry and politics in the construction process.

Whether Berlin Modernism or Swedish “Million Program”, these neighborhoods with their rich histories are in constant flux and offer great potential for further development to make living fit for the future, attractive and sustainable.

Inclusion, Diversity and Social Cohesion

GRI 413-1

People of different ages, from different cultures and with a variety of social backgrounds are at home in our neighborhoods. In the reporting year, Vonovia once more gained new tenants from more than 140 different nations.

We promote social and environmental measures to boost the sense of community in our neighborhoods, increase diversity and create a lively residential environment. We cooperate with social institutions, cities and municipalities, and other residential real estate companies as needed for this purpose. The aim of our support activities is to provide our residents with a vibrant and diverse living environment in our neighborhoods.

Support Measures

Our [Group guidelines for donations and sponsoring](#) define the framework within which we enter into cooperative partnerships in response to people’s local needs and take the individual living environments in our neighborhoods into consideration. Our desire to create social added value for our customers locally in the neighborhoods and for society in general is reflected in the broad range of support measures and programs (see [Vonovia in Society](#) (in German)). This spectrum reflects both the diversity of society and the diversity in our neighborhoods and includes:

- > Establishing neighborhood meetings and day-care centers
- > Cooperating with social institutions/sponsors and municipal neighborhood managers
- > Providing premises and services in kind for social and cultural initiatives
- > Promoting cultural diversity by supporting small art projects
- > Helping those in need, e. g., by supporting food banks
- > The personal commitment of our employees and trainees, e. g., in clean-up and gardening drives or one or several days of volunteering their help or work

Making neighborhoods more ecologically sustainable and livable and promoting social cohesion are tasks that are related directly to our core business and the associated social responsibilities that we have as a residential real estate company. We fulfill these responsibilities first and foremost - but not exclusively - through our financial commitment to centrally managed, overarching and decentralized support measures. At the overall company level, we maintain strategic and long-term cooperations with civil organizations in order to achieve common goals with pooled resources and skills and positive results for our tenants and wider urban society in general.

Through our nationwide cooperation with Naturschutzbund Deutschland e. V. (NABU) and the non-profit organization Acker e. V. we contribute to the preservation of biodiversity in the residential environment in a number of neighborhoods and knowledge transfer regarding environmental and biodiversity protection as well as organic farming (see [→ Protecting Biodiversity](#)).

Our social commitment is complemented at regional and local level by our decentralized support management system, which provides all regional managers with an individually usable support instrument in the form of a fixed budget for strengthening the local community. Targeted support through individual donations is intended to address neighborhood-specific resident needs and meaningful local projects and initiatives that benefit the neighborhood or a specific target group and often contribute to proven assistance approaches being maintained in the neighborhoods over the long term. Simultaneously, we perform a central quality check for the projects and initiatives in order to ensure that the measures and projects that we finance have the greatest effect for our tenants and the (target) groups and stakeholders involved in our neighborhoods.

Vonovia’s commitment is supplemented by our foundation work, primarily within the framework of the Vonovia social foundation, Vonovia Mieterstiftung e. V. and “Stiftung Mensch und Wohnen.” With their help, we implement measures that benefit everyone who lives in our neighborhoods (not just our tenants). Here, too, the focus is on living together in the neighborhoods and supporting children, young people and the elderly. We continue to support tenants facing social hardship. In the reporting year, our foundations’ funding volume was approx. € 200,000.

Foundations’ funding volume of approx.

€ 200,000

freiRaum – A Space for Ideas, Getting Involved and Urban Society

Lively, livable neighborhoods: In summer 2022, Vonovia handed over a former electronics store in the Striesen district of Dresden to the urban society as a first pilot site of the project “freiRaum.” The space is intended as a meeting place for local groups, initiatives, clubs and individuals, right in the middle of the neighborhood – where people are the main focus.

Vonovia transformed the former commercial property into a space for new ideas and local initiatives – and made it accessible, as “freiRaum” is intended as a space to bring down barriers in every sense. Everyone interested in getting involved in the neighborhood community is able to use the space free of charge, regardless of whether they have a Vonovia lease agreement. “Anybody who has an idea that they want to bring to the neighborhood is very welcome,”



“Whether it’s playing cards, yoga or crafting – we’ve tried to make sure that all rooms can be used by and are inviting for everyone from young to old.”

Sebastian Krüger,
Regional Manager in Dresden and co-initiator of the “freiRaum” pilot project.



explains Regional Manager Lidia Sieniuta, who also manages freiRaum.

One of the first initiatives is the Repair Café: People living in the neighborhood have been receiving expert advice for repairing small electronic appliances since July 2022. The idea behind it is to encourage people to repair rather than throw away. “freiRaum” therefore not only promotes a sense of community in the neighborhood but also encourages a more sustainable lifestyle.

Vonovia Award for Photography

With the “VONOVIA AWARD FOR PHOTOGRAPHY,” held since 2017, we also want to make an overarching contribution to promoting art and photography. Six to twelve photo series, each outstanding in terms of form and content, that interpret, depict and personally bring to life the theme of “home” will be rewarded in the competition. The prize money amounts to € 42,000 and the competition is open to both professional and amateur photographers. Last September, the award-winning works were presented at the Sprengel Museum in Hanover as part of the ZUHAUSE No. 6. exhibition. The war in Ukraine was the main photographic focal point of the 2022 Award, which was also reflected in the award-winning work of Philip Cheung (1st place – best photo series). This documented the war and highlighted the destruction and loss of people’s homes, but also the resilience of individuals, families, and entire communities.

Employee Volunteering

One particular focus of our Group-wide commitment in the current reporting year was making help available locally, quickly and in a straightforward manner for refugees from Ukraine. By implementing spontaneous aid initiatives – such as those organized together with AWO in Bochum – Vonovia and Deutsche Wohnen were able to help at the German towns of arrival with volunteers from the workforce: A number of aid initiatives were organized decentrally and Group-wide throughout Germany, such as collecting and packaging aid items destined for Ukraine and donation drives, volunteer work and charity events. The Deutsche Wohnen workforce partnered up with “Die ARCHE” children’s foundation in Berlin, among others (see → [Direct and Rapid Help on Arrival in Germany](#)).

We also implement specific measures to ensure that children and families feel safe, particularly in neighborhoods that are high-risk. Victoriahem, for example, organized a project in a particularly crime-ridden neighborhood in the Eskilstuna district during the reporting period, in which employees from the company accompany children on their way home from school once a week, provide meals for them and speak to them to establish contact with them in order to build trust. The idea is that they prevent older young people in particular from getting involved in crime. The increased presence in the area has raised the sense of safety in the neighborhood lastingly and also reduced costs related to

vandalism. Our Swedish subsidiary is also particularly committed to equal opportunities, and connected more than 700 young people with temporary jobs in the neighborhoods as part of a summer job project (see → [Recruiting New Talent: 700 Summer Jobs in Sweden](#)).

Providing Space

A central element of our support strategy that is based directly on our core skills as a letting company and contributes to our social sustainability targets is the subsidized or rent-free provision of space. This involves providing subsidized homes to particularly vulnerable groups such as refugees, the homeless (e.g., through our housing first approach), the elderly or low-income households (e.g., by providing supported homes and through social agreements with communities) (see → [Living at Fair Prices](#) and → [Homes That Meet People’s Needs and Demographic Change](#)).

In Katernberg, Essen, and Westerfilde, Dortmund, we were the first to provide rent-free homes for dedicated young people as part of an innovative exchange approach in cooperation with the ☒ “Tausche Bildung für Wohnen” initiative (in German), national winner of the 2018 German Neighborhood Awards. In return, they design and organize extracurricular learning and leisure time activities for children in the neighborhood. We therefore support this initiative at two of their five project locations. A similar concept is also being used in the Bremen district of Wohlers Eichen. We support the local sports club with homes for young people that are doing their voluntary social year at the club. In return, they offer sporting and leisure activities for local residents while they live with us rent-free.

In addition to providing homes, we offer vacant commercial space to initiatives and organizations that focus on the greater good in order to create more opportunities for low-threshold commitment and contact. This is how an inclusive location for integration, co-working and networking was created in Bremen together with Afrika-Netzwerk Bremen e. V. in a temporary lease of vacant commercial space in 2021.

With our concept “freiRaum,” we want to unleash the potential of vacant spaces and create vibrant and low-threshold inclusive locations in our neighborhoods for initiatives and groups by redesigning and developing socially innovative use concepts that focus on public interests. These spaces are fully furnished and have immediately usable equipment available as well as myriad use types, which can also be designed by residents themselves. From collection drives for the homeless, crafting afternoons and homework

help for school kids to integration help, cooking groups and seniors' meetups, Vonovia's "freiRaum" projects offer the opportunity to for all target groups to get involved in social events. The communal neighborhood center in the Striesen district of Dresden is the first of our "freiRaum" projects. For this project, the commercial space of a former electrical store was converted and redesigned specifically for the neighborhood. The project implemented here is designed to serve as a blueprint for the establishment of more central meeting spaces in various Vonovia neighborhoods (see → [freiRaum - A Space for Ideas, Getting Involved and Urban Society](#)).

>9,800 m²

of rent-free or discounted commercial space
for social institutions (in Germany)

Around
€ 1.2 million

invested in social/cultural projects (in Germany)

Dedicated to Social Cohesion and Integration

Vonovia's social commitment is primarily focused on promoting social cohesion and integrating the various needs of different groups in society. We continued to support the nationwide hotline Silbernetz e. V., which aims to alleviate loneliness among the elderly. We actively inform our tenants about the offer, and we provide the association with rooms for training courses and support the association's infrastructure with an annual donation.

Dialogue with Tenants and Participation

GRI 2-29

Participation processes are particularly important, and not just when it comes to comprehensive construction and modernization measures. There is a legally prescribed participation process for construction projects, which we consistently adhere to. We also use comprehensive voluntary participation formats, which allow tenants to have their say, and through which they can exert influence on the design of projects. For example, the focus can range from general questions regarding the design of the residential environment to specific topics such as the design and arrangement of parking lots.

Actively designed participation processes and citizen involvement procedures therefore begin at the planning phase - sometimes several years before the actual construction work begins. This enables us to find solutions for the neighborhoods together with the local communities. We rely on various formats such as tenant surveys, door-to-door or one-on-one meetings, tenant meetings and workshops, as well as informational events and neighborhood walks. The first point of contact for people in the neighborhood expressing their concerns will continue to be the caretakers and neighborhood managers as well as our leasing offices.

Participation measures are becoming increasingly important to strengthen acceptance for community development and the associated, often long-term, measures. Taking the partially heterogeneous interests of numerous stakeholders into account is also gaining constantly in significance. Our experience shows that participation procedures achieve the best results in the end.

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tenant meetings and consultation procedures carried out despite the pandemic

Restrictions relating to the pandemic continued to have an impact on the type and scope of participation formats we were able to organize in the first half of the reporting year. Since 2020, we have increased the use of contactless ways to include our tenants. We often communicate with older and long-term tenants via telephone, for instance. Tenants have been able to post written replies in centrally located participation mail boxes. In-person appointments also took place, and in strict compliance with hygiene regulations. We have replaced large informational events with neighborhood tours in small groups and video conferences. But we still believe that participation only works when people participate, and this is where digital formats have been less successful (so far). With the removal of the last hygiene restrictions in February 2023, we decided to revive our in-person formats, bringing them back to pre-pandemic levels in the coming reporting year, in order to maintain direct communication with our tenants.

Open and transparent communication with municipal authorities also has an important role to play in the success of urban development projects. For information on our activities to help shape the political dialogue, see → [Contribution to Socio-Political Dialogue](#).

Consultation Projects in 2022 (Examples):

- > **Miquelallee neighborhood in Frankfurt am Main:** Before the comprehensive maintenance and energy refurbishment construction work begins in spring 2023, the tenants were informed in advance of the planned changes and construction stages in their neighborhood using a comprehensive communication concept including tenant assemblies, regular local tenant contact hours and viewings of model homes. The participation measures will run for the duration of the entire project.
- > **Huckarde neighborhood in Dortmund:** Vonovia invited all residents of the neighborhood on Insterburger Strasse to an open dialogue to answer the question "How do we want to live in the future?" in September 2022 in order to discuss the shaping of their residential environment. Ideas were collected using a tenant survey and over the course of three tenant workshops and later included as ideas for the initial concepts from several landscape architecture firms. On this basis, new design concepts for the outdoor areas and residential environment of the neighborhood will gradually be developed over the course of further neighborhood development measures.
- > **Waldau neighborhood, Kassel:** In the Waldau neighborhood in Kassel, at the beginning of 2022, the local tenants were actively involved in the preparations for planned energy-efficient modernizations and climate-friendly redesigns in the residential environment. As part of this involvement, a written survey was conducted to obtain tenants' opinions on aspects such as the current housing situation, the quality of neighborly relations, social infrastructure, the residential environment and green space, and climate- and mobility-related aspects. The core results of the survey included the residents' desire for energy-efficient buildings and an ecologically and socially upgraded residential environment. As one of the first upgrading measures, the "Pumpenhäuschen" was redesigned in fall of the reporting year together with children and young people from the neighborhood.

Homes and Customers



GRI 2-24, 2-25, 3-3, 203-2, 413-1
 UNGC Principle 1



Disclosure

Our business is geared toward providing people with homes – one of their basic human needs. The life circumstances of individuals are all different in a number of ways – and so are the needs of our customers. Together, our customers reflect society as a whole. The demand on the housing market also varies by region. Particularly in large metropolitan areas – and increasingly also in the areas surrounding them – the available housing is scarce and demand correspondingly high. This scarcity is exacerbated further by the influx of refugees due to Russia’s war of aggression on Ukraine. This coincides with an increasingly unfavorable investment environment resulting from rising construction and land costs, fewer subsidies, a growing lack of skilled labor and disproportionately higher interest rates.

These developments continue to unfold against the background of high climate protection requirements, the fulfillment of which is particularly cost-intensive in the buildings sector. When it comes to energy-related refurbishments in particular, it is important for housing providers like us to take into account the ability of individual tenants to afford such upgrades in order to provide them a home over the long term. The fundamental challenge in this action area is combining European and national climate protection requirements with social responsibility – that is, providing a broad range of homes at fair and transparent prices while also adhering to our climate path.

Housing was once more a hot topic in the public debate in the reporting year. It has been and remains the focus of many political debates and election campaigns. This is particularly true in large metropolises such as Berlin. Following the declaration that the rent index was invalid, the need for another state parliamentary election, and an ongoing commission on how to deal with public referendums on the socialization of housing portfolios of large residential real estate companies in Berlin, the debate is especially fraught in Germany’s capital. At the national level, the federal government responded with the “Alliance for Affordable Housing” in 2022. The aim is to support a campaign of

HIGHLIGHTS 2022

- > Numerous cooperation agreements concluded with cities and municipalities to secure homes and fair rents
- > “Alliance for Housing” in Berlin signed
- > Average allocation of modernization costs of € 1.20/m²
- > More than 41,000 price-linked apartments in Germany
- > Special housing offers for Deutsche Bahn employees introduced
- > Established social management program rolled out further and positive decisions reached for 391 out of 546 hardship cases – more than 70%
- > Numerous projects and measures carried out under “Housing First” initiative to combat homelessness
- > Around 10,000 apartments in Germany (partially) modernized for the elderly (one third of new rentals)
- > Customer satisfaction up 1.3% on the previous year and again at an all-time high
- > Customer apps’ functionality expanded. Around 180,000 active users

construction, investment and innovation, first and foremost for social housing.

Demographic change is increasing the demand for housing that meets the needs of an aging population. In Germany, the demand for senior-friendly housing will outstrip supply by around two million by 2035. In an aging society, it is crucial to enable a large number of people to live independently in their own homes for as long as possible. Maintaining and improving the quality of housing through needs-based expansion and renovation is therefore of particular importance. This also requires offers for people at a stage of life where living in their own homes is no longer possible. That means offering suitable nursing care facilities with well-equipped service options.

However, the focus is always on the individual tenant as a person and an individual. The health and satisfaction of an individual are the fundamental basis for a fulfilled life in their own home – and thus also for Vonovia’s success. Intact homes, free from mold and other unhealthy substances are our basic, non-negotiable standard. We want our customers to feel well in their homes and in our neighborhoods. The quality of customer care and services also plays a major role in guaranteeing their satisfaction. Our experience tells us that availability, speed and transparency in customer service are pivotal when it comes to living up to expectations.

We defined a number of topics as absolutely material for Vonovia within the spheres of activity of Homes and Customers. These are **Living at Fair Prices, Homes That Meet People’s Needs and Demographic Change, Customer Satisfaction and Service Quality**. Another vital topic is **Maintenance for Health and Safety**.

Living at Fair Prices

GRI 3-3, 203-2, 413-1
UNGC Principle 1

Our Approach

As a responsible company, we are committed to providing our customers with affordable housing that meets people’s needs. As such, we meet the basic human need for housing. We want to offer as many people as possible a long-term home. The fundamental challenge involves being able to provide a broad supply of housing at fair and transparent prices, while at the same time achieving our climate objectives, which include a virtually climate-neutral housing stock by 2045, even in a more challenging environment.

We believe that social responsibility and the transparency of our rents are important levers in this context. By expanding our core business through letting and new construction, we make a substantial contribution to easing the situation on housing markets. Our rental prices are based on the usual local rents and – if available – on qualified rent indices. We are in favor of regulatory intervention in the housing markets, as we believe that it helps to ensure social balance and creates a stable business environment as a result. When letting, we always observe the applicable country-specific legislation.

Agreements with cities and municipalities

to protect tenants

and secure existing rents

We also partner with cities and municipalities to offer subsidized and independently financed homes for people on low incomes and are responding to location-specific challenges with services tailored to needs. In Germany, around 41,000 of our homes are currently price-linked. In order to protect low-income tenants, we enter into individual agreements for rent-controlled homes. This secures our existing rents and play into wider-reaching social agreements. We are concluding more and more extensive agreements with cities and municipal authorities – first and foremost in Berlin, but also in Frankfurt, Cologne, Dresden and elsewhere. The fundamental concept on which all agreements are based is Vonovia’s work in partnership with politicians and society to tackle municipal challenges and that the company takes

specific societal and social challenges present within cities into account within its planning.

The use of public subsidies – now and in the future – helps us to make existing and new housing affordable for our tenants and at the same time to implement climate protection measures. In this way, we can contribute to a balanced tenant structure in our neighborhoods.

When passing on modernization costs, we are always mindful to ensure that the burden placed on our tenants 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 Sweden, Victoriahem works with tenant associations to reach agreements on issues such as changes in rent charges. Issues like these are discussed and agreed on in negotiations. Rent increases occur annually and after modernization to a higher standard. All of these apartments are price-controlled.

41,000
price-controlled
homes

**in Germany across the Group,
almost 20% price-controlled**

Individual support programs constitute a further supplementary component of our work to enable fairly priced housing. As part of our **established social management system**, we apply uniform standards to hardship cases in the event of modernization work and follow guidelines based on those of charitable associations. These standards and guidelines were agreed with the Tenants' Association and other residential real estate companies in 2021. As such, we are contributing to greater reliability and transparency in cases of hardship.

Our special vested rights for people aged over 70 are also still in place. As of January 2023, these have also been extended to Deutsche Wohnen's portfolio, just like our active support for people who have fallen into payment difficulties as a result of the coronavirus pandemic.

We also offer solutions for particularly vulnerable people such as refugees and the homeless. We do this through, for example, the framework of special agreements with state governments, cities and municipalities as well as other residential real estate companies (see → **Inclusion, Diversity and Social Cohesion**). We do this because we are convinced that social cohesion only comes about through successful integration and inclusion. And this begins at home.

Organizational Focus

Rent structures and agreements with municipalities are managed in a decentralized manner via the regions. The individual measures are planned and coordinated in the Portfolio Management department. This department is also responsible for managing cases of hardship. It is supported by community developers in the individual regions in order to provide even better support for the tenants concerned. The Chief Rental Officer (CRO) is the Management Board member responsible for the property management business as well as for customer service and portfolio management.

Objectives and Measures

As homes become increasingly scarce and general conditions deteriorate, we continue to focus on providing homes at fair and transparent prices, suited to every budget.

Rental growth

significantly
below rate of
inflation in 2022

Approx. 1% index-linked lease agreements

Our focus is on moderate and socially acceptable rental price development. Across the Group, the average rent price came to € 7.49/m² (in Germany € 7.40/m²) in the reporting year, which corresponds to an organic increase in rent of 3.3%. This is both less than the increase in the previous year (3.8%) and significantly below the rate of inflation, which averaged almost 8% in Germany in the reporting year. We respect all regulatory provisions such as rent ceilings and rent indices. Index-linked rents, i. e. rents linked to inflation, make up just around 1% of our lease agreements.

Vonovia’s Group-wide portfolio has grown considerably as a result of the merger with Deutsche Wohnen, especially in Berlin. At the same time, the housing situation there is extremely challenging. As responsible partners, Vonovia and Deutsche Wohnen together sent several signals in 2021 that we wish to change the situation in Berlin through cooperation between politicians, society and housing companies.

Partnerships with Cities and Municipalities

As part of the “Future and Social Housing Pact” agreed with the Senate of Berlin in 2021, we have made three voluntary commitments: to strengthen the municipal housing portfolio, build more new homes and limit rises in rents for existing properties. In June 2022, Vonovia – one of only two private residential real estate companies to do so – signed the “Alliance for New Housing Construction and Affordable Housing in Berlin,” which replaces the previous agreement and will remain in effect until at least 2027. The Alliance now provides a new basis for commitments to Berlin’s tenants that far surpass the scope of the old agreement and strengthens protection for low-income people in particular.

Deutsche Wohnen also has its own regulation, the “Tenants’ Promise,” which will apply to its portfolio until mid-2024 and continue to exist in parallel with the Berlin Alliance. However, the agreement that is more favorable for our tenants shall always apply.

We also offer subsidized and independently financed homes for people on low incomes in other cities and municipalities and are responding to location-specific challenges with services tailored to needs. We have reached agreements with a number of municipalities for this purpose. The focus of such services can vary: In Frankfurt am Main, we are addressing the issue of homelessness, for instance, while in

Cologne we are focusing our efforts on a new construction offensive, and in Dresden our aim is to strengthen the municipal housing association as well as to work together to develop neighborhoods and ensure a coordinated climate strategy.

Moderate Rents and Modernization Costs

In Germany, the costs of energy-related refurbishments can be passed on in the net rent – within a specific framework. The state has restricted the 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 the tenants through a reduction in heating costs. In the 2022 reporting year, **an average of € 1.20/m² in modernization costs was passed on** – and thus actually decreased in comparison with the previous year. This shows that we are usually well below the legal limit.

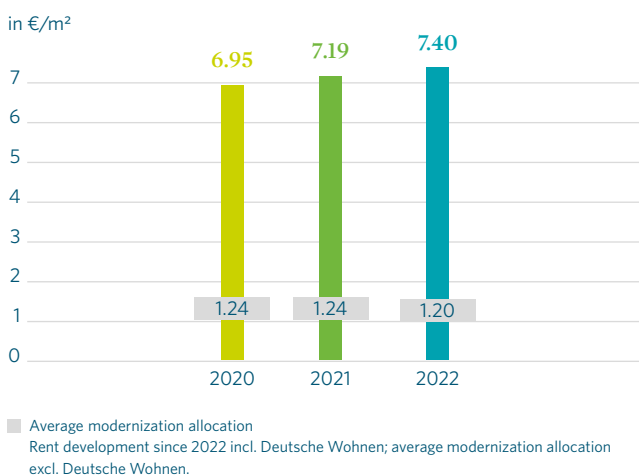
€ 1.20/m²

average allocation of modernization costs
(in Germany)

Nevertheless, there will always be people who are unable to handle rent increases caused by modernization costs by themselves for a number of different reasons. Tenants have the opportunity to claim hardship due to exceptional circumstances in the case of energy modernizations. The team – which comprises five hardship managers working at the headquarters and 25 neighborhood managers working on site – looks at each individual case and works with the tenant to find an individual solution. This can include deferring or reducing rent increases. In the case of personal hardship, this may also mean that we help tenants to move house, rearrange their furniture or find alternative accommodation. The hardship team can be reached directly via a dedicated telephone number. This ensures that our customers have fixed contact persons. During the reporting year, 546 customers submitted hardship cases to Vonovia, of which 391 were approved – a rate of more than 70%.

We have made a special promise to protect people over the age of 70 so that our elderly tenants can safely stay in their homes – including in cases where there are rent increases that are normal for the area. This has enabled us to help 185 people so far in the reporting year (from 334 applications).

Development of Rents and Modernization Allocation (Vonovia Germany*)



Comprehensive Social Management

Another popular topic for public debate in Germany in 2022 was the price of energy – particularly gas. Prices rose sharply as a result of the Russian invasion of Ukraine, which has had a significant negative impact on the available household income of many tenants. In 2022, the German government introduced a number of measures to help people in Germany. In addition to a one-off credit for gas and heating customers, the price of gas and heating will be capped by the government as of January 1, 2023 (see our [website](#) (in German)). Though these measures will help counteract the high prices, all tenants are encouraged to reduce consumption and thus lower costs. We have gathered advice and tips that we have made available to our tenants via our [website](#) (in German) and our customer magazine. We have also taken other measures, such as lowering the temperatures in our portfolio at nighttime in order to save energy and help prevent energy shortfalls.

However, regardless of modernization work or higher energy prices, there may still be situations where our tenants struggle to make payments. This is where our social management steps in. The available options range from deferring rent and allowing payment to be made in installments, to offering help with housing allowance applications and other dealings with the authorities, relocation assistance and other practical forms of help. Our goal – as it is when it comes to hardship management – is always to support people’s ability to pay so that they can stay in their homes and that their homes remain affordable. We employ 17 trained social managers for this purpose.

Comprehensive

social management

established

The German General Act on Equal Treatment (AGG) is designed to prevent discrimination. This includes having access to a home. Housing is a human right and was included in the Universal Declaration of Human Rights back in 1948. It is particularly important to us that we offer homes without discriminating. This explicitly includes, even if it is not legally covered by the AGG, social background and socio-economic circumstances. This means that we, as a landlord, never exclude anyone and are fundamentally open to all tenants.

Room for Vulnerable People

People who are homeless or at risk of becoming homeless are a particularly vulnerable group in society that often experiences discrimination. Supporting them is a matter that is particularly important to us. As such, we continued to engage in a number of projects and measures in this area in the reporting year. Our “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 as part of numerous cooperative initiatives and provides further support through various other accompanying measures. In Bremen, we support “Gast-Haus,” an important contact point for people in need run by volunteers.

We also provide homes for refugees. Currently, in 2022, we are providing housing for people who have had to leave Ukraine due to the ongoing war. We have provided homes as quickly and unbureaucratically as possible and are providing further support in the form of, for instance, furniture donations (see → [Direct and Rapid Help on Arrival in Germany](#)). Around every tenth new rental agreement in 2022 was entered into with Ukrainian citizens. In Berlin, Deutsche Wohnen cooperates with Gemeinsam Vielfalt leben e. V., an association run by a youth support charity, in order to help a particularly vulnerable group – unaccompanied minors. Shared apartments were set up as soon as the crisis began in order to create contact and arrival spaces for minors. This is a professional partnership that has paid off: Even three quarters of a year later, the young people who arrived in May 2022 still live in these shared apartments.

Effective help for homelessness with

“Housing First” approach

Refugees helped with homes and donated furniture

Partnerships for Homes

We’re not just interested in protecting the especially vulnerable when it comes to making homes available to particular target groups. In order to support the mobility transition and contribute to the stability of an important component of the country’s infrastructure, Vonovia also cooperates with Deutsche Bahn. The railway company’s employees can rent homes from us at favorable conditions. The aim is to give the company’s train conductors, drivers and technicians the opportunity to find affordable and appealing homes near their place of work. Through this cooperation, we have already entered into more than 630 lease agreements, many of them in large cities and more than 100 in Berlin.

Homes That Meet People’s Needs and Demographic Change

GRI 3-3

Our Approach

The demand for senior-friendly housing is expected to outstrip supply in Germany by around two million by 2035. In an aging society, we want to provide people with the opportunity to live on their own terms and in their own homes for as long as possible. Self-determination and autonomy are important factors in being satisfied with your life – including and especially as we age.

We want to fulfill the associated needs with the homes we offer. In the event that architectural conditions no longer support independent living, it is important that the barrier to accessing further care services is low. This underlines the importance of our neighborhood-based approach. Because homes that fulfill these needs are not just accessible, but take the everyday needs of the tenants and the wider social environment into account.

With this approach of making sure that our construction and refurbishment projects meet people’s needs, we can respond to demographic changes by providing our older tenants with homes that are adequate and affordable. We are investigating the possibility of partial modernization in order to minimize costs and disruption. New leases in particular offer us a good window of opportunity to carry out appropriate renovation measures.

In Austria, all new buildings are constructed in such a way that they can be adapted to meet future needs. In doing so, we are following the respective building regulations and OIB guidelines as well as other standards, using these as a basis for planning barrier-free and accessible new buildings.

In addition, we are continuously expanding our range of social services and partnerships and our investments in the social infrastructure of our neighborhoods in order to meet the needs of our tenants.

Organizational Focus

Responsibility for the senior-friendly housing programs lies with the Chief Rental Officer (CRO). The structure of the renovation program is managed centrally and is implemented via the regions. Changes affecting the structural condition of our buildings are usually conducted by the technical service department.

Direct and Rapid Help on Arrival in Germany

A similar show of solidarity was seldom so required politically, economically and socially as following the Russian invasion of Ukraine. As one of Europe’s largest real estate companies, it is important for us to help wherever help is directly needed – for example where refugees arrive and need a safe haven. We thus rapidly and unbureaucratically provided mainly one thing in 2022: homes. Together with other residential real estate companies, we used the house map instrument that had already been tested during the refugee crisis of 2015/2016. Using



A substantial furniture donation was used to fit out a shelter being built for up to 300 refugees at the barracks in Bernau.

the common platform, the municipalities were offered vacant homes specifically for fleeing families.

Deutsche Wohnen #wirhelfen campaign in figures

- > 12 organizations supported
- > 800 hours of work donated
- > 180 employees involved
- > 3,000 aid packages packed with care and hygiene items
- > 200 school bags filled with stationery and candy

We also offered our resources and skills to aid organizations. Using the hashtag #wirhelfen, Deutsche Wohnen quickly created an effective social media aid campaign. Following a € 10,000 donation to “Die Arche,” a children’s foundation that supports living communities for people with and without disabilities around the world – including in Ukraine – the company also delivered furniture to Lviv, for instance. The campaign also helped Ukrainian designer Ewa Herzog to provide a Berlin living community consisting of Ukrainian refugees with desperately needed furniture. Since May 2022, Deutsche Wohnen has also been able to make a total of 140 apartments available under the #wirhelfen campaign.

3,000

aid packages packed with care and hygiene items

In Austria, needs-based refurbishments and renovations are carried out in close coordination between the technical real estate management and regional/asset management. In the development stage, we determine and define the location and project-specific housing breakdown, as well as their features and fittings, in advance.

Objectives and Measures

Our aim is to ensure that our tenants can stay safe, healthy and independent in their homes over the long term. In the event that architectural conditions no longer support independent living, it is important that the barrier to accessing further care services is low.

Barrier-free (Partial) Modernization

We therefore aim to modernize around 30% of newly rented apartments every year so that they meet the demands of an aging society. To this end, we review existing buildings to determine their potential for accessibility. We mostly achieve this with partial modernizations, which is our way of keeping the product affordable. This consequently allows us to retrofit apartments one by one, ideally according to the stage of life of our customers, in line with their needs.

We are already planning to make a large share of our newly built apartments accessible and/or wheelchair-friendly and are also looking for opportunities to adjust apartment sizes. More important, however, is the low barrier for equipping and refurbishing apartments for people with impaired mobility. Homes that are completely barrier-free, according to German industry standard DIN 18040-2, are only necessary in very rare cases. Rather, a small number of measures, such as the fitting of non-slip flooring or flush-to-floor showers, are often sufficient to significantly increase the level of living comfort in old age.

**Around 10,000
apartments**

**in Germany (partially) modernized for accessibility
(approx. one third of new rentals)**

NON-FINANCIAL
PERFORMANCE METRIC

32.4%

**Proportion
of accessible
(partially)
modernized**

**newly rented apartments
in Germany**

In 2022, approx. 10,100 apartments were (partially) modernized to make them more accessible and senior-friendly. That accounts for around one third of all new tenancies in Germany during the reporting year.

Due to the limited investment opportunities, however, we expect the share of accessible, (partially) modernized apartments to account for only around ten percent of new rentals in 2023. However, we are planning to have this share back at its historical level as soon as possible. As of 2023, Deutsche Wohnen has joined the program of (partial) modernization measures to make its portfolio properties fully accessible.

In addition to structural measures, the social infrastructure in the neighborhood also plays a key role. As such, we are also investing in alternative forms of housing with more extensive support services. This is in addition to building extensions suitable for senior citizens and the disabled (see → **Neighborhood Development and Contribution to Infrastructure**). This also includes care and support services for older tenants in cooperation with social institutions and service providers, such as specialized communities for tenants with dementia and establishing neighborhood meetups.

Care and Assisted Living

Since the merger with Deutsche Wohnen, the Vonovia Group now also has 72 nursing care properties with a total of around 9,540 nursing places. Similar to in the rental business, our activities in the care segment focus on cities and regions with positive development forecasts, as these are the areas with a particularly high demand for nursing and other care services (full inpatient care, as well as assisted living combined with outpatient and day patient care). We place particular emphasis on high-quality properties, as well as high-quality care, support and service.

Around 9,500 nursing places

in 72 nursing care properties across Germany.

The Care segment, which is new for Vonovia and for which reporting is carried out separately, comprises Deutsche Wohnen's nursing care and nursing care properties business segments. As of December 31, 2022, we employed a total of 3,798 people in care service or care home management within this segment. Care business operations are based on an independent system and process landscape. 39 retirement and care homes are operated under the brands KATHARINENHOF and PFLEGEN & WOHNEN HAMBURG (around 5,240 places), 38 of which are owned by Deutsche Wohnen. There are also an additional 33 nursing care properties (around 4,300 places) run by other agencies.

These facilities provide full residential care, the aim being to maintain an active lifestyle and residents' independence to the greatest possible extent. Demand remained at a consistently high level in the reporting year. Senior citizen-friendly services are also provided within the context of assisted living. With its Care segment, Deutsche Wohnen makes a positive contribution to finding solutions to the challenges of demographic change.

Maintenance for Health and Safety

GRI 416-1

We want our tenants to be healthy and safe, and to stay with us over the long term. That is why Vonovia aims to manage its portfolio efficiently and to make it optimal and livable for customers. With this in mind, preserving the fabric of buildings and ensuring the quality of the living space itself are of great importance.

We define maintenance as all regular and long-term planned economic expenditure with the goal of preserving the fabric of the building. We do not offload these costs onto rent prices. You can find more information in our 2022 Annual Report under [Details on results of operations by segment](#).

Investment in Maintenance

in € million	2021	2022	Change in %
Expenses for maintenance	374.5	443.6	18.5
Capitalized maintenance	378.8	412.6	8.9
Maintenance services total	753.3	856.2	13.7
Intensity of maintenance (€/m ²)	26.17	24.80	-5.2

Health & Safety

The health and safety of our employees are among our highest priorities. Our focus is always on risk prevention. Health and safety also play an important role in the personal well-being of our customers, and a subjective sense of safety is also decisive in establishing this feeling.

We make sure that places in our portfolio that might make people feel ill at ease – such as unlit parking lots or paths – are eliminated and that all paths, parking lots, entryways and hallways are sufficiently lit. We also offer security solutions to improve burglary protection, such as reinforced bolts and safer front doors.

We reduce the risk of danger permanently by strictly complying with all the requirements for road safety and fire protection, and by preventing and combating mold growth and legionella outbreaks. This includes, for example, measures such as preparing fire protection concepts, property inspections, regular checks on building safety in compliance with building regulations, checks for hazardous substances, hiring experts to optimize construction measures in the portfolio or preventing and controlling mold growth – for example by providing information on proper ventilation, but also by reacting quickly in the event of a hazard.

We carefully select materials that meet modern standards for our construction work. This means that we exclusively use safe materials in our apartments and take meticulous care to prevent mold. If mold should be discovered in one of our apartments despite our meticulous care, the technical service immediately eliminates the mold and launches prevention measures.

Our product manual contains information regarding the materials that we regularly use in the refurbishment and maintenance work in our properties. There are clear specifications and strict quality standards in place for material selection. We expect our subcontractors to fully adhere to all of our product guidelines so that we can ensure all measures exhibit the same quality. With the requirements laid out in the product manual, we are able to respond quickly to changes in the law and make the corresponding adjustments (see → [Sustainable Materials and Products](#)).

In the residential environment, we ensure structural facilities are maintained and improved, for example by repairing and replacing playground equipment, conducting regular inspections of the open spaces and ensuring that tree care work is carried out in a professionally correct and safe manner (see → [Key Figures Portfolio Security](#)). We initiate measures immediately on identifying defects or risks in order to prevent accidents in open spaces on our properties.

Reducing Noise Pollution

Noise in our neighborhoods can come from a variety of sources. But whatever the source, noise always has a negative impact on our tenants' well-being. We want our tenants to live with as little noise pollution as possible, and therefore install sound-proof windows along streets with heavy traffic, for example.

Complaints are often made about noise caused by other tenants. In these situations, Vonovia acts as mediator and strives to find a solution that is mutually acceptable to both parties. House rules in different languages serve to create a common understanding of living together.

Noise caused by construction work cannot be prevented. We aim to foster understanding for this among residents by announcing construction as early as possible at tenant meetings and during office hours as well as through tenant parties (see → [Dialogue with Tenants and Participation](#)). We endeavor to keep the disturbances caused by construction work as low as possible, because in certain cases, such as vertical expansions, apartments in the building remain occupied by tenants.

In terms of the negative impacts of noise and pollution, modular approaches for new construction work are a good approach, as it enables us to keep construction times to a minimum as the prefabricated residential modules only need to be put together by our technicians and finalized with interior fittings.

Customer Satisfaction and Service Quality

GRI 3-3

Our Approach

Customer satisfaction is instrumental in the success of a company. For us, this is mainly associated with the question of whether our tenants feel at home in their apartments and neighborhoods and whether they feel that they are treated fairly by us as their landlord. Here, the quality of customer care and services plays a central role. Our experience shows that accessibility, speed and transparency in service are decisive factors for achieving customer satisfaction.

Our central, multilingual (telephone) customer service department acts as the first port of call, whereas our caretakers and craftsmen look after the needs of tenants on location. This allows us to ensure a fast and reliable service and increase acceptance of our measures. We run our own customer service centers in Essen and Dresden, and since January 2023 also in Berlin. This takes the merger with Deutsche Wohnen – and the increase in customers that came with this – into account. The aim is to be able to guarantee the same level of quality for the entire portfolio in Germany. Our customers can reach our staff of more than 1,100 employees through a variety of channels.

Our customer service team addresses a wide range of concerns, the majority being everyday questions related to tenancy agreements, payment difficulties and heating and operating cost statements. Our services also include numerous supplementary initiatives and tips to support our customers.

We also conduct regular surveys to ascertain the wishes and needs of our customers. The related customer satisfaction index (CSI) was included in the sustainability performance index in 2020 as one of six non-financial key performance indicators. This is then fed into the remuneration of our top management and the Management Board.

In addition to personal contact, the digitalization of our services that address customer concerns is an important field for us in order to make accessibility even faster, more convenient, and flexible. This is why we are continuing to expand self-service functions such as our “My Vonovia” and “DeuWo Digital” tenant apps. Protecting the data and privacy of our customers is always our top priority, because this is the only way we can build trust. In this sense, every Vonovia employee is called upon to actively contribute to improving customer satisfaction and to fulfilling the company’s service promise.

Organizational Focus

At Vonovia, responsibility for the central customer service center lies with the CRO. While customer satisfaction is assigned to the central customer service center in strategic terms, it affects all customer-facing operating departments and is ensured by each and every Vonovia employee. The design and management of the tenant apps are also the responsibility of the central customer service center.

In Austria, responsibility for customer satisfaction lies with the quality management team, who report the results of the customer surveys to the departments and to management on an ongoing basis and derive appropriate measures from this.

Objectives and Measures

The goal of Vonovia is to increase customer satisfaction by continuously improving its services and products.

Customer Satisfaction Index (CSI)

Customer satisfaction is measured using a quarterly customer survey and is reflected in the Customer Satisfaction Index (CSI). It is incorporated into the Management Board’s remuneration as a direct non-financial indicator and component. The survey includes aspects such as image, loyalty and overall satisfaction. We use it to collect feedback on customer care, maintenance and modernization measures, the residential building and outdoor facilities, and necessary repairs. The results are then analyzed by all of our operational departments. Measures are then derived based on customer feedback, implemented, and reviewed to further improve service quality.

Year-on-year, we once again succeeded in achieving an all-time high for Vonovia in the CSI, surpassing the previous year’s result, which at that time had been our best yet. The aim is to continue this positive trend on a permanent basis. BUWOG in Austria and Victoriahem in Sweden also carry out regular customer satisfaction surveys. Satisfaction continues to rise among our Victoriahem tenants according to the latest customer survey, which was performed in cooperation with our partner company AktivBo in Sweden. The clear improvement in our service in comparison with the previous year has led to Victoriahem receiving the “Kundkristallen” award for the second time in a row for the greatest increase in the service index in the category of real estate companies with more than 11,000 homes in Sweden. Looking forward, we aim to introduce a harmonized CSI in Germany, Sweden and Austria in order to be able to compare the results of the individual surveys. The first ever

consolidated survey on the CSI in Germany, i. e., including Deutsche Wohnen, is scheduled for 2023.

Customer satisfaction

at all-time high in Germany

In Austria, we also use customer satisfaction surveys as a tool, primarily online for all new construction projects in Vienna and for 5–10% of the portfolio every year. The results are discussed directly with the departments in order to develop suggestions for improvement. Measures are always implemented using a feedback loop and include a report to management. We create transparency for our customers with regard to the results of these measures, e. g., by posting notices or allowing them to contact our neighborhood managers personally. Based on customer feedback and the optimization potential identified in the process of handling complaints, we also develop training courses for employees in Austria to enhance their skills in dealing with customers.

In Sweden, too, customer satisfaction is a fundamental benchmark for all business processes. The aim is to achieve ongoing positive development in the CSI. Indicators such as the vacancy rate and tenant fluctuation support our analyses in this regard.

To achieve our customer satisfaction target and to be able to offer our customers a transparent and fast service, we are continuously working on improving our customer service. This includes direct contact with tenants, expanding self-service functions in order to provide around-the-clock service and, in Austria, improving the website to include customer-relevant topics, and designing barrier-free customer communication.

Tenant Apps

In order to further boost flexibility and speed, we are pressing ahead with the digitalization of our service functions. The key channel in this regard are the tenant apps, which have already been downloaded more than half a million times and are used actively by some 180,000 users. The new features introduced to the app in 2021, the digital lease agreement and digital apartment search, were well received. In 2022, the feature for providing consumption data that can be read remotely was added. As a result, we can show the entire customer journey in the apps: from searching for an apartment and scheduling viewing appointments through to digital contract drafting, ancillary expense bills and all other topics for existing customers. The Vonovia customer app has thus replaced the customer portal, which was previously run in parallel to the app. The portal was closed down at the beginning of the fourth quarter of 2022.

Tenant app

replaces customer portal,
complete customer journey
covered by tenant apps

We plan to roll out the BUWOG customer app in Austria in 2023. With the expansion of user-oriented elements, the new and improved app is more efficient, offers faster processing times for customer inquiries, and features high-quality information architecture.



Corporate Culture and Employees



GRI 2-24, 3-3, 405-1, 405-2, 406-1
 UNGC Principle 3, Principle 6



Disclosure

As the largest residential real estate company in Europe, Vonovia employs more than 15,000 people in Germany, Austria and Sweden. In our decentrally organized Group, our colleagues in the regions and neighborhoods, in customer services and administration are there for a diverse range of tenants every day. A local presence is an integral part of our business strategy. Specifically, this means that the main tasks in our value chain – from caretaker work to green space maintenance and modernization work – are all largely performed by the company’s own employees. This allows us to offer our tenants a reliable level of service quality and better monitor and manage the growing risk of labor shortages – especially in the technical and craftsmen professions that are so relevant to our business.

Demographic changes in particular are having a noticeable impact on the labor market: According to the micro census, around 30% of the population working in 2021 will exceed the retirement age by 2036. We will therefore only be able to prevent quality restrictions, if we manage to position ourselves as an appealing employer. We can achieve this by systematically approaching motivated potential candidates and arousing their interest in a position with Vonovia through targeted measures. As a training company, we also have a responsibility to prepare young, talented individuals for their future careers to the best of our abilities and convince them to stay with the company.

We are aware that it is our own employees who guarantee the success of our company by performing our customer-oriented and excellent services in their personal everyday work. The current trend on the labor market and in companies shows that the realities and needs of employees’ lives are becoming ever more important. Therefore, we at Vonovia must offer clear answers on how we can provide our work force with a sense of stability in times of crises, deal with the changing circumstances and promote the long-term development of our employees in the company. A more dynamic working world, the increasing importance of a healthy work-life balance, and the desire for work that is

HIGHLIGHTS 2022

- > Around 2,100 new hires
- > The training rate at Vonovia in Germany is above average at 5.2%
- > Program to recruit qualified employees from non-EU countries successfully established
- > Training and education programs in the focus of HR management
- > Again, no incidents of discrimination in 2022
- > Expansion of social and additional benefits for employees
- > Vonovia and Deutsche Wohnen workforces continue to grow together

personally fulfilling and matches the qualifications are all important criteria that are having more of an influence than ever before on future job applicants’ career choices.

Therefore, it is even more important that we address a pool of qualified applicants as broad as possible and also retain experienced staff for our company. Topics such as flexible working conditions, personal and professional development opportunities, and individual employer benefits play an ever-greater role in this.

Another pillar that determines how we are perceived in public is our approach to managing diversity. We believe that if we want to encourage social cohesion in our neighborhoods, we must also practice what we preach. The skills and professional expertise of employees from more than 80 countries are combined in Vonovia’s workforce – and

since the merger, this has been enriched further by the colleagues of Deutsche Wohnen. Our workforce represents a variety of different interests as well as cultural, religious and socio-economic backgrounds and lifestyles which we see as a great opportunity and one of our strengths. Recognizing this opportunity and promoting this diversity as a strength is an important task that we have set ourselves. If we cannot convincingly fulfill this aim, we will risk our reputation as a future-oriented company.

We have identified our **Appeal as an Employer** and **Diversity and Equal Opportunities** as material topics. We have also identified some other topics that are important to us: **Training and Personal Development, Remuneration and Flexible Working Models** and **Promoting Health and Safety** given that these areas also play a role in our appeal as an employer.

Appeal as an Employer

GRI 3-3, 401-1, 401-3

Our Approach

We create good and attractive jobs through a combination of an appreciative corporate culture, integrated and forward-looking personnel planning, and the continual adjustment of measures.

That is why we take a long-term approach with our personnel strategy: targeted recruiting is complemented by ongoing training and education, talent promotion and fair remuneration as well as extensive social benefits to promote employee loyalty. Accordingly, we consistently refined our human resources strategy during the reporting year, focusing on these three central levers.

With our insourcing strategy, we can offer our tenants high levels of quality, efficiency and security: Numerous tasks are performed by our own employees; the administration and organization areas are responsible for our technical service (VTS) and our internal residential environment service.

We believe the best way to cater to the variety of talent, skills and needs is through a response and support that is individual and differential. Our recruiting measures are therefore increasingly flanked by targeted advertising formats on social media channels and focus on the design of training concepts that particularly suit the individual roles, strengths and potential of our employees. Our aim is to ensure the constant support and development of our employees in every step of their career.

Our appeal as an employer is reflected in the satisfaction of our employees. Evaluation of employee satisfaction as a Group non-financial key performance indicator has therefore been an important element of the Sustainability Performance Index (SPI) since the 2021 reporting year.

All our HR processes and measures have a solid foundation: We are committed to upholding international working standards and statutory regulations as the minimum standard for our workplace. In the latest version of our Declaration of Respect for Human Rights, published by the Management Board in 2022, we specifically highlight the relevance of global human rights standards to us. This Declaration also applies to our subsidiaries. Neither we, nor any of our partners tolerate forced or child labor under any circumstances (see → [Human Rights Due Diligence and Supply Chain](#)). 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. Vonovia is committed to the core labor standards of the International Labour Organization (ILO) in all areas, particularly with regard to freedom and rights of association. We aim to ensure that applicable laws (e.g. individual and collective labor laws), are complied with at all our sites. This means, among other things, that employee co-determination is made possible. We are committed to fostering a trusting and constructive exchange between management and employees in all of Vonovia's business units through channels like works councils. Our employees are also free to form trade unions and exercise their statutory right to freedom of association.

Organizational Focus

At Vonovia, the CEO is responsible for HR work, which is established centrally as a shared service for a variety of areas within the HR department. In 2021, the shared service approach was transformed into an HR business partner model that continues to be developed on an ongoing basis. From January 1, 2023, this will also include the Deutsche Wohnen subgroup. Austria and Sweden have their own HR departments. Austria reports to the HR department in Germany via dotted-line reporting, whereas Sweden is still not firmly established in the reporting line. Here, monitoring and reporting takes place as and when required. The Head of HR discusses developments with the CEO on a regular basis. The objectives and focus of HR work are developed in collaboration with the Management Board and are then

Vonovia and Deutsche Wohnen Growing Together



Portfolios, employees, work processes: Vonovia and Deutsche Wohnen are growing together, and have been officially following a shared path since January 1, 2023. And to boost the sense of togetherness in advance of the merger among what is now a workforce of around 15,000 employees, a “Growing together” initiative was launched in the reporting year. One fundamental component of this initiative is a virtual content hub with a wealth of informative and varied content on the joint collaboration and the overall integration process that has officially been concluded in 2023.

One highlight of the “Growing together” initiative was the joint Vonovia Day at the Vonovia Ruhrstadion in Bochum: Instead of a soccer match, colleagues from three countries and a total of 70 locations in Germany, Austria and Sweden gathered on Friday, September 23 in person to get to know each other and celebrate together. The crowning glory of this special day was a Fantastische Vier concert. The band was on top form and everyone had a great time.

The Virtual Content Hub Offered Support for the Integration Process

Various digital formats helped to guide Vonovia and Deutsche Wohnen employees through the integration process. The “Von Schrippen und Stullen” (about bread rolls and sandwiches) podcast delivered relevant information for the workforce with respect to the integration process. Project managers from both companies introduced tasks and areas in the “Five Questions – Five Answers” series of interviews. In the technical service, the focus has been laid on project managers getting to know each other, followed by various videos on the many exciting and everyday insights into the whole integration process.



The Fantastische Vier put on a unique show for their many fans in our workforce at their concert in the Vonovia Ruhrstadion.

cascaded down throughout the organization. With the exception of the SYN VIA group and the companies in the Care and Assisted Living business area, the organizational integration of Deutsche Wohnen was completed by January 1, 2023 (see [Nursing and Assisted Living](#)).

Objectives and Measures

In terms of our processes in the field of corporate culture and employees, the 2022 reporting year was dominated by the integration project and the associated Growing Together initiative: Real estate portfolios, work processes and the structures of Vonovia and Deutsche Wohnen were and are being combined throughout the whole Group. In addition, different working cultures, processes and views are in the process of forming a new whole. Preparations were intensively made for this process in the reporting year and will be continued in 2023. Our aim is to create a harmonious basis for our cooperation that is based on trust, and to recognize and develop the potential we have gained.

Various team-building measures were implemented in both parts of the company in the course of the “Growing Together” integration campaign to bring the corporate cultures and the employees together under one Group roof. Alongside this process, Deutsche Wohnen organized further training for employees, e. g., on how to handle changes within organizations and transformation processes. These measures were accompanied by a number of different formats such as our Growing Together hub with varied and informative content regarding the integration process, the “Von Schrippen und Stullen” (about bread rolls and sandwiches) podcast, with its insights into the corporate cultures on both sides and the joint Vonovia Day event in the Ruhrstadion for the entire workforce (see [→ Vonovia and Deutsche Wohnen Growing Together](#)).

Employee Satisfaction

Following our satisfaction survey in 2021, we once again gave our staff the opportunity to rate Vonovia as an employer in the realm of an interim survey in the 2022 fiscal year. Unlike in previous years, we only asked employees one overarching question, with the reply providing an insight into the general satisfaction with their work place. Following an increase in employee satisfaction in the previous year, we recorded a downturn for the first time of 8 percentage points. Our aim is therefore to put the right measures in place to return to the previous year’s level. We are fully committed to achieving this goal. Up until 2021, Deutsche Wohnen carried out surveys to measure employee satisfaction within its own



group of companies. Due to the ongoing integration project, the survey did not take place in the reporting year. Another employee satisfaction survey, including Deutsche Wohnen colleagues, is planned once the integration process is complete. In Austria, the “trust index” increased by 15 percentage points compared to the 2019 survey; this led to a certification that has been acquired in 2021. Having also taken part in the “cultural audit” for the very first time in 2022, BUWOG now officially ranks among Austria’s 40 best employers.

Recruitment

We want to find qualified and motivated individuals and interest them in the positions available at Vonovia, particularly in the craftsmen and technical fields. In the context of recruiting, we rely on a set of measures comprising the further development of the application and hiring process, the recruitment of skilled workers from abroad, and an optimized training concept and targeted further training for technical skilled workers and auxiliary staff. Our initiative to recruit skilled electrical installation and landscaping workers from Colombia, which was also launched in 2021 in partnership with the German Federal Employment Agency, led to the subsequent, initially temporary, employment of 17 skilled workers at several locations with the prospect of permanent employment, once their vocational degree is officially recognized. A second round of the initiative has since been



Support from Colombia: 17 team members aged between 21 and 35 have been supporting Vonovia's electronics and gardening teams since fall of 2022.

New Team Members from Colombia

In order to counter the immense labor shortage, Vonovia has recruited 17 qualified specialists from Colombia as part of the German Federal Employment Agency's "TEAM" project. Colleagues were exclusively sought out from professions where Germany had a shortage and Colombia an excess. This is stipulated in the immigration law that enables recruiting measures such as these. Vonovia is one of the first companies in the country that has actively grasped this opportunity to gain qualified staff from outside the EU.

The recruitment was preceded by a comprehensive recruiting and qualification process supported by the Colombian employment agency. After we received around 400 applications and conducted approx. 90 virtual interviews, we shortlisted 17 highly motivated applicants. To begin with, they all attended a German language course in Bogotá and passed the respective test.

At the beginning of fall 2022, the new team members were welcomed by Vonovia in Hanover. The 15 men and two women have joined their teams in Kiel, Lübeck and Berlin. They are contributing their expertise and intercultural experience and backgrounds while attending dual-study courses. After 12 to 18 months of recognized employment in their positions and successful acknowledgment of their training, the new colleagues will receive permanent employment contracts. A solution that benefits all.



“We always appreciate good support and are happy to welcome our new team members from Colombia.”

**Konstantina Kanellopoulos,
Chief Representative of the Value Add
Department (Vonovia)**

launched. This process is an element of our recruitment strategy that we intend to expand in the future (see → [New Team Members from Colombia](#)).

Around 2,100

new hires in the reporting year, despite and during coronavirus pandemic

We also published specific job vacancies and launched image campaigns through various channels such as social media and radio, and expanded our [“Hand aufs Werk”](#) (in German) recruiting initiative in the reporting year. Our Austrian subsidiary BUWOG came third in the current year in the independent sector ranking for “Best Recruiter” after revising its employer branding concept. Our Swedish subsidiary Victoriahem is employing local recruiting measures, including in schools and in the neighborhoods – e.g. with the “Miljövärds” program, which focuses on the environment, and the summer jobs program, which finds temporary jobs for young people. Around 700 young people found a position in the reporting year (60 of them directly with Victoriahem in the project in Eskilstuna) (see → [Recruiting New Talent: 700 Summer Jobs in Sweden](#)). Vonovia is planning to revise its employer branding strategy and associated recruiting and HR marketing measures in 2023.

>90%

of Vonovia employees have a permanent employment contract

Despite and even during the pandemic, we were able to hire a total of around 2,100 new employees in the 2022 fiscal year. The overwhelming majority of our employees – over 90% – have a permanent employment contract. We do not outsource jobs to other countries and only employ workers on a temporary basis in exceptional cases. In addition, we completely reject irregular employment relationships, such as seasonal work or false self-employment. We also had no need to use the works agreements on company shutdowns and short-time working in 2022.

Training and Personal Development

GRI 404-1

Training plays an important role in how we fill future vacancies. Our aim is therefore to further increase the number of trainees. With an increase from 561 in 2021 to 617 trainees in the reporting year, we were able to set a new record in 2022. As a result of the merger with Deutsche Wohnen, Berlin has also been in the spotlight as a training location. A new training center for manual trades is therefore in the planning for 2023. In Austria, we reinstated the apprentice program in 2021. There are five apprentices in the program in the current reporting year, four are already in their third year. In addition, a trainee program was initiated at BUWOG. Both trainees were taken on as permanent employees following the successful completion of their courses at the beginning of 2023.

617 trainees

in the reporting year

As a nation-wide training company, Vonovia fulfills its responsibility of qualifying young people for their future careers – and with great success. Three Vonovia trainees who completed their programs were awarded as “Training Stars” by the Central Ruhr Area Chamber of Industry and Commerce (IHK) in November 2022 for their outstanding results in the commercial field.

There is a broad range of formats, all with the aim of creating the optimal training conditions. This includes our mentoring model of individual support for new trainees. We also organize a variety of events for our trainees. In the reporting year, a joint event involving our CRO and celebrating the start of the new training year was held in the Vonovia Ruhrstadion with more than 160 commercial trainees and dual-studies students in the first to third year at Vonovia, Deutsche Wohnen and Austrian BUWOG.

In addition to recruiting new staff and training young people, personal and professional development is the third major lever in our personnel strategy. Vonovia’s aim is to continually improve as a company from within in order to recognize and promote existing potential. The succession planning process for the management level is also an important element that complements our personnel strategy. This process involves young candidates being mentored by talented individuals who are already employed by us in order to prepare them for a career in a future management function. Selected young candidates for management and expert roles will continue to be promoted and developed in a

Recruiting New Talent: 700 Summer Jobs in Sweden



Alan, 20 years old, initially came to Victoriahem for a summer job and is now with the company as a caretaker on a project basis.

“We hope some of the summer job applicants will develop a lasting taste for the real estate sector.”

Sara Grandin,
Area Manager for Eskilstuna and Strängnäs



With its summer job project, our Swedish subsidiary Victoriahem is creating real social added value locally that has a long-term positive effect on the entire neighborhoods, the living situations of the tenants, and the recruitment of young talent.

Victoriahem provides young people in its neighborhoods, such as Eskilstuna, the opportunity to gain an insight into the real estate sector and gather valuable work experience with a job during the summer months. The young people are recruited specifically from their neighborhoods and given jobs in administration or in joint projects with the communities and other real estate owners. Depending on the location, the young people then complete three to four weeks of work. The program always includes at least one day of training on social topics - in Eskilstuna there is an entire introductory week. The focus lies on disseminating fundamental knowledge, planning various tasks and determining responsibilities. This includes meetings with the local police and fire departments, an introduction to handling various tools and establishing general rules for the placement.

60 young people were employed directly by Victoriahem in Eskilstuna this year. The aim is to create jobs for at least 700 young people every summer. The offer was also expanded in the reporting year: New and exciting tasks for the summer job applicants now also cover the fields of environment and sustainability, as well as the rights, obligations and responsibilities associated with rental apartments.

targeted manner through our internal programs. The “Strategy Circle,” for instance, offers participants the opportunity to develop company-wide strategic projects – similar to a simulation. We also aim to provide the optimal conditions for young and experienced talented individuals in the company to plan their progression at Vonovia through our structured annual employee appraisals and the individual development targets set during the appraisals. We support our employees in actively shaping their careers in accordance with their individual abilities and interests, and boost their opportunities for advancing their careers at Vonovia. These appraisals are held using a standardized questionnaire which is based on our mission statement. A specific form for determining individual development targets is also available as part of the annual employee appraisals. By systematically connecting the annual appraisal, development plan, target plan and learning activities in the Vonovia Academy, employees and managers can track and individually manage development.

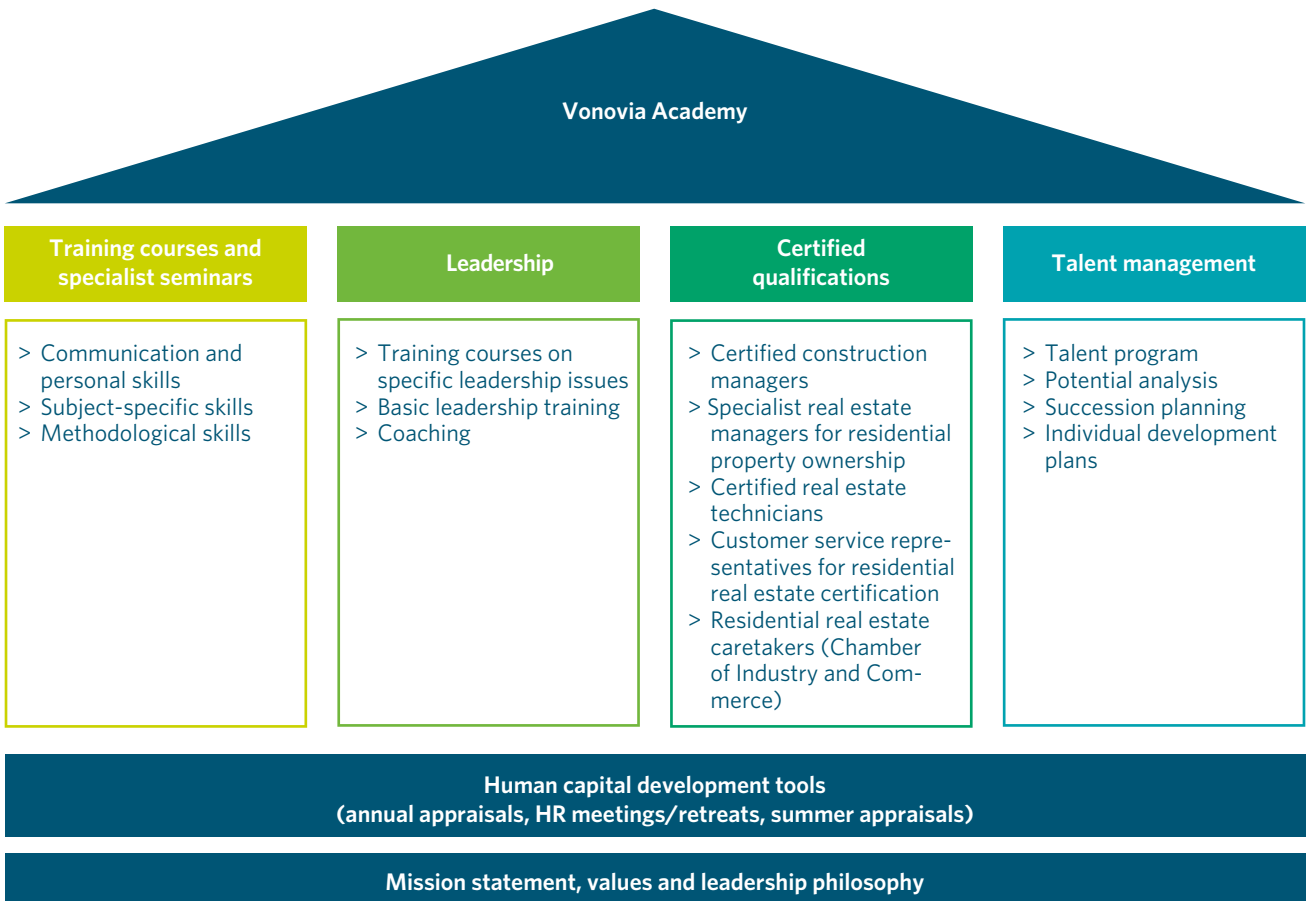
Vonovia Academy

At our Vonovia Academy, we are developing our employees’ skills and knowledge in an even more targeted way with a view to specific roles, functions and requirements in the workforce. Further, we have expanded our offer by including new training programs, curated learning content and guides. On-demand and eLearning services, such as digital training courses for managers and employees on the topics of self-management, storytelling and leadership issues, are designed to make further training and additional qualification at Vonovia a more flexible and personalized experience at large in the future.

Vonovia Academy

The Vonovia Academy is one of the main levers in our human resources development. In the past reporting year, our extensive portfolio of training programs was again primarily designed by the Vonovia Academy – in cooperation with the EBZ European Business School for Real Estate Management in Bochum and other educational establishments. The Vonovia Academy’s catalog of training courses is

The Pillars of the Vonovia Academy



continually adapted to meet the needs of our departments. The offers range from internal and external training courses, coaching, professional and management seminars to career and qualification measures such as certification, study courses, advanced qualifications in manual trades and part-time degrees.

Our internal caretaker course, for example, is a customized training course in the Vonovia Academy (see → **eLearning Course for Caretakers**). It was held for the first time in an interactive online format in the reporting year, including a virtual tour of a Vonovia neighborhood. A customized online curriculum based specifically on the needs of our gardening and landscape trainees was also introduced in the reporting year. There was also a variety of tutoring and training offers, such as communication training, for all trainees. Another flagship project in that regard was our internal training program, the Vonovia Neighborhood Academy, which took place for the second time in the reporting year. A total of 19 colleagues from various areas of the company spent a full year in the development program, whose methodology and content is geared towards an enhanced neighborhood development. The program not only covers the traditional topics in neighborhood development, but also personal competencies, such as social-communicative skills, knowledge for interdisciplinary project work, and methodological knowledge for innovative work. Building on the success of previous years, the third year is scheduled to start in spring 2023. With formats such as these, our training offers contribute to creating climate-friendly neighborhoods with a high quality of living for our tenants and also the general public in the urban society (see → **Neighborhood Development and Contribution to Infrastructure**).

19 colleagues

completed a neighborhood development training program over the course of a year

Human Capital Development Programs (Selection)

- > Talent programs “Management Talent” and “Strategy Circle”
- > Virtual caretaker course for sight checks and functional inspections with a virtual 360°-tour of an exemplary Vonovia neighborhood
- > Further development of the mandatory Code of Conduct and AGG training and additions to other compliance topics such as conflicts of interests
- > Online course for gardening and landscaping trainees
- > Part-time business studies courses, e. g., in Property Management
- > Leadership training and programs such as “Fit for Leadership” and “Basic Management Education”
- > Communication training and tutoring program for trainees
- > eLearning services for employees, such as time management and storytelling, and managers, such as “Managers as coaches” and “Leading with empathy”

Remuneration and Flexible Working Models

GRI 2-19

Performance-Based and Value-Based Remuneration

Appropriate remuneration that matches performance is an important sign of appreciation toward employees and trainees for Vonovia as an employer and a training company. As we are currently seeing sharp rises in the prices for gas, electricity and in the general cost of living, Vonovia has decided to pay out a premium to cover inflation over the period of the next 24 months totaling up to € 3,000 and an income-based pay rise. By this means, we firstly want to show our appreciation for employees’ good performances and secondly, prove our competitiveness as an employer. The benefits apply to a majority of the Vonovia employees in Germany and Deutsche Wohnen employees and focus on income groups that are particularly hard-hit by rising prices. Our employees in these income groups can therefore rely on a marked increase in salaries in the 2023 calendar year in order to cushion their personal additional costs.

eLearning Course for Caretakers



With the newly designed eLearning module, which includes a virtual 360° sight checks, caretakers can develop their viewing and functional inspection skills virtually.

They are the face of Vonovia: Our caretakers have an important job – they represent the company at a local level for our tenants. Since 2012, all employees in this position have been offered the certified course “Residential Real Estate Caretaker (Chamber of Industry and Commerce)” designed especially for Vonovia.

The course modules cover concepts such as communication, conflict resolution and de-escalation strategies, in addition to a solid grounding in tenancy law, final inspections, handovers and building technology. From presentations and checklists to a range of illustrative learning videos, the participants are taught about all relevant aspects of their position in an interactive and practical manner using a variety of formats.

In order to keep up with the digital transformation, the training concept has been continually developed further. The latest comprehensive redesign is an eLearning course, which covers our caretakers main task “Sight Checks and Functional Inspections.” With a 360°-tour of a real Vonovia property in the portfolio, a virtual element was integrated in order to make the “Viewing and Functional Inspection” part of the course as direct and tangible as possible. The fundamental topics of final inspections and handovers are presented in learning videos. This enables future caretakers to benefit from initially getting to know their tasks virtually and always having the ability to review them during the onboarding process. The new eLearning program proved ideal during the onboarding process of our Deutsche Wohnen colleagues.

Decision made to pay out a premium over the next 24 months

to compensate for inflation

and an income-dependent pay rise

Good and very good performances during training are rewarded by Vonovia with additional benefits. As part of the applicable works agreement, we have expanded our premium model for trainees from the technical service to the residential environment organization and the commercial area in the reporting year. In addition to closely supporting our young talent, we also want to motivate them and position ourselves as an attractive employer. For the same levels of performance in interim and final examinations, premiums were paid to a total of 85 trainees.

We want to give our young employees and trainees the best possible start to their careers with a range of trainee benefits. These include a company iPad or laptop, high-quality work wear, subsidized text books and intensive exam preparation courses. We are planning to introduce a performance-dependent subsidy of a maximum of € 2,500 for driving licenses in 2023 for commercial trainees. We want to ensure the mobility of our future employees in the Value-add segment following completion of their training.

Provision of

company iPads and laptops

and high-quality work wear and subsidized text books

Flexible Working and Digitalization

The hybrid working models established in 2021 and continually updated since, and our transformation to flexible and digitalized work processes have proven successful once more in the reporting period. Accordingly, the works agreement on mobile working that had already been negotiated between senior management and the works council in 2019 and corresponding agreements for our Austrian colleagues at BUWOG remain in place. In addition to the flexible option of working from home, our employees in the holding company are also largely free to work the hours that suit them – within the daily framework of 6.30 a.m. to 10 p.m. – and enjoy a high degree of personal responsibility. Personal working time accounts can range between minus 80 hours and plus 150 hours – but they do have to be balanced out within a certain timeframe.

Vonovia has also continued working on making HR processes more flexible, aimed at making our employees' everyday work easier, particularly through the gradual development of further digital offers. These offers include the option of calling in sick via an app or digitally clocking in and out. A relaunch of the company's intranet is also planned for 2023, which is aimed at making access to company-relevant information, services and benefits easier as part of a new design.

Social Benefits

When it comes to social benefits, we strive to achieve equity when considering our employees. For example, our employee share program is also in place in Austria, along with a works agreement on mobile working. The standardized company pension scheme introduced in 2021 is available to all Vonovia employees in Germany (including Deutsche Wohnen, excluding SYNVI and the Care segment) and is subsidized by Vonovia. With this scheme, Vonovia is going well beyond the requirements of the Company Pension Scheme Contributions Act (Betriebsrentenstärkungsgesetz), and making a special effort to fulfill its social responsibilities toward its employees.

BUWOG's HR department prepares a mandatory biennial salary report for the works council in accordance with Austrian law and also submits monthly salary lists to the works council. The aim is to ensure gender equality in terms of salaries and enable rapid responses to any indications of inequality.

Current figures show that there is a salary difference of 4.8% at Vonovia in favor of female employees (see → **Employee Key Figures**). This is due to the higher proportion of men in the technical occupations and a more balanced gender ratio in the on-average better paying commercial roles.

Diversity and Equal Opportunities

GRI 3-3, 405-1, 405-2, 406-1

Our Approach

Diversity is a part of Vonovia’s profile. This applies to both, our tenants and our employees. We see diversity as a significant opportunity and attach great importance to the structural equal acknowledgment of all groups within our workforce. Our focus lies on the overall conditions for cooperation as much as on the everyday work in Vonovia’s various fields of operations. We believe raising awareness for diversity among our workforce and managers is one of our most vital tasks.

Specifically promoting equal opportunities – including through various offers ensuring a healthy work-life balance and adjusting our recruiting processes to the demands of a pluralistic, multicultural society – is an important aim of our corporate policy. We apply an array of measures designed to fulfill the various and constantly changing demands of a diverse workforce. At the top level of management, the diversity concept for the composition of the management and control bodies, set out in detail in the [Corporate Governance Declaration](#), applies. Works councils represent all Vonovia employees in Germany and Austria. Since July 2022, they have also represented Deutsche Wohnen employees. As for the German branch, we have also appointed representatives for young people and trainees and the severely disabled.

(Inter-)national Guidelines

- > Core labor standards of the ILO
- > UN Global Compact
- > Diversity Charter
- > General Act on Equal Treatment (AGG)

Organizational Focus

All managers in the company are responsible for implementing and respecting our diversity and equal opportunity standards and complying with the corresponding policies on a daily basis.

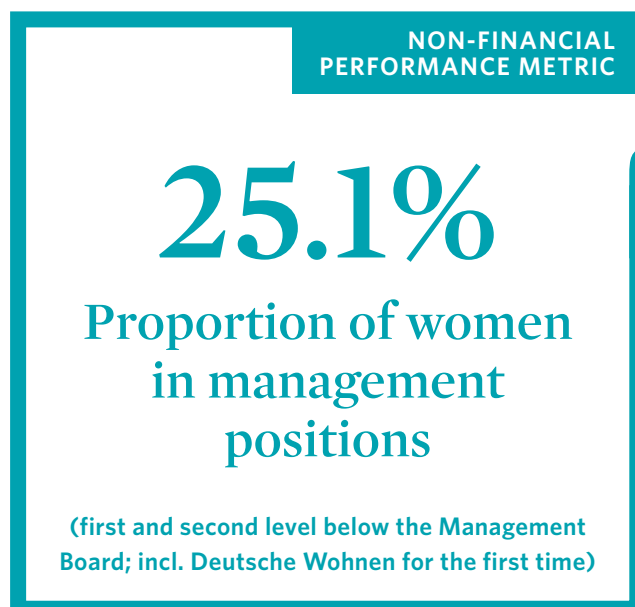
Objectives and Measures

We see the strengthening of women in the company as an important mission, as they – chiefly due to the technical occupations in the field of skilled trades – are considerably underrepresented with a share of 28.2% of the workforce (excluding SYN VIA and the Care segment) as a whole.

The SPI indicator “Proportion of women in leadership roles in first and second management level below Management Board” is recorded annually. This underscores our commitment to our aim of actively promoting women and opening doors to management positions and technical careers for them. When setting the target – 30% by 2026 – we were guided by the representation of women in the Group as a whole. At the top level of management, the diversity concept for the composition of the management and control bodies is set out in detail in the corporate governance declaration. In Austria, we were awarded the equalitA certification for the internal promotion of women in 2021.

We strive for equal opportunities and diversity in our everyday work at the company. In order for every employee to know and understand our central equal opportunities and diversity principles, we adapted our anti-discriminatory behavior training to current focal points and added it to the Vonovia Academy in the reporting year. Participation in our regular online training courses on the General Act on Equal Treatment (AGG) is mandatory for all new employees. This material is closely related to the digital training course on our Code of Conduct, which all employees are required to complete every two years.

We are happy to announce that there were zero cases of discrimination reported in the 2022 reporting period. In order to more firmly anchor the issue of diversity at the strategic level of the company in the future, a comprehensive range of management development courses – focusing, for example, on the topic of “unconscious bias” – is currently being developed and is scheduled to be rolled out in 2023. We are also focusing on including more people from abroad and people with a refugee background into our technical service



teams and in the Value-add segment. This not only encourages intercultural exchange in the workplace, but also contributes to expanding individual knowledge and expertise, which benefits all employees. Vonovia is also a partner company of the Klischeefrei (Cliché Free) Initiative. Its aim is to establish career and study choices throughout Germany that are free from gender stereotypes. It is a broad social alliance for anyone involved with career choice processes.

Once again zero cases

of discrimination

One important criteria for employees with children in terms of gaining their loyalty is our ability to provide a healthy work-life balance. We offer our employees information on our intranet platform about pregnancy and parenting, childcare and financial help for single parents. We also make child-friendly spaces available for parents at our various locations to cover short-notice childcare situations. In 2022, BUWOG in Austria also had various offers for employees, including child- and family-friendly workplaces and a one-week childcare program organized for BUWOG employees in cooperation with an external provider in the reporting year for the summer vacation. Our Austrian subsidiary has been certified as a family-friendly company by the Austrian Federal Ministry for Labor, Family and Youth since 2017. A recertification is planned in 2023.

Promoting Health and Safety

GRI 403-2, 403-4, 403-5, 403-6

Safety in the Workplace

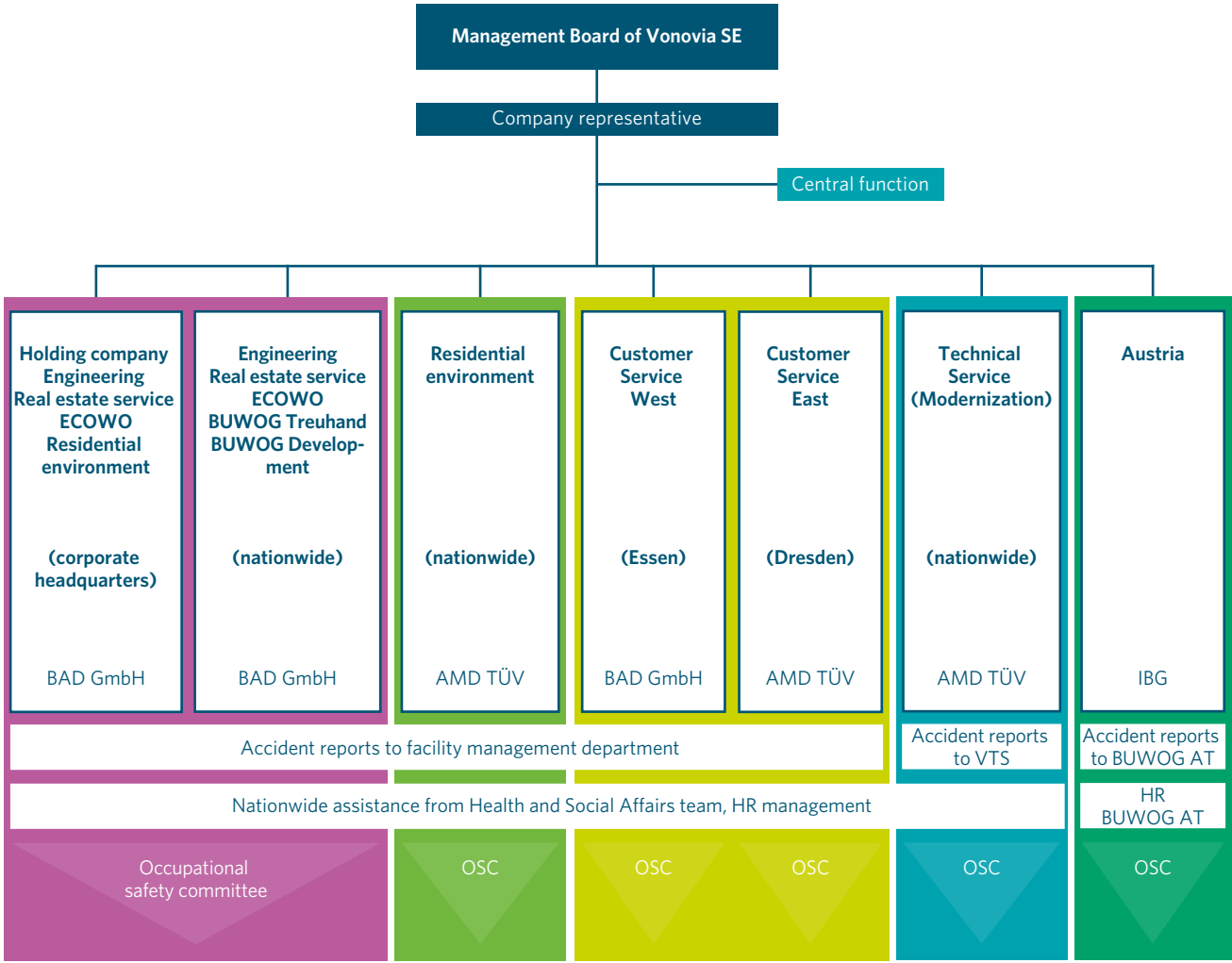
The health and safety of our employees is a top priority for Vonovia. The company uses its professional health and safety management policy to minimize potential hazards and promote a working atmosphere that effectively protects all employees from health risks in the workplace. We design working processes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

Internal coordinators for occupational health and safety meet four times a year. Additional meetings can also be arranged on an ad hoc basis. The existing offers and potential adjustment measures are evaluated at these meetings. 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. Our Group guideline on occupational safety has been available in English since 2021. The Swedish occupational safety standards correspond with the requirements of the Group guidelines in all aspects and provide a strict framework that is adhered conscientiously in the implementation of all occupational safety measures. An occupational safety committee has been responsible for evaluating occupational safety and implementing appropriate measures on Victoriahem sites since 2021. With the merger with Deutsche Wohnen, new real estate service commercial sites will be established in Berlin along with the new business area 05, with around 200 caretakers and 40 technicians from the former FACILITA, and in Mainz from 2023. Occupational health and safety will be safeguarded through the implementation of the existing Group-wide occupational safety organization in the real estate service, the technical service and the residential environment service.

Risk Assessment and Prevention

All other measures and activities are based on risk assessments. The expansion of photovoltaic plants in our existing neighborhoods led to a reassessment of risks, for instance. The measures derived from this reassessment include expanded and specialized training courses and instruction for the employees in this area. In addition to training, making specific protective gear available further supports the prevention of occupational accidents.

Organizing Occupational Safety at Vonovia



Our sites meet the training quotas of the DGUV (German Social Accident Insurance) for first aiders and fire safety personnel. Our fire safety officers in the Central Technology department provide the Vonovia Technical Service with support when required. Fire and first-aid training courses for employees were also offered in Sweden in the reporting year, and a variety of mandatory and voluntary medical examinations were performed by company physicians.

As some of our business activities also include new construction and modernizations, construction sites remain the largest occupational risk for our employees. Team meetings are held to discuss safety on construction sites. This topic is also covered as part of our TEOX training module. External safety coordinators ensure technical safety at the construction sites themselves in accordance with site regulations. We have also increased our inspections of construction sites in the current reporting year. For this purpose we have partnered with TÜV Rhineland, who send out inspection

personnel twice a year to select locations to perform the corresponding checks. In addition, the responsible occupational safety officers are accompanied and advised by a company physician once a year.

The purpose is to reduce accidents, with a particular focus on keeping the number of work-related fatalities at zero.

Coronavirus Protection Measures

The pandemic again had a noticeable impact on our health management in the reporting year. The multiple adjustments to safety regulations by the authorities, particularly in the first half of the reporting year, led to the continual alignment of our measures, including the associated Group-wide communication to employees. We also established a regularly recurring meeting for the technical service, where around 60 employees were able to exchange their experiences with the coronavirus restrictions at their locations. Unannounced official inspections by the respective regional

authorities found no issues with our approach. In addition to the tried-and-tested digital health management offers, we also made local coronavirus testing and vaccination available for free in accordance with the official request of municipal and federal authorities. However, since the booster vaccinations, these offers have been rolled back due to lack of demand. Protective masks, lateral flow testing and disinfectants, on the other hand, were available at all locations and in all offices throughout the year.

Preventive Care Benefits

As part of our company-wide health management, we aim to raise awareness among employees for taking care of their own health. The corresponding measures include providing employees with information about stress management, relaxation and mindfulness, and managing the challenges of mobile working. We also offer our employees the opportunity to turn to the advice helpline run by BAD, free of charge, during times of personal crises with our Employee Assistance Program (EAP). We also offer information regarding healthy nutrition and exercise, for example through our internet portal. Flu vaccinations and colorectal cancer examinations are also available to all Vonovia employees in partnership with certified external service providers. These offers have been taken up by many employees.

Bicycle lease program

786
users

Our bicycle lease program, introduced in 2021, has proven extremely popular: Demand among the workforce has increased further in comparison with 2021 to 786 users in the 2022 reporting year. We are also expanding our range of information and support related to health issues and our diverse fitness partnerships. We added the fitness chains John Reed and FitX to our cooperation network of sport and fitness service providers in the reporting year.



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Sustainable Governance and Responsible Business Practices



GRI 2-10, 2-27, 2-28, 2-29, 3-3

UNGC Principle 1, Principle 2, Principle 4, Principle 5, Principle 10



Disclosure

Opportunities and Risks

Vonovia has been listed on the Deutsche Aktienindex (DAX) since 2015. It became the first residential real estate company to be listed on the EURO STOXX 50 index in 2020, and is currently the only real estate company on the index.

Access to external capital is a fundamental prerequisite for our success. In the 2022 reporting year, the market was characterized by high rates of inflation, rising interest rates, a slowdown in economic growth and indications of a risk of recession. This was also reflected in Vonovia's share price.

ESG criteria is becoming increasingly significant in investment decisions and sustainable financing options. Failure to meet ESG expectations presents risks up to being excluded from an investor's investment portfolio or other access to capital. In contrast, a probably good performance in sustainability issues results in the opportunity of gaining good access to a broad range of financing options. This enables us to continue responding to the challenges facing the housing industry, both now and in the future.

Sustainability, transparency and corporate success are all mutually dependent; integrating sustainability into business and strategy processes in particular is constantly gaining in importance. With the inclusion of digital work and communication processes in the business world, the structured management of information and data is also growing in significance. This issue is particularly relevant for us as we handle sensitive corporate and personal data. It is extremely important that we keep this data safe in order to avoid a loss of reputation and potential legal fees.

HIGHLIGHTS 2022

- > Stability of the business model proven – despite crises and high interest rates
- > Sustainability Performance Index (SPI) at 103%
- > New Sustainable Finance Framework (EU taxonomy-compliant) implemented
- > Seven sustainable bonds amounting to more than € 4 billion and SEK 1.25 billion issued
- > Top ESG ratings defended and expanded – DJSI European member once again
- > Declaration of Respect for Human Rights updated
- > Independent whistleblower hotline in regular operation for employees and stakeholders; additional channel for reporting discrimination incidents set up
- > Further development of training offers for dealing with conflicts of interests and anti-corruption

Transparency is the Foundation of our Business

Trust is the top priority for our customers, the capital market, employees and all other key stakeholders. In order to gain trust and maintain it, we have made reliable and transparent corporate governance the foundation of our business. We adhere to laws, guidelines and regulations and manage our business responsibly and independently in line with the principles of good corporate governance.

If we fail to meet the expectations of our stakeholders in terms of responsible corporate governance, this may lead to risks that could have an impact on our business (e. g., liability risks or potential administration fines) and our reputation.

Although the laws in the markets we serve in Germany, Austria and Sweden already offer a secure framework particularly in terms of labor and social standards – such as the Supply Chain Due Diligence Act – human rights aspects are increasingly moving into the spotlight. This applies, for instance, to risks relating to compliance with labor and social standards on construction sites.

As an active member of society, Vonovia is involved with socio-political processes to form opinion. We want to engage with stakeholders on an equal footing and believe that this dialogue makes a valuable contribution along with what we do as a company. As Germany’s largest residential real estate company, we believe there is an opportunity for us to be heard when the public debate focuses on solution-oriented exchanges regarding housing policy.

In the Sustainable Governance and Responsible Business Practices action area, the two main topics for us are **Governance and Compliance** and **Appeal on the Capital Market**. These are flanked by the topics of **Sustainable Corporate Strategy, Digitalization and Data Security, Human Rights Due Diligence and Supply Chain** and **Contribution to Socio-Political Dialogue**.

Sustainable Corporate Strategy

Sustainable and Long-Term Growth

Vonovia’s business model is based on three pillars: the rental of good-quality, modern living space at fair prices, the development and construction of new apartments, both for its own portfolio and for sale to third parties, and the provision of housing-related services. Like all providers of homes, we face the challenge of countering the social megatrends of climate change, urbanization and demographic change with appropriate strategies and solutions (see → **Vonovia in the Context of Current Trends and Developments**).

In order to keep our business model fit for the future and adapt it to the current challenges, we have been pursuing our 4+2 corporate strategy since our initial listing in 2013. The four pillars – property management, financing, portfolio management and Value-add – are complemented by opportunistic acquisitions and measures for the internationalization of Vonovia. The successful merger with Deutsche Wohnen is the result of the continuation of our sustainable growth strategy. This merger has allowed us to tap into new synergies, harmonize processes and make processes even more efficient. At the same time, managing with integrity, the sustainability of the business model and the extent to which the company is perceived as living up to its social responsibilities are playing an increasingly important role at Vonovia.

More information about our 4+2 strategy is available in our [📄 2022 Annual Report](#).

Vonovia’s corporate strategy has also proven to be robust and resilient in the face of the impact of Russia’s invasion of Ukraine and the coronavirus pandemic. Our digitalization ambitions and measures in particular enabled us to not only keep our business processes running more or less smoothly, but also to develop them further (see → **Digitalization and Data Security**).

We continuously adapt our strategy and focus particularly on highlighting the sustainability aspects. The Sustainable Governance and Responsible Business Practices action area stipulates the guidelines and principles of our corporate governance and compliance and ensures our sustainable and long-term success on the capital market for our future viability.

Since 2021, Vonovia’s remuneration structure for the Management Board and top management levels has been linked to the achievement of sustainability targets. This is a clear expression of the relevance of the strategic direction toward sustainability at Vonovia. The sustainability targets are defined in our sustainability performance index (SPI). The SPI came to 103% in the 2022 reporting year. A detailed

description of our Management System is provided in our [2022 Annual Report](#). Further information is available in the [remuneration report](#).

Elements of Long-term Variable Management Board Remuneration

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

Management of Opportunities and Risks

Assessing the risk related to sustainability factors is becoming increasingly important in the list of requirements that investors and analysts look at. The recommendations made by the **Task Force on Climate-related Financial Disclosures (TCFD)** are in response to this trend. They serve to highlight the direct and indirect financial risks and opportunities arising from climate change and make them transparent (see [→ Implementation of the TCFD Recommendations](#)).

Vonovia has a comprehensive risk management system in place that enables it to identify, assign weightings to, and manage opportunities and risks relevant to the company. This:

- > Reduces potential threats
- > Secures the future viability of the company
- > Promotes our strategic development
- > Helps us to act sustainably

Vonovia’s risk management system was aligned with the sustainability aspects of the corporate strategy. For risks with an explicit sustainability aspect, not only the impacts on Vonovia (outside-in perspective) are taken into consideration but also any impact these risks may have on the environment and society (inside-out perspective).

For transparency purposes, we explain the risk situation at Vonovia in detail in our Annual Report and provide an up-to-date risk assessment on behalf of the Management Board (see [Current Risk Assessment](#)). We also provide a wide range of information in this sustainability report based on the TCFD framework for disclosing climate-related risks (see [→ Implementation of the TCFD Recommendations](#)).

For the current reporting year, the identified sustainability risks were classed as “green” with one exception. This means that the potential amount of loss is low and the probability of occurrence is very low.

The yellow risk “Unfavorable carbon tax” has been assigned an expected amount of loss of € 40–150 million (2021: € 25–100 million) and is still assessed as having a probability of occurrence of 60–95%. The legislation on the carbon tax introduced by the German government could entail risks for Vonovia with the potential to negatively impact Adjusted EBITDA in the Rental segment. In order to limit this risk, Vonovia has implemented a program for energy-efficient refurbishments within its portfolio and is researching new methods for carbon-reduced energy production (power-heat coupling, sector coupling, etc.).

The Management Board bears full responsibility for risk management. The Head of Controlling reports to the CFO and is responsible for the operational management of the risk management system. Risk Controlling initiates the periodic risk management process and consolidates and validates the reported risks with the assistance of risk owners – managers at the level directly below the Management Board (see [Opportunities and Risks](#)).

Identified Sustainability Risks

- > Unfavorable carbon tax
- > Risk of non-compliance with the climate path
- > Risk of business continuity in disasters/crisis situations
- > Risks resulting from climate change
- > Risks from the design and implementation of business models
- > Procurement price risk in the area of our energy services
- > Procurement risks in relation to the expansion of renewable energy through photovoltaics
- > Risk of breaches of provisions concerning special contractual rights (social charters)
- > Risk of non-compliance with legislation on occupational health and safety management
- > Risk of losing sustainable financing
- > Risks associated with non-compliance with statutory requirements and investor or analyst expectations regarding ongoing sustainability reporting
- > Risk of non-compliance with operator obligations

Governance and Compliance

GRI 2-10, 2-16, 2-23, 2-25, 2-26, 2-27, 3-3, 205-3, 207-1, 207-2, 207-3, 406-1

Our Approach

Our Corporate Governance Principles

Corporate governance covers all of the functions, processes and frameworks, and ensures our company is managed and monitored responsibly and independently. It means the management has clear and functional rules to follow in order to fulfill the company's social responsibilities and its responsibilities toward employees, suppliers and customers. Group-wide guidelines and business principles include our [Business Philosophy](#), our [Code of Conduct](#), the [Business Partner Code](#) and our [Declaration of Respect for Human Rights](#).

We also live up to this responsible attitude with our independent Supervisory Board and our commitment to the principles of the German Corporate Governance Code (GCGC, see [Corporate Governance Declaration](#)). Our Supervisory Board consists exclusively of independent members that are individually recommended and elected. We publish the individual attendance figures for the Supervisory Board meetings in our [Annual Report](#). Comprehensive information regarding corporate governance can be found in the [investor relations website](#). This includes disclosures on shares held in the company by members of our Management and Supervisory Boards. In addition to the GCGC, we are also committed to the principles of the Institute for Corporate Governance of the German housing industry.

That is also why we place such an emphasis on compliance with applicable legislation and tenancy law. 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 (see [Human Rights Due Diligence and Supply Chains](#)).

Compliance Management and Whistleblowing System

The compliance management system (CMS) supports the corporate governance's direction and is intended to prevent employee misconduct and safeguard the company against misconduct. At Vonovia, the CMS is based on three pillars: prevention, detection and response. These pillars are underpinned by an extensive system of measures and processes as part of the compliance program. The basis takes the form of the [Compliance Guidelines](#), which follow the Principles for the Proper Performance of Reasonable Assurance Engagements Relating to Compliance Management Systems (IDW PS 980). The CMS is subject to a periodic audit, which was last carried out by an independent auditor (in 2021). An effectiveness review and certification of the CMS is being prepared for 2023.

Strict adherence to compliance rules protects the integrity of employees, customers and business partners, and shields our company from negative influences. This is an indispensable prerequisite for being perceived as a reliable and trustworthy partner.

The Chief Executive Officer (CEO) is responsible for implementation of the CMS. The Chief Compliance Officer reports directly to the Chief Executive Officer. A Compliance Committee comprising the Chief Compliance Officer, Compliance Managers, the external ombudsperson, representatives of the Internal Audit, Risk Management and HR Management departments, the works council and companies outside of Germany regularly updates the system in line with current requirements and is responsible for its ongoing development. In this context, the Chief Compliance Officer acts as a central contact point for compliance-related questions and suspicions. The Chief Compliance Officer has also been appointed Human Rights Officer since January 1, 2023. His activities are supported by the compliance managers and specialists in the individual departments.

CMS is also supported by our web-based whistleblowing hotline. Compliance breaches can be reported in German and English (as well as in four other languages in the future), online and anonymously. The whistleblowing system is open to employees, suppliers, customers and other stakeholders. In addition, a reporting mailbox has also been set up in the HR department to identify potential violations of the General Act on Equal Treatment in particular (Allgemeines Gleichbehandlungsgesetz). The whistleblower report, prepared externally every six months, is included in the compliance report. One of the key performance indicators in this area is the total number of proven cases of corruption in Germany. In the 2022 reporting year, 28 (2021: 45) suspected cases of corruption or compliance issues had been reported and carefully investigated in Germany. No material compliance violations were uncovered. There were no proven cases of corruption. The severity of all reported cases was deter-

mined to be minor. The reported cases can be assigned to the following categories, among others: incidents with tenants, conflicts of interest involving employees, information regarding allegations of fraud (involving commission) relating to employees, but also external persons, notifications of material theft and vehicle break-ins.

No

significant confirmed incidents of corruption or breaches of anti-money laundering regulations in 2022

The CMS and whistleblowing system apply to the entire Group. Deutsche Wohnen also maintains its own legal and compliance department, which is supported by Vonovia's compliance and data protection department under the terms of the agency agreements. 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. Responsibility for this lies with the respective managing directors.

Subsequent Events

On March 7, 2023, Vonovia SE received information from the Bochum public prosecutor's office regarding investigations against current and former members on the basis of a search warrant issued by the Local Court of Bochum. According to the information provided, it is suspected that Vonovia SE or selected affiliated companies have suffered damage due to organized and commercial fraud, breaches of trust in the form of anticompetitive agreements in connection with tenders and particularly serious cases of passive and active corruption in business transactions. To what extent tenants have suffered damage due to this is currently being reviewed in the internal investigation that has been launched.

Measures have been taken to clarify the incidents in full. The auditing firm Deloitte has also been engaged to conduct an independent investigation. Initial internal investigations have revealed that the allegations made in the context of the investigations are based exclusively on collusion between the defendants, meaning that existing, otherwise effective control mechanisms can be circumvented. As only completed processes are included in the presentation of the key figures for the respective reporting year, this incident has no relation to the key figures presented for 2021 and 2022 (see → [Key Figures - Governance](#), [Reviewing Taxonomy-eligible Economic Activities for Taxonomy Alignment](#), [Combating Corruption and Bribery](#)).

The internal control system (ICS) comprises the basic principles, procedures and regulations introduced in the company to ensure due, proper and reliable internal and external accounting. It also ensures compliance with the legal provisions that apply to the company. The Internal Audit department regularly audits the functionality of the internal control system and submits reports regarding the internal control system to the Supervisory Board's Audit Committee in the quarterly status reports and the Annual Report. 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. The effectiveness of the internal control system was once more confirmed for the 2022 reporting year. In this regard, we refer to the explanatory information concerning the appropriateness and effectiveness of the ICS in the combined management report (see [Corporate Governance](#)).

Organizational Focus

In order to acknowledge the increasing significance of compliance topics, the existing Compliance office became an independent Compliance department in April 2023 and was moved out of the previous structure (attached to the Legal department). The role of Chief Compliance Officer, reporting directly to the Chief Executive Officer, was created to head the department.

The Management and Supervisory Board offices coordinate the cooperation between the various management committees and organize the flow of information between the Management Board and the Supervisory Board. The Legal department, Management Board and Supervisory Board office work together closely to decide how to implement resolutions taken by the decision-making bodies. The Supervisory Board Audit Committee regularly reviews the Compliance report and Internal Audit's status report (see [Annual Report](#)).

While the Legal department, which is responsible for CMS, is under the direct supervision of the CEO, the Tax department is headed by the CFO.

Integration of New Companies

When we integrate new companies into the structures of the Group, as recently occurred with Deutsche Wohnen, we determine which policies are already in effect and identify any changes that are required in the course of the integration. The responsible managers review our guidelines throughout all Group areas every two years to determine if they have to be updated.

The Compliance Guidelines and other individual guidelines were adapted to the Austrian legal system and published as a national guideline for the Austrian subgroup in the reporting year. During this process, both the Business Partner Code and the Code of Conduct were reviewed and some small changes were made. The new Compliance Guidelines were presented to all BUWOG employees in Austria during an information event in order to raise awareness and clarify our position in this area.

Objectives and Measures

Across the Group, our aim is for full compliance with guidelines, applicable laws, values, corporate governance principles and the code of conduct.

Risk Analysis

The Group-wide (excluding Deutsche Wohnen), web-based compliance risk analysis that was conducted at management level in the 2021 fiscal year had identified potential for improvement in the areas of money laundering prevention and IT security, while performance in the other areas were considered good to very good. One measure resulting from this was the restructuring of the data protection department, which was merged with the central compliance department on January 1, 2022. This serves to simplify internal processes, thus making them easier to safeguard. The next compliance risk analysis is planned for 2023 and will include requirements from the Supply Chain Due Diligence Act.

Training

Regular training courses, planned and implemented by the Compliance and HR departments, form the basis of our work to prevent misconduct. A comprehensive catalog of regular and mandatory training events is already firmly established and has been adapted for the various internal target groups. The procurement department, for which the issue is particularly relevant, receives special training on corruption and criminal law pertaining to corruption, for example. In the reporting year, we extended compliance training by another five new formats that we intend to repeat annually:

- > Mandatory training on dealing with conflicts of interests (for all employees)
- > Mandatory anti-corruption training (for all employees)
- > Training format for the sales department on money laundering (in response to recommendations in the compliance risk analysis)
- > Training to recognize corruption and fraud (for all management levels)
- > Training on completing contracts (for the development area)

Five

new training formats introduced

In the past, we have heard about cases of third parties acting as "intermediaries" between potential tenants and our landlords in order to collect commission for procuring housing. This is not permitted. Vonovia's rental process is standardized and binding in all cases. In order to raise awareness of this among our landlords and to protect potential tenants, we developed the brochure "Fair play in new rentals" in the 2022 reporting year. It was sent with a letter explaining the background to all Vonovia landlords in Germany. The brochure also clarifies how to deal with demands for commission from third parties. It explains which channels can be used to report misconduct and who the correct contact is for questions and reports. We also plan to communicate with Vonovia caretakers about this topic.

Multilingual Whistleblowing System

Over the course of 2023, our whistleblowing system will be made available in up to six more languages to minimize any language barriers.

Tax Compliance

Tax compliance and tax risk management are an important element of our CMS. We remain committed to continuity and transparency in all areas of our business when it comes to our taxes. As a result, the [tax strategy](#) adopted in 2018 is still in effect. We see ourselves as a taxpayer that lives up to its social responsibility in terms of contributing to society financially. Vonovia is committed to the due fulfillment of its tax obligations and has therefore set itself the goals of:

- > Meeting its tax obligations in Germany, Austria, Sweden and the Netherlands as a multinational company with operational subsidiaries
- > Ensuring full compliance with tax compliance regulations
- > Maintaining a tax-compliant culture and organizational structure that ensures that subsidiaries are not misused as vehicles for tax optimization and that no tax havens are used

Our understanding of tax is based on clearly defined responsibility and control processes and a risk management system that comprises the following elements:

- > Regular exchange of information between the CFO and the Head of Tax
- > Regular information to the Supervisory Board on key topics and risks
- > Implementation of an internal tax compliance system (internally and externally audited)
- > Complete documentation of tax-related issues
- > Whistleblowing system

The appropriateness and implementation as well as the effectiveness of our tax compliance management system was subjected to an external audit by the auditor in Germany for selected tax types in 2021 and successfully certified in January 2022. The Austrian subsidiaries were also successfully audited for adequacy in 2020, followed by an effectiveness audit for the period from July 1 to December 31, 2020, at the beginning of 2021. The auditor did not identify any issues. A partial internal assessment of the tax compliance management system in Germany and Austria was performed by the Internal Audit department in the reporting year. The results confirmed the appropriateness and effectiveness of the measures implemented. You can find more information regarding taxes in the [Annual Report](#) and in the Investor Relations section of our [website](#).

Digitalization and Data Security

Digitalization of Internal Processes and in Customer Services

Digitalization offers a lot of opportunities to develop processes further. It is an important topic at Vonovia: Ideas for improvements become digital solutions that make customer services quick and easy for our tenants and optimize our processes. For instance, we have already introduced digital tenant and HR files as well as a digital installation portal. We were recognized as a top digital company by the Süddeutsche Zeitung Institute and Statista for our dedication to digitalization in the reporting year.

Digital applications also help us to manage our portfolio. Internet of things (IoT) technology enables data-based decision making and an effective analysis of the technical status of building infrastructure independent of location. Almost all of the elevator systems in our buildings, for example, send reports to the technology center in real time. The information is then pooled and analyzed there. The central heating systems are also monitored remotely. With the data collected, we notice disruptions sooner and can remedy them quicker. The heating systems can also be managed more efficiently and buildings' carbon emissions lowered. We are currently developing an additional app for remote heating monitoring that is due to be made available in the course of 2023.

We also make the most of the opportunities presented by digitalization when it comes to communicating with our tenants: Our Customer Service department successfully uses systems to automatically categorize customer inquiries and then forward them to the right administrator. This enables us to respond more quickly and more precisely to inquiries. And our customer app "My Vonovia" is continually being developed further. With the app, our tenants can log repair work independently and have access to all documents relevant to their tenancy at Vonovia. This makes our administration processes leaner, which in turn contributes to our sustainability goal due to our decreased use of financial, personnel, time and natural resources.

"My Vonovia" app

**all documents in digital format and
accessible for tenants in one place**

Information Management

One particular focal point of our digital work in the reporting year was on harmonizing the IT systems and structures of Vonovia and Deutsche Wohnen. Duplications were eliminated and IT landscapes were consolidated. A uniform company platform and process landscape is currently in place.

We have made a push to integrate collaborative and digital tools and programs in our everyday work across all areas and opportunities for mobile work. This has enabled us to cut back on business travel, which contributes to our climate protection targets. A works agreement was adopted back in 2019 regarding mobile working, which forms the foundation for further steps and improvements.

It is our aim to advance digitalization further in our company in order to improve the efficiency and standardization of our processes. With all the new opportunities that come from this, the risks also grow – such as potential data protection breaches. We keep a close eye on these and put appropriate measures in place whenever necessary.

Data Security and Data Protection

The long-term protection of personal data is particularly important to Vonovia. We therefore adhere strictly to the applicable provisions of data protection law and take the measures necessary to fully protect data. These include a uniform Group-wide rulebook on data protection and privacy, information security and the internal control system, and a cyber security system to protect company-related data.

Our employees receive regular mandatory data protection training, initially upon joining the company and then every year afterwards. Since 2021, employees have also been able to complete the training independently online from any location. Data protection coordinators track the compulsory training attendance on behalf of the employees in their department to ensure that they complete it. At the beginning of 2023, the Deutsche Wohnen subgroup also introduced this training for employees.

We follow the current recommendations of the Federal Office for Information Security (BSI) and perform weak-spot scans at regular intervals. 99% of our IT systems are ISO 27001-certified through the service provider. We also perform regular data protection audits for providers that process personal data on our behalf. Topics covered by the audit include the procedures and measures implemented to guarantee system resilience and IT disaster recovery plans.

99%

of our IT systems are
ISO 27001-certified

Our package of measures taken in the area of data protection has led us to classify the risks related to inadequate IT security or violations of the General Data Protection Regulation as extremely low within our risk management. Mobile working also does not involve any significant data protection-related risks. Reports regarding misconduct or breaches of data security or data protection can be made at any time via Vonovia's diverse complaint mechanisms. Comprehensive information regarding data protection at Vonovia is publicly available on our [website](#).

Organizational Focus

Vonovia has defined clear responsibilities and contacts for data security and data protection in all relevant Group areas. The Chief Information Officer (CIO) is the most senior party responsible for information technology and also responsible for managing the planning, operation and selection of technology. The IT department has been assigned to the Chief Transformation Officer's (CTO) Management Board function since January 2022. The Compliance and Data Protection department monitors the implementation of the measures in the individual departments and provides advice for any issues relating to data protection. The head of each department is responsible for the security of information and data that is predominantly created, collected, used or processed in their department (data officer). In addition to the data protection officer, there are also data protection coordinators in all departments in Germany and Austria.

The Management Board is provided with information about developments in the area of data protection and information security once a year with the data protection report. In Austria, a status report is provided to the management of BUWOG once a year. The Audit Committee deals with all issues concerning data security on behalf of the Supervisory Board and also receives our data protection report once a year.

Human Rights Due Diligence and Supply Chain

GRI 2-27, 308-1, 308-2, 414-1, 414-2

Our Commitment to Respecting Human Rights

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.

Due to the Supply Chain Due Diligence Act and the announced European regulation, the way in which supply chains are structured and the due diligence obligations associated with this are of increasing importance to the company. In our Declaration of Respect for Human Rights, we communicate our clear conviction for a pluralistic democratic society and zero tolerance of human rights violations. 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, which we committed to in 2020.

Responsibility in the Supply Chain

Value chains are often global and complex – creating transparency in supply chains is a challenge for many companies. Almost all of our direct suppliers are based in the European Union.

Vonovia’s business model includes the construction, maintenance and modernization of homes. We are aware of our social responsibility as a company active in this important sector. Our constant aim is to prevent or minimize the risks associated with our business activities.

In terms of human rights, the mining of raw materials and manufacture of construction materials is particularly relevant in our upstream supply chain. Complying with work and social standards on construction sites is also associated with risks. Some trade/construction activities in Germany are carried out by our own technical service – and therefore by our own employees. This lessens dependency on the services of external construction companies and – thanks to the measures established in the company’s own business area – the risk of noncompliance with labor and social standards.

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:

- > The Business Partner Code
- > The 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 and
- > Individual agreements as part of our structured supplier management

Cooperation with our Suppliers and Supplier Reviews

Our Business Partner Code for contractual relations in Germany and Austria must be signed by all domestic and foreign suppliers before contract completion. In the Business Partner Code, we set out, among other things, all material requirements necessary for 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. The Code is regularly updated. The next update is scheduled to take place in 2023.

BUWOG’s (Austria) Business Partner Code was reviewed in the reporting year and adapted with regard to the whistleblower system in particular. Our Swedish subsidiary Victoriahem also has its own Code that is regularly reviewed and adjusted to superordinate requirements. In the first quarter of 2023, Victoriahem reviewed both the Code of Conduct for its own employees and the Supplier Code of Conduct for necessary changes.

The use of sustainable materials and products (see → [Sustainable Materials and Products](#)) in new construction and refurbishment has an impact on the climate and the environment. Raw materials in buildings are valuable resources that can be fed back into a circular economy in various different ways. The entire life cycle of the materials used, including in cooperation with suppliers, should be taken into account for all new construction and conversion projects. We require our partners to take the requirements of our product manual into consideration in order to promote the procurement of sustainable materials. In addition, we have formulated specific environmental criteria in Sweden that all new suppliers that we work with must fulfill. Existing supplier agreements will be updated by 2025 or will come to an end by then.

The Vonovia partner portal also plays a vital role in our sustainable approach to supplier management. The portal serves to log qualifications and check whether suppliers adhere to social and environmental standards and human rights, and is connected to our whistleblowing system. In the event of incidents and breaches, a structured management of measures is activated, which – once all other means have been exhausted – may result in blocks on orders and termination of contract. A comparison with the EU sanctions list is performed automatically before the completion of every contract in Germany. In the 2022 reporting year, this requirement was also taken over by Victoriagem and established as part of the supply review. This comparison is also due to be introduced in Austria in 2023. The partner portal for BUWOG Austria went live in November 2022. The first assessment of a significant business partner is planned to take place in 2023. In addition, the BUWOG partner portal will be expanded further in 2023 and business partners added in line with the Group guidelines.

Compliance with the Requirements of the Supply Chain Due Diligence Act

In the reporting year we closely examined the requirements of the Supply Chain Due Diligence Act (LkSG). This also includes reviewing existing guidelines, codes and processes as well as establishing responsibilities. In the course of this process, we updated our [Declaration of Respect for Human Rights](#) and republished it in the form of a Group guideline in January 2023. We will publish the first report on Vonovia's compliance with human rights due diligence in 2024.

The Chief Compliance Officer was appointed Human Rights Officer as of January 1, 2023, and will report regularly to the Management Board in the future. He will be supported by a committee that brings together due diligence coordinators from relevant departments and meets at least once every quarter. In the reporting year, we looked at how we can plan training sessions in order to further improve awareness of our human rights and environmental due diligence obligations among employees in relevant business areas in the future.

The procurement department, with other departments, organized further workshops in order to determine the human rights risks in different groups of goods. The abstract risk analysis pursuant to LkSG showed priorities in the following areas for ensuring we meet our due diligence obligations:

- > Fair working conditions (appropriate pay and social security)
- > Occupational health and safety
- > Freedom of association
- > Anti-discrimination and equal opportunities
- > Privacy and data protection
- > Demolition and recycling of building materials, chemicals that contain persistent organic hazardous substances, and environmentally correct disposal of waste, and
- > Prohibition of forced labor as well as child labor

A detailed risk analysis will be performed for the supply chain and the company's own business area in 2023.

Human rights risk analysis

for the company's own business area and supply chain in progress

Update of the Procurement Department's Group Guideline

In the reporting year, we revised the Group procurement guidelines to further strengthen compliance with due diligence obligations and internal governance procedures, among others. A new chapter was also added to supplier management in order to establish and implement the requirements of the LkSG. The new guidelines apply throughout the Group and have been in effect since January 1, 2023.

We also started the gradual integration of Deutsche Wohnen's suppliers into Vonovia's partner portal in the reporting year. The structures of Vonovia's central procurement department were transferred to the Deutsche Wohnen subgroup. The procurement department has been assigned to the Chief Transformation Officer's (CTO) Management Board function since January 1, 2022.

Contribution to Socio-Political Dialogue

GRI 2-24, 2-26, 2-28, 2-29, 415-1

Dialogue with our Stakeholders

Our company is in close contact with numerous, and in terms of their interests, very different stakeholder groups. Their expectations and needs are vitally important to our business and the development of our neighborhoods. We see ourselves as a bridge-builder between various interest groups and put great stock in enabling exchanges between equals. In line with our responsibility as the largest private provider of homes in Europe, we consider ourselves a hub for ideas and thus actively participate in creating the best mutual solutions for living together in our neighborhoods.

Our main tool for exchanges with stakeholders is our Corporate Communications department. It is directly available for stakeholders every day and ensures a uniform internal and external presentation. Communication through social media such as Facebook, Twitter and Instagram has become increasingly important for us in recent years. We use social media widely and specifically to keep our stakeholders informed.

The Public Affairs department maintains connections with politicians and stakeholders. This department is responsible for analyzing who our material stakeholders are, and updating the analysis annually.

Annually updated stakeholder analysis

Decentralized, needs-based communication with various stakeholder groups

In addition, our departments or the local colleagues in the neighborhoods in particular react to specific and target Group-related communication occasions and engage in dialogue with our stakeholders. For instance, the Investor Relations department is responsible for exchanges with shareholders and analysts, while the Procurement department handles communication with suppliers and service providers. This allows us to meet the needs and fulfill the demands of our stakeholders.

Two of the main stakeholder groups are our tenants (see → **Customer Satisfaction and Service Quality**) and those representing their interests, such as tenant associations. Our relationships with these important stakeholder groups goes far beyond just providing homes. As a neighborhood developer, we also plan infrastructure and green spaces and see ourselves as a designer of integrated habitats. We take as many requests and suggestions from tenants, cities and municipal authorities into account as possible when planning our work. 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 (see → **Dialogue with Tenants and Participation**).

Other material stakeholder groups include our employees (see → **Appeal as an Employer**), shareholders and analysts (see → **Appeal on the Capital Market**), political parties, suppliers and service providers (see → **Human Rights Due Diligence and Supply Chain**), media and social organizations and social, environmental and climate associations (see → **Integration, Diversity and Social Cohesion**).

We also engage in professional dialogue with other companies, associations, research institutes and universities – regarding housing industry, energy-related and construction-related topics. We look into topics, discuss different points of view and form interest groups. Whenever there are legislative processes, we actively communicate with similarly affected stakeholders. When it comes to specific topics, such as the labor shortage, we find valuable contacts in the chamber of industry and commerce to look for mutually beneficial solutions.

Diligent, regular and constructive dialogue with our stakeholders is important to us. In order to make sure the exchanges remain intact, we perform regular quality control and continually develop our exchange formats.

Selected Memberships in Industry Associations and Initiatives

As a major and responsible player in the field of housing, Vonovia discusses the issue on a regular basis with policy-makers and wider society. In line with our guidelines we are non-partisan when it comes to politics. We therefore do not make any donations to political parties. We are always completely transparent with political and social stakeholders. Business meetings with a political dimension are exclusively coordinated with Corporate Communications, and may only be attended by the authorized individuals defined in the Group guideline. We comply with the lobby register regulations at European level in some state parliaments, where legally required and established, and especially the German Bundestag. Vonovia is not a part of any national or international associations, and does not partner with state institutions.

Non-partisan

No donations to political parties

However, we are active in a number of residential and property management associations, contributing to the strengthening of the property management sector in Germany. In Germany, Vonovia is therefore represented across political parties in the economic forums of the CDU, SPD, FDP and Bündnis 90/Die Grünen political parties. We are also involved in several initiatives aimed at protecting the climate. The merger with Deutsche Wohnen has resulted in more memberships for Vonovia for such engagement, and these will be evaluated over the course of 2023.

Wherever we consider it useful, we take a stand especially with regards to ecological issues relating to housing and discuss these with representatives from the economy, research and politics. We have established a dialogue format for this purpose. We present the political suggestions and demands that result at our own professional conferences. In 2019/2020 we discussed the "Outlook for Climate-neutral Living," in 2022 the focal point was "Perspectives on the Future of Construction" (see → [Sustainable Construction and Refurbishment](#)). We publish our political demands derived from this dialogue and professional conferences in conference brochures available online on the event's websites.

Vonovia's Memberships in the 2022 Reporting Year (Excluding Deutsche Wohnen)

Group-wide:

- > EPRA European Public Real Estate Association
- > UN Global Compact

Germany:

- > AGV Arbeitgeberverband der Deutschen Immobilienwirtschaft e. V.
- > AGW Arbeitsgemeinschaft Großer Wohnungsunternehmen
- > DDIV Dachverband Deutscher Immobilienverwalter e. V.
- > DENEFF - Deutsche Unternehmensinitiative Energieeffizienz
- > Deutscher Verband für Wohnungswesen, Städtebau und Raumordnung e. V.
- > Deutsches Aktieninstitut e. V.
- > DIRK Deutscher Investor Relations Verband e. V.
- > GdW Bundesverband deutscher Wohnungs- und Immobilienunternehmen e. V.
- > Initiative Wohnen.2050 e. V.
- > Initiativkreis Ruhr
- > Institut für Corporate Governance in der deutschen Immobilienwirtschaft e. V.
- > InWIS Forschung und Beratung - Förderverein e. V.
- > KlimaDiskurs. NRW e. V.
- > Open District Hub e. V.
- > Stiftung KlimaWirtschaft (German CEO Alliance for Climate and Economy)
- > Verein der Freunde und Förderer der EBZ School e. V.
- > vhw - Bundesverband für Wohnen und Stadtentwicklung e. V.
- > ZIA Zentraler Immobilien Ausschuss e. V.

Austria:

- > Austrian Prop Tech Initiative (ATPI)
- > buildingSMART Austria
- > Digital Findet Stadt
- > FGW - Forschungsgesellschaft für Wohnen, Bauen und Planen
- > Fiabci - Austria
- > klimaaktiv - Klimaschutzinitiative des österreichischen Bundesministeriums für Klimaschutz, Umwelt, Energie, Mobilität, Innovation und Technologie
- > Österreichische Gesellschaft für nachhaltige Immobilienwirtschaft (ÖGNI)
- > Österreichischer Verband der Immobilienwirtschaft
- > respACT - Austrian Business Council for Sustainable Development
- > WIFO - Österreichisches Institut für Wirtschaftsforschung

Sweden:

- > Återbruksnätverket Öst
- > BeBo - Energimyndighetens nätverk för energieffektiva flerbostadshus
- > Fastighetsägarna
- > Linköpingsinitiativet
- > Sveriges Allmännyttas
- > Allmännyttans klimatinitiativ

Appeal on the Capital Market

GRI 3-3

Our Approach

The construction, rental and refurbishment of residential real estate is a capital-intensive business with a long-term focus. Our aim is to bring economic activity hand in hand with environmental benefit, living up to the various expectations of stakeholders. We are committed to both the principles of the social market economy and the imperative of profitability.

Appeal on the capital market is indispensable for the financing of our activities. We want to generate sustainable revenue and value increases and offer our shareholders attractive risk-adjusted rates of return. It is therefore important that we provide our stakeholders with relevant information about our company, our economic performance and our sustainable orientation. We have also established structures that enable us to participate in sustainability ratings. This means we comply with legal requirements, present a true picture of our company and increase trust in the Vonovia brand.

Economic success is the prerequisite for further investments in the fields of environmental and social sustainability. In order to guarantee this success in the future, we rely on a broad mix of financial instruments. This will allow us to hold the interest of different capital market participants like investors, banks and insurance companies while also guaranteeing our access to the capital market. The overall demand for sustainable financial products is increasing and the ESG criteria that form the basis for investment decisions are becoming more significant. We are also issuing new financing instruments to appeal to sustainability-conscious investors and take steps toward achieving our own sustainability targets.

At the same time, the potential loss of this basis for sustainable financing presents a risk for us that could manifest in repayments or reputational damage. The amount of the loss for the company would be high, but we believe the probability of such an event occurring is very low at under 5%.

Nevertheless, we have observed a further drifting apart between capital market expectations and the ongoing stable developments on the residential real estate market in the current reporting year. High inflation rates, rising interest rates, a slowdown in economic growth and the risk of a recession remain matters of concern to investors, as can be seen in the price performance of our share.

Due to the ever-greater significance of certain ESG aspects for the capital market, we will continue to develop our strategy and operations management systems correspondingly. Sustainability criteria are already integrated in Management Board and management remuneration as material non-financial performance indicators through the Sustainability Performance Index (SPI). This also applies to sustainability risks, which are included in Group-wide risk management (see [📄 Current Risk Assessment](#)).

Organizational Focus

Our Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are responsible for our capital market activities. The Investor Relations department and the Sustainability/Strategy department report to the CEO. The Corporate Finance and Treasury department, which is responsible for the implementation of our financial instruments, reports to the Chief Financial Officer (CFO). Communication with our stakeholders on the capital market is handled by the Investor Relations (IR) division in consultation with the Management Board. At the same time, the IR department acts in an inward-facing way so that the topics communicated to us by capital market actors come to the attention of the right people within the company. The Sustainability/Strategy department is responsible for our participation in ESG ratings, involving the operating departments in this process.

Objectives and Measures

In line with our target of ensuring the company has good access to the capital market, 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). In November 2022, the EIB granted Vonovia an unsecured loan of € 600 million with attractive conditions for the company's multi-year energy-efficient building modernization program. Innovative sources of finance like blockchain-based promissory notes, which we issued for the first time in 2021, round off our range of financing instruments and help to diversify our risk.

Sustainable Bonds

Sustainable bonds play a particularly important role in our financing strategy. After issuing our first green bond in 2021, all seven bonds placed in 2022 – three green bonds and four social bonds – which accounted for a total sum of € 4 billion and SEK 1.25 billion, were designed to be sustainable. Through these bonds, we are fulfilling our aim of serving capital market demand in a targeted manner, as demonstrated by the order books, which have been oversubscribed on multiple occasions.

Sustainable bonds issued in the amount of

€ 4 billion and
SEK
1.25 billion

Oversubscribed multiple times

While the proceeds from the green bonds are primarily invested in our energy modernization program, the social bonds are used to support social projects. This will include, for example, housing for low-income households and agreements for privately financed housing with rents that are at least 15% lower than the standard local comparative rent charges, ensuring access to affordable housing. The proceeds from the social bonds will also be used to create fully accessible housing to meet the needs of an increasingly elderly population. The efficacy of these measures is assessed in the impact report, which is published annually.

Sustainable Finance Framework

The products, processes and strategies of providers of financial products and financial advisers such as banks, asset managers, institutional investors and insurance companies must align with ESG criteria in accordance with the European Union Sustainable Finance Disclosure Regulation (SFDR). Funds are named Article 6, Article 8 and Article 9 funds, for instance, whereby Article 9 denotes the highest fulfillment of sustainability criteria. We have made our Sustainable Finance Framework consistent with the EU taxonomy, which was confirmed by an independent third party in a Second Party Opinion (SPO). This means that all green bonds that we issue under this framework are environmentally sustainable as defined in the EU taxonomy and are thus an Article 9 fund investment option pursuant to the SFDR. We have published our Sustainable Finance Framework, the impact report and further information about our sustainable bond strategy on our [Investor Relations website](#).

Inclusion of External Financiers

The Green Finance Committee coordinates and refines this and other sustainable financing activities. It includes representatives from several different departments and is chaired by the Head of Corporate Finance & Treasury. Individual financiers are included occasionally, for example, in anonymous market soundings to determine certain key figures. Through formats such as investor conferences and roadshows, too, we seek out dialogue – especially on ESG topics – with our shareholders and potential investors. Other communication channels include face-to-face conversations, property tours and participation in conferences for private investors.

After a two-year pause due to the coronavirus pandemic, Vonovia's seventh Capital Markets Day was held in Bochum on September 27, 2022. We took the event, which focused on the environmental aspect of the megatrend of sustainability (which corresponds with the E in ESG), as an opportunity to delve deeper into various topics including, in particular, decarbonization tools, the Energy Center of the Future and the "Internet of Things," with around 50 investors and analysts. Our Capital Markets Day ended with a property tour in Bochum. We visited our laboratory "Energy Center of the Future" and explained our work there researching and testing innovative energy systems to participants.

Once again in 2022, we achieved good to very good results, even managing to improve further in some cases. As such, we continue to be listed on both the renowned Dow Jones Sustainability Index Europe as well as on sustainability indices such as the DAX 50-ESG or the STOXX Global ESG Leaders, to name but a few examples, and have been awarded Prime status by ISS-ESG. In terms of MSCI ESG Ratings, we were promoted to the highest rating category (AAA) in 2022, while at Sustainalytics we remain among the top global performers.

AAA rating

from MSCI ESG

Reporting Standards

We include various reporting formats and standards in our ESG reporting in order to present ourselves as comprehensively and transparently as possible (see → [About This Report](#)). We will be focusing closely on the new European Sustainability Reporting Standards (ESRS) in 2023, which will be mandatory for us – due to the implementation of the Corporate Sustainability Reporting Directive (CSRD) – from the 2024 fiscal year as a European, capital market-oriented company. We are also monitoring the activities of the International Sustainability Standards Board (ISSB) for indications of developments relating to potentially binding reporting standards in English-speaking countries.

Ratings and Indices

Our participation and good performance in a variety of ESG rating systems is evidence of our commitment to sustainability. Our aim is to be represented in all relevant international ESG indices and obtain good to very good results in comparison to our peers. In order to systematically select the ESG ratings relevant to our important investors, our Investor Relations department performs a survey every two years. We use these surveys to check whether we are represented in the ratings that are most important for us and our stakeholders on a regular basis. Our sustainability committee determines which ESG ratings Vonovia will focus on.

The outcomes of certain ratings can be found on our Investor Relations website under [ESG Publications and Downloads](#) and under → [ESG Ratings and Indices](#) in this sustainability report. In 2022, we again had to turn down participation in the GRESB Assessment, which is specific to the real estate sector. Due to changes in the assessment methodology, participation is not possible (or meaningful) for large residential real estate companies like Vonovia since 2020.

For 2023, we have set ourselves the goal of maintaining our consistently high performance in the ESG ratings, including for the integrated Group, and continuing to present our sustainability performance to the capital market in a comprehensive and transparent way. As well as performing regular checks to see whether we are listed in the relevant indices, we also use the results of the rating process and peer group comparisons to further develop our sustainability measures in a targeted manner.

Information and Key Figures

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ESG Ratings and Indices

GRI 3-3

We actively communicate our performance and progress in the field of sustainability to capital market participants. In this way, we acknowledge the growing importance of ESG criteria in investment decisions and secure and expand our appeal for investors over the long term.

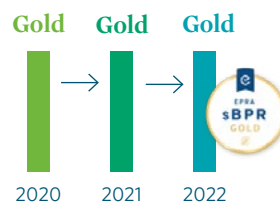
Potential investors frequently look at the position of our company in recognized sustainability rankings and the resulting indices. This is why we participate in a wide range of national and international sustainability ratings and benchmarks. This allows us to measure and present our sustainability performance and relevant key figures against recognized standards and competitors (see → [Appeal on the Capital Market](#)).

Selected Rankings and Results – ESG Ratings



EPRA – sBPR

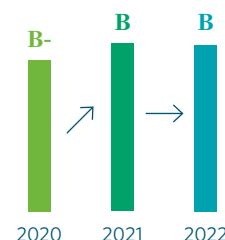
The European Public Real Estate Association (EPRA) evaluates the sustainability transparency of listed real estate companies based on the EPRA Sustainability Best Practice Recommendations (sBRP). In addition to overarching transparency disclosures regarding the scope and reach of the sustainability information reported, specific disclosures and, most importantly, annual comparisons regarding selected ecological, social and governance indicators are required. In addition to our Annual Report and Sustainability Report, we publish a separate [EPRA report](#) every year, which is used for this assessment. In 2022, we received the Gold award for our performance for the fifth year running.



CDP – Climate Change

The Carbon Disclosure Project (CDP) helps companies to measure and manage their environmental performance and the associated opportunities and risks. The CDP assessment is based on bands, where A stands for leadership, B for management, C for awareness and D for disclosure.

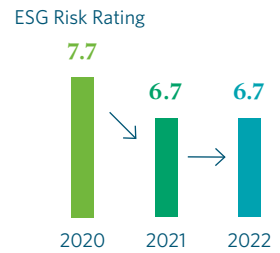
We were awarded a B rating for our performance in 2022. This puts us on the same level as the European average and above our direct peer group and global averages. We received outstanding ratings in the categories Scope 1-3 emissions and emission reduction initiatives, among others.





Sustainalytics

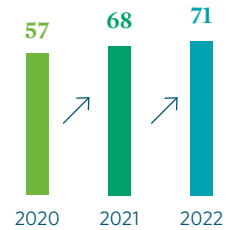
Sustainalytics is an independent, innovative service provider of responsible investment services. Sustainalytics takes all three dimensions of the ESG approach into account to analyze and evaluate the sustainability performance of companies and countries alike. The ESG Risk Rating evaluates how large and active the company's sustainability risks are. Sustainalytics allocates risks to risk categories for this purpose: "negligible" for a score <10, "low" for a score of 10-20, "medium" (20-30), "high" (30-40) and "severe" for scores >40. At 6.7 at the end of 2022, we are in the lowest risk category. Vonovia is therefore classed as one of the absolute top performers in the industry, and among the top 50 in a global comparison across all industries. This equates to 85 points in Sustainalytics' ESG company rating.



S&P Global

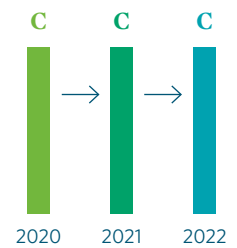
S&P Global CSA

The S&P Global Corporate Sustainability Assessment (CSA) evaluates the sustainability performance of around 8,000 international companies. Our performance is assessed in 24 (partially) industry-specific question categories with over 100 questions to encourage companies to bring their corporate strategies into line with social and ecological challenges. In 2022, Vonovia improved on the previous year's very good ranking, and achieved 71 (2020: 68) out of a possible 100 points. This puts us in the 97th percentile. Our performance also allowed us to consolidate the company's position in the Dow Jones Sustainability Index Europe.



ISS ESG – Corporate Rating

ISS ESG analyzes a company's ESG management based on up to 100 criteria, many of which are sector-specific. The assessment scale ranges from A+ to D-; B is only achieved by very few companies in the real estate sector (and A by none). Vonovia was given Prime status for the first time in 2020, indicating that it is outperforming its peers. Since then, we have been able to hold on to this good result. We are in the second best tenth of our sector. Our level of transparency was also confirmed to be very high.



MSCI – ESG Research

MSCI ESG Research rates companies on a scale from AAA to CCC based on their ESG-related risk exposure and how they handle these risks compared to other companies. In the annual ranking, we rose from A to AAA in 2022. This puts us among the top 20% in our sector. MSCI particularly noted our governance structures, our measures for recruiting and developing employees and our robust climate protection measures in our housing stock in its assessment of Vonovia.





GRESB

The GRESB (Global Real Estate Sustainability Benchmark) is an investor-initiated rating system for the sustainability performance of real estate companies. In 2020, we made the decision to no longer participate in the rating for the time being due to changes in the assessment methodology. We have described the reasons for our decision transparently on our [Investor Relations website](#). However, we are still in contact with GRESB and support potential developments that would lead to the rating system being applicable to residential real estate companies again.

We continue to participate in the GRESB Public Disclosure and again achieved a full score (100%) for maximum transparency in 2022. The resulting assessment of A (in a scale from A to E) took us to first place in a comparison of German residential real estate companies and is above the global average of B.

ESG Indices



Dow Jones Sustainability Index Europe

Our repeated improvement in the S&P CSA meant we were again able to consolidate our position in the Dow Jones Sustainability Index (DJSI) Europe in 2022. The DJSI index family tracks economic, ecological and social criteria. It was launched in 1999 as a collaboration between Switzerland-based S&P Global (formerly known as SAM) and the Dow Jones Indices. S&P Global uses positive criteria to select the most sustainable companies for inclusion in the index in question. The ten best-rated real estate companies are listed in the DJSI Europe.

DAX 50 ESG

Vonovia was included in the new DAX 50 ESG index in 2020. Companies have to meet certain ecological, social and governance criteria to be included in the index. A total of 50 companies from the DAX, MDAX and TecDAX were listed on the index. Vonovia is placed among the top 5 of the index in the ESG ranking (as of March 6, 2023).

We are also listed in the STOXX Global ESG Leaders and EURO STOXX ESG Leaders 50.

About This Report

GRI 2-2, 2-3, 2-4, 2-5

Content and Structure of the Report

This is our eighth Sustainability Report. It presents our company's performance based on financial and non-financial information. The aim of this reporting is to create transparency and comparability for sustainability activities with other companies on the market.

This report presents the consolidated activities and performance of [Vonovia SE](#), Europe's leading private residential real estate company. Deutsche Wohnen SE is integrated in this consolidated report as a result of the merger that made the company part of the Vonovia Group from September 30, 2021.

The thematic focal points of the Sustainability Report are the five action areas that we identified as part of our materiality analysis - in accordance with the requirements of the Global Reporting Initiative (GRI) for the selection of [→ material topics](#).

- > Environment and Climate
- > Society and Contribution to Urban Development
- > Homes and Customers
- > Corporate Culture and Employees
- > Sustainable Governance and Responsible Business Practices

The report is structured according to our sustainability activities, which reflect the material economic, social and ecological aspects of Vonovia SE.

Reporting Framework

This report has been prepared in accordance with the Universal Standards (as amended in 2021) of the Global Reporting Initiative (GRI). The corresponding [→ GRI content index](#) can be found in the appendix to this report. We have informed GRI of the application of the GRI standards and the publication of this report.

Vonovia's Sustainability Report is published on an annual basis. The reporting period relates to the 2022 fiscal year (January 1 to December 31, 2022), meaning that it picks up

exactly where the [2021 Sustainability Report](#), which was published in April 2022, left off.

As a capital market-oriented company, Vonovia SE is also required to make disclosures in accordance with Sections 315b, 315c in conjunction with Sections 289c to 289e HGB (Non-financial Group Declaration). The necessary reporting requirements were implemented in the management report of the [2022 Annual Report](#), which was published March 17, 2023.

In order to address the diverse stakeholder interests transparently and comprehensively, we are also guided - in addition to the GRI - by the EPRA Best Practice Recommendations on Sustainability Reporting (sBPR) (in its third version of 2017). For this purpose, we have prepared a separate EPRA report, which we publish on our [website](#). In addition, for the Real Estate reporting framework of the Sustainability Accounting Standards Board (SASB), we create a [→ mapping of the indicators](#) to the content published in this report.

In this report, we also report on the implementation of the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD) (see [→ Implementation of the TCFD Recommendations](#)).

The collection and calculation of environmental key figures was headed by the Controlling department and supported by Land Management, Portfolio Management, Portfolio Controlling, Technical Service, Vonovia Energie- und Service GmbH, Customer Service, Data Management, Development/New Construction, Business Development, Procurement and the residential environment organization. The key figures for employees were collected and consolidated by the HR department. Land Management and Technical Service added further information regarding occupational safety. The social key figures were collected from Portfolio Management, Corporate Communications and Sustainability/Strategy. The central Procurement department prepared the statements relating to supplier management (procurement). Key figures from the governance area were

provided by the Legal department and the Management Board and Supervisory Board office.

Both the Non-financial Group Declaration in the Annual Report and the quantitative disclosures regarding sustainability information in the Sustainability Report are audited by the auditor of the annual financial statements, KPMG. The Supervisory Board passed a corresponding resolution at its meeting on March 17, 2022 (see [☞ Supervisory Board Report](#)). The scope of the audit of this Sustainability Report includes all information provided in the section “Key Figures” – with the exception of the associated disclosures and references in the GRI content index. The scope of the audit is supplemented by the chapter “About This Report.” However, the review of conformity with GRI – and therefore also the conformity review of the materiality analysis with GRI Universal Standards – is excluded from this audit scope. During the [☞ audit of the Non-financial Group Declaration](#), the materiality analysis was tested pursuant to HGB requirements, which also served as the basis for determining material topics according to GRI. The scope of the audit described here has been audited with limited assurance (see [→ Independent Assurance Report](#)). All references to content outside these indicated sections are considered additional information and are not covered by the audit performed by KPMG.

Organizational Boundaries/Scope of Consolidation

These key figures focus on the activities of Vonovia SE in Germany, Austria and Sweden using the financial control approach.

This includes the companies provided in the [☞ list of shareholdings](#) in the 2022 Annual Report that are also included in the consolidated financial statements. Entities with minority interests are not included. Apartments owned by third parties are also not included.

Deutsche Wohnen SE is included in the consolidated reporting. All Deutsche Wohnen SE subsidiaries allocated to the Care segment and SYNZIA companies are an exception. 2022 was also dominated by the integration of processes in numerous subareas, meaning that no statements can be made for the subgroup Deutsche Wohnen, especially regarding specific program structures and key figures. This will only be possible for the 2023 reporting year, following the complete adjustment of process structures. We explicitly refer to the scope of the key figures in the table of key figures. The figures reported for the 2020 and 2021 fiscal years refer to the Vonovia Group excluding Deutsche Wohnen.

A methodological adjustment was made for individual figures in the reporting year – especially in the portfolio for calculating carbon intensity, the proportion of renewables in heating supply, waste volumes and water consumption. In the field of business operations, a methodological adjustment was primarily made in the calculation of mobile combustion consumption. We explain the changes in detail in the relevant table of key figures.

Data aggregation was performed at the level of individual countries and the information was consolidated at this level and at overall Group level. For data relating to our buildings, this means a breakdown of scope (based on rental space) of 86.6% for Germany, 4.9% for Austria and 8.6% for Sweden. For data relating to personnel key figures (based on headcount) the scope is: 92.5% for Germany, 3.2% for Austria and 4.3% for Sweden.

The basic definition of the scope of the Sustainability Report on the consolidated companies is regularly reviewed for the next reporting cycle, and adjusted if necessary.

Key Figures

In this chapter, you will find selected key sustainability figures for our company. We are reporting differentiated data for each country (Germany, Austria and Sweden) as

well as consolidated data for the whole Group. Figures for Deutsche Wohnen have not yet been included for the 2020 and 2021 reporting years.

Portfolio Description

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
General Key Figures ¹⁾							
Number of buildings ²⁾	number	51,765	51,003	64,529	61,419	1,515	1,595
Number of rented units	number	422,252	420,441	557,362	493,754	22,006	41,602
of which residential units	%	98.4	98.5	98.4	98.8	97.3	94.8
of which commercial units	%	1.6	1.5	1.6	1.2	2.7	5.2
Rentable area	m ²	27,545,128	27,422,827	35,712,539	30,916,044	1,737,266	3,059,229
of which residential area	%	96.4	96.4	96.3	97.0	90.9	92.1
of which commercial area	%	3.6	3.6	3.7	3.0	9.1	7.9
Portfolio by age category	number	415,688	413,967	548,524	487,659	21,412	39,453
of which built before 1939	%	12.1	12.0	19.4	21.3	8.4	1.6
of which built between 1940 and 1949	%	2.3	2.2	2.2	2.1	6.7	1.5
of which built between 1950 and 1959	%	25.7	25.7	22.9	25.0	6.1	5.9
of which built between 1960 and 1969	%	22.2	22.2	20.5	19.2	10.5	41.5
of which built between 1970 and 1979	%	19.7	19.7	17.0	15.3	11.8	40.9
of which built between 1980 and 1989	%	8.9	8.9	9.2	9.0	19.1	6.1
of which built between 1990 and 1999	%	7.5	7.5	7.0	6.8	19.7	2.0
of which built between 2000 and 2009	%	0.8	0.8	0.7	0.5	7.0	0.0
of which built between 2010 and 2019	%	0.7	0.6	0.5	0.3	5.6	0.2
of which built since 2020	%	0.1	0.5	0.7	0.5	5.1	0.2
Number of buildings listed as historical landmarks	number	4,456	4,461	8,779	8,759	20	0

1) Entire portfolio incl. listed buildings, excl. pure parking buildings. 2020 and 2021 excl. Deutsche Wohnen, from 2022 incl. Deutsche Wohnen (excl. nursing care and SYNIVIA segments).

2) Germany and Austria defined according to house elevations, in Sweden according to building bodies.

Environment

GRI 302-1, 302-2, 302-3, 302-4, 302-5, 303-5, 305-1, 305-2, 305-3, 305-4, 305-5, 306-3

The section below shows the environmental key figures – broken down into key figures for greenhouse gas emissions,

for the portfolio, for development/new construction, for business operations and for renewable energy. You can find explanations of the content of the selected key figures presented here, as well as on the application of the TCFD recommendations, in the chapter → **Environment and Climate**.

Carbon Emissions

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
Greenhouse Gas Balance					305-1, 305-2, 305-3, 305-4, 305-5		
Emissions Scope 1+2+3							
Total portfolio + business operations	t CO ₂ e	1,053,362	1,021,851	1,161,014	1,054,237	73,682	33,095
of which issues portfolio ¹⁾	t CO ₂ e	1,021,319	988,942	1,125,235	1,019,431	73,308	32,496
of which emissions from business operations ¹⁾	t CO ₂ e	32,043	32,910	35,779	34,806	374	599
Intensities ¹⁾							
Emissions per rental space Portfolio	kg CO ₂ e/m ²	37.1	36.1	31.5	33.0	42.2	10.6
Emissions per rental unit Portfolio	kg CO ₂ e/ME	2,419	2,352	2,019	2,065	3,331	781
Emissions per million € segment revenue	t CO ₂ e/Mio. €	234	190	180	196	106	90
Emissions Scope 1+2							
Total portfolio + business operations	t CO ₂ e	904,241	878,003	909,438	833,223	45,578	30,637
of which emissions portfolio	t CO ₂ e	877,216	850,106	880,370	804,807	45,360	30,203
of which emissions from business operations	t CO ₂ e	27,025	27,897	29,068	28,416	217	435
Scope 1 (Direct Emissions)							
Total portfolio + business operations	t CO ₂ e	487,058	468,980	547,110	523,096	23,595	418
Scope 1 Portfolio							
Combustion processes of stationary plants	t CO ₂ e	466,848	448,790	526,253	502,760	23,493	0
of which heat natural gas (ME)	%	87.5	88.6	92.0	92.9	74.0	-
of which heat fuel oil (ME)	%	9.8	9.4	7.0	6.1	25.1	-
of which heat coal (ME)	%	2.8	2.0	1.0	1.0	0.2	-
of which heat other (ME) ²⁾	%	0.0	0.0	0.0	0.0	0.8	-
Scope 1 Business Operations							
Combustion Processes of Business Operations	t CO ₂ e	20,211	20,190	20,857	20,337	102	418
of which mobile plants	%	94.6	94.5	92.8	92.8	52.1	100.0
of which stationary plants	%	5.4	5.5	7.2	7.2	47.9	0.0
Scope 2 (Indirect Emissions from Energy Purchases) ³⁾							
Total portfolio + business operations	t CO ₂ e	417,183	409,023	362,328	310,126	21,983	30,219
Scope 2 Portfolio							
Energy supply ⁴⁾	t CO ₂ e	410,369	401,316	354,117	302,047	21,867	30,203
of which district heating (ME)	%	92.9	93.8	92.9	95.1	79.4	80.3
of which heat electricity (ME)	%	5.1	4.2	4.1	3.6	15.7	0.6
of which electricity (common areas) ⁴⁾	%	2.0	2.0	2.8	1.3	4.7	16.4
of which heat other (ME) ²⁾	%	0.0	0.0	0.2	0.0	0.1	2.7
Scope 2 Business Operations							
Energy supply (location based)	t CO ₂ e	6,814	7,707	8,211	8,079	115	16
of which electricity	%	49.6	49.8	70.9	70.9	61.8	100.0
of which district heating	%	50.4	50.2	29.1	29.1	38.2	0.0
Energy supply (market based)	t CO ₂ e	1,437	1,726	1,015	1,015	0	0
of which electricity ⁶⁾	%	100.0	100.0	100.0	100.0	-	-
of which district heating ⁷⁾	%	-	-	-	-	-	-

Key Figures	Unit	2022 by Country						
		2020	2021	2022	Germany	Austria	Sweden	
Scope 3 (Other Indirect Emissions)								
Total portfolio + business operations	t CO ₂ e	149,120	205,577	376,929	272,608	100,796	3,525	
3.1 Emissions from purchased goods and services⁸⁾	t CO ₂ e	n.a.	61,729	125,354	51,594	72,693	1,067	
3.3 Fuel and energy-related emissions (not Scope 1+2)⁹⁾	t CO ₂ e	113,325	109,543	223,795	202,040	19,366	2,388	
Portfolio	t CO ₂ e	109,018	105,240	217,950	196,357	19,300	2,293	
of which upstream natural gas (ME)	%	89.5	90.4	53.1	55.0	39.5	0.0	
of which upstream district heating (ME)	%	-	-	41.4	40.4	45.0	100.0	
of which upstream heating oil (ME)	%	8.6	8.2	3.5	3.1	7.7	0.0	
of which upstream electricity (ME)	%	-	-	1.2	0.8	5.7	0.0	
of which upstream coal (ME)	%	1.9	1.4	0.4	0.4	0.0	0.0	
of which upstream electricity common areas	%	-	-	0.4	0.3	1.4	0.0	
of which upstream heat Other (ME) ²⁾	%	-	-	0.1	0.0	0.8	0.0	
Business operations	t CO ₂ e	4,308	4,304	5,845	5,683	67	95	
of which upstream diesel (mobile)	%	88.3	87.7	64.6	65.5	3.5	55.1	
of which upstream electricity (stationary, location based)	%	-	-	13.3	13.3	26.5	0.0	
of which upstream district heating (stationary, location based)	%	-	-	10.5	10.5	29.6	0.0	
of which upstream natural gas/heating oil (stationary)	%	5.9	6.0	5.9	5.8	25.0	0.0	
of which upstream gasoline (mobile)	%	5.8	6.3	5.6	4.9	15.1	44.9	
of which upstream electricity (mobile)	%	-	-	0.1	0.1	0.3	0.0	
3.6 Business trips¹⁰⁾	t CO ₂ e	710	709	866	707	90	70	
of which by private vehicle	%	83.1	86.1	69.1	73.6	42.7	57.6	
of which by airplane	%	15.3	13.8	30.8	26.4	56.2	42.4	
of which by rail	%	1.6	0.0	0.1	0.0	1.1	0.0	
3.13. Downstream leased assets¹¹⁾ WEG	t CO ₂ e	35,085	33,596	26,915	18,267	8,648	0	
of which natural gas (ME)	%	59.4	60.6	64.8	69.0	56.0	-	
of which district heating (ME)	%	28.2	27.9	21.2	15.3	33.8	-	
of which heating oil (ME)	%	6.8	6.1	7.5	9.4	3.4	-	
of which heat electricity (ME)	%	4.4	4.3	5.4	4.9	6.3	-	
of which coal (ME)	%	1.2	1.1	0.9	1.4	0.0	-	
of which heat, other (ME) ²⁾	%	0.0	0.0	0.1	0.0	0.5	-	

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

Sources of emission factors: GEMIS 5.0, Defra, Federal Ministry of Environment Germany, Federal Ministry of Environment Austria, Covenant of Mayors for Climate and Energy, and Swedenergy (Swedish non-profit organization).

Complete conversion of emissions calculation region Germany from 2020 and Austria from 2021 to GEMIS 5.0, therefore limited comparability with previous years (explanation on page 108).

- 2020 and 2021 excl. Deutsche Wohnen. 2022 incl. Deutsche Wohnen (excl. nursing care and SYNZIA segments). Excl. emissions from purchased goods and services (Scope 3.1).
- Other in the area of direct combustion mainly wood and pellet heating. In the area of heat supply, mainly air, water, or ground-source heat pumps.
- 2020 and 2021 without separate disclosure of upstream chain in energy supply. For the calculation of the total amount of CO₂ emissions from business processes, the calculation was based on completeness of the calculation, the location-based approach was used.
- Calculation using utility-specific emission factors (market-based) if available in qualified form. Otherwise, use of location-specific emission factors (location-based).
- For the Germany region, all volumes traded via VESG using 100% green electricity guarantee of origin, cleared via the Federal Environment Agency's register of guarantees of origin.
- For locations in the Austria region, 100% green electricity.
- Due to missing supplier information/certificates, scope 2 emissions for district heating cannot be reported according to market-based calculation.
- Of which 100% from emissions caused by new construction/development.
- Increase in 2022 compared to previous years due to separate reporting of upstream chain for energy supply (Scope 2). Includes fuel- and energy-related emissions of the entire portfolio (incl. WEG share), in each case stationary combustion.
- Include Sweden region as of 2021. Correction of the allocation of the data for the emission categories "of which by private vehicle" and "of which by rail" for previous years.
- Rental units that belong to a residential property owners' association (WEG) in which Vonovia has an ownership interest of ≤ 50 % in the building (no full operational control). There are no proportional ownership rights in the Sweden region.

Notes on the Greenhouse Gas Emissions

The scope of consolidation relevant for calculating greenhouse gas emissions was defined in coordination with the scope of consolidation for the other environmental key figures. The carbon emission calculations were based on the Greenhouse Gas Protocol (GHG Protocol), the internationally recognized standard for calculating carbon emissions. Carbon emissions were calculated as CO₂ equivalents (CO₂e). Carbon dioxide equivalent (CO₂e) is a standardized unit to measure the relative contributions of various gases to the greenhouse gas effect. Emissions that harm the climate are not only caused by carbon dioxide (CO₂), although it is the most well-known. Other gases, such as methane (CH₄) and nitrous oxide (N₂O), are converted to CO₂ equivalents using a conversion factor, which simplifies comparability in terms of detrimental effects on the climate.

When calculating CO₂ emissions, we have changed the emission factor for combined heat and power (CHP) plants from the energy-based allocation method to the Carnot Allocation Method with effect from the Sustainability Report 2022. Accordingly, the values for 2021 and 2020 are not directly comparable with those of the previous years.

To calculate the emissions, the CO₂e factors from version 5.0 of the GEMIS (Global Emission Model for Integrated Systems) database were used. GEMIS (Global Emission Model for Integrated Systems) is an internationally recognized model for determining energy and material flows with an integrated database. 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. The GEMIS data was selected

because it is generally accepted, up-to-date and consistent, and was recommended by the Initiative Wohnen 2050. If other emission factors are applied in individual cases, this is indicated accordingly.

Portfolio

The calculation of CO₂ emissions in the portfolio is conducted according to the "Financial Control Approach." Emissions produced as a result of portfolio operations are disclosed under Scope 1 and Scope 2 emissions. This takes into consideration the actual financial control exercised over the portfolio that exists for the majority of the portfolio area or rental units (Germany region: 98%, Austria region: 83%, Sweden region: 100%). For the rest of the portfolio, in which the company holds a minority interest, the carbon emission figures are fully reported under Scope 3. We do not have data that we can evaluate for the Deutsche Wohnen portfolio and have therefore reported all direct and indirect emissions from this subportfolio outside of Scope 3.13. To calculate the market-based emissions from district heating and common-area electricity, we used the providers' exact emission factors.

Business Operations

The CO₂e factors from version 5.0 of the GEMIS database were also used for the majority of the emissions generated as a result of business operations. To calculate the market-based emissions from electricity, we used the electricity providers' exact emission factors. To calculate Scope 3 emissions from business rail travel, we used emission factors taken from Deutsche Bahn and Österreichische Bundesbahnen. Business travel and transport were also reported for Sweden for the first time in 2021. GHG Protocol factors from external travel agencies were applied for flights.

Portfolio Environmental Figures

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
Energy Consumption in the Portfolio ¹⁾					302-2, 302-3		
Energy consumption ²⁾	MWh	4,548,951	4,447,794	5,516,630	4,630,713	323,463	562,454
of which from renewable sources ³⁾	%	2.0	2.1	10.7	6.5	28.0	35.2
Energy Intensity							
Energy intensity of rentable area	kWh/m ²	165.1	162.2	154.5	149.8	186.2	183.9
Energy intensity per rented unit	MWh/rented unit	10.8	10.6	9.9	9.4	14.7	13.5
Heating Consumption in the Portfolio ⁴⁾							
Heating consumption in the portfolio	MWh	4,433,194	4,325,611	5,365,043	4,548,085	317,094	499,863
from renewable sources ³⁾	%	-	-	8.8	4.9	26.8	32.1
Natural gas	MWh	2,090,876	2,034,751	2,507,943	2,394,422	113,520	0
District heating	MWh	2,029,574	2,015,140	2,620,895	1,986,831	147,260	486,804
from renewable sources ³⁾	%	-	-	17.8	11.6	52.0	32.7
Heating oil	MWh	181,555	167,659	148,415	123,565	24,849	0
Electricity	MWh	74,596	67,541	55,785	28,687	24,706	2,391
from renewable sources	%	57.9	63.5	63.6	45.1	85.4	59.8
Coal	MWh	37,367	26,817	14,737	14,580	157	0
Other ⁵⁾	MWh	19,226	13,703	17,269	0	6,601	10,668
Electricity Consumption in Communal Areas							
Electricity consumption in communal areas	MWh	115,757	122,182	151,587	82,627	6,369	62,591
from renewable sources ⁶⁾	%	77.3	76.9	79.5	94.0	85.4	59.8

1) 2020 and 2021 excl. Deutsche Wohnen. 2022 incl. Deutsche Wohnen (excl. nursing care and SYNVIA segments).

2) Consists of electricity consumption in the portfolio's communal spaces and total heat consumption in the portfolio (according to energy certificates, calculated for living and communal areas).

3) Renewable energy District heating Germany and Sweden based on data from the respective district heating suppliers (market-based approach), for Austria location-based approach based on data from the Federal Ministry for Climate Protection (BMK). For 2020 and 2021, no information is available on the share of renewable energies in district heating, therefore shown as "-".

4) When calculating the heat energy used, the rental areas were extrapolated to the total building area in accordance with German Buildings Energy Act (GEG) 2020 §82 (2) by adding 20% for the common areas. However, the denominator of this key figure remains the rental space without common areas. Renewable energy electricity in each case location-based.

5) Other includes: Biomass, solar thermal, heat pumps.

6) Calculated on the basis of the share of renewable energies in the Swedish electricity mix according to the Swedish Energy Agency, in the Austrian electricity mix according to the E-Control 2021 electricity labeling report (location-based approach in each case). For the German region, all volumes traded via VESG using the 100% green electricity certificate of origin, deleted via the Federal Environment Agency's certificate of origin register.

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
Refurbishment							
Number of modernized buildings ¹⁾	number	1,382	1,152	850	804	15	31 ²⁾
Number of modernized rented units ¹⁾	number	11,299	9,420	7,436	6,821	332	283 ²⁾
Modernized rentable area ¹⁾	million m ²	0.69	0.58	0.44	0.40	0.02	0.02 ²⁾
Number of rented units with upgraded heating systems ¹⁾	number	7,247	5,025	2,924	2,115	156	653 ²⁾
Refurbishment rate ¹⁾	%	2.7	2.2	1.8	1.9	1.5	0.7 ²⁾
Investment in the portfolio ³⁾	in € million	1,500.4	1,425.0	1,693.6	1,403.2	68.9	221.5
Investment intensity	€/m ² /a	56.6	53.8	49.1	46.6	43.7	78.5
of which expenses for maintenance	in € million	592.0	666.4	856.2	704.4	66.9	84.9
Maintenance intensity	€/m ² /a	22.3	25.2	24.8	23.4	42.4	30.1
of which expenses Modernization	in € million	908.4	758.6	837.4	698.8	2.0	136.6
Modernization intensity	€/m ² /a	34.2	28.7	24.3	23.2	1.3	48.4

1) Figures for 2020 to 2022 excl. Deutsche Wohnen.

2) As in the previous years, refurbishments and modernisations with a total investment sum of more than € 500 per square metre of rental space per business unit were taken into account for the Sweden region.

3) All following investments and intensities for 2020 and 2021 excl. Deutsche Wohnen. 2022 incl. Deutsche Wohnen (excl. Care segment and SYNIVIA).

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
Energy Efficiency Standards by Energy End-use Efficiency Class¹⁾							
Rental area	m ²	27,545,128	27,422,827	35,711,977	30,915,483	1,737,266	3,059,229
of which energy level A+	%	0.1	0.1	0.1	0.1	0.4	0.0
of which energy level A	%	0.8	1.0	1.1	1.1	2.8	0.0
of which energy level B	%	7.7	9.5	10.5	11.4	11.6	1.0
of which energy level C	%	18.9	20.5	21.5	23.5	12.0	6.5
of which energy level D	%	24.8	23.9	25.6	25.6	16.5	30.7
of which energy level E	%	18.7	18.1	18.9	17.9	9.2	34.6
of which energy level F	%	11.6	10.1	10.4	9.9	10.9	15.4
of which energy level G	%	4.7	4.4	3.3	3.2	9.7	0.7
of which energy level H	%	3.2	2.7	1.8	1.5	10.5	0.0
of which not disclosed	%	9.3	9.6	6.9	5.9	16.3	11.1

1) Existing buildings incl. listed buildings excl. pure parking buildings. Classification of all buildings according to German final energy classifications. No like-for-like consideration, therefore the change is also influenced by purchases. 2020 and 2021 excl. Deutsche Wohnen. 2022 incl. Deutsche Wohnen (excl. nursing care and SYNIVIA segments).

Key Figures	Unit	2020	2021	2022	2022 by Country			
					Germany	Austria	Sweden	
Water Consumption in the Portfolio ¹⁾							303-5	
Water consumption ²⁾	million m ³	33.8	33.7	42.2	34.5	2.5	5.3	
Water intensity ²⁾	m ³ /m ²	1.23	1.23	1.18	1.12	1.42	1.72	

1) 2020 and 2021 excl. Deutsche Wohnen. 2022 incl. Deutsche Wohnen (excl. Care segment and SYNVA).
 2) Change in extrapolation approach compared to previous year's report from building level to business unit level when meter reading data not available in Germany and Austria. Water consumption and water intensity for 2020 and 2021 have been corrected accordingly.

Key Figures	Unit	2020	2021	2022	2022 by Country			
					Germany	Austria	Sweden	
Waste Volume in the Portfolio ¹⁾							306-3	
Waste volume	t	386,594	385,363	519,497	470,728	21,947	26,822	
of which residual waste	%	35.0	34.1	34.6	33.6	36.3	50.6 ²⁾	
of which waste paper	%	13.5	13.6	13.8	13.5	15.4	16.9	
of which recycling ³⁾	%	25.4	22.5	23.0	23.5	20.2	17.4	
of which organic waste	%	26.2	29.7	28.6	29.4	28.1	15.1	
Recycling ratio ⁴⁾	%	65.0	65.9	65.4	66.4	63.7	49.4	

1) 2020 and 2021 excl. Deutsche Wohnen, 2022 incl. Deutsche Wohnen (excl. Care segment and SYNVA); restatement for the 2020 and 2021 values for Germany due to change in method in 2022: from 2022, calculation is based on consumption data supplied as part of utility billing; correction of the 2020 and 2021 values based on extrapolated data from the Federal Statistical Office. Due to lack of data availability, calculations for Austria and Sweden continue to be based largely on statistical data.
 2) Reflects residual waste including bulky waste and incineration for energy generation.
 3) Region Germany and Austria: Glass, packaging, metals, wood, plastics, textiles. Region Sweden: Material from recycling centres and packaging waste.
 4) Calculation of recycling rate via share of waste generation in tonnes. The recycling rate takes into account not only the volume of recycled waste but also the reusability of waste paper and organic waste.

Key Figures	Unit	2020	2021	2022	Change from Previous Year
Green Spaces (in Germany) ¹⁾					
Green areas ²⁾	million m ²	18,876,435	18,586,918	18,392,150	-1.0%
of which lawns	%	76.6	76.8	77.2	0.5%
of which hedges	%	1.4	1.4	1.5	7.1%
of which copses	%	22.0	21.7	21.3	-1.8%
Degree of sealing of the properties ³⁾	%	42.6	43.1	44.2	2.6%
Trees on the property	number	214,895	214,890	211,028	-1.8%
average crown diameter	m	-	7.3	7.2	-1.4%
Proportion of climate resilient trees ⁴⁾	%	-	40.2	40.9	1.7%
Playgrounds	number	1,224	1,280	1,478	15.5%

1) Excl. Deutsche Wohnen.
 2) Excl. green roofs and facades; excluding areas under tenant care (e.g. tenant gardens).
 3) Definition of degree of sealing: Covering of the earth's surface with impermeable materials in relation to the area of the property.
 4) Climate-resilient woody species based on designation in the product manual, e.g., field maple, hornbeam or tree-hazel.

Development and New Construction

Completion of New Construction

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
General Project Data							
Rented units ¹⁾	number	2,096	2,201	3,776	1,837	1,798	141
Rentable area	m ²	156,828	153,651	266,504	122,145	136,881	7,478
of which residential area	%	88.9	98.8	96.4	98.4	94.3	99.0
of which commercial area	%	5.5	0.5	2.8	0.9	4.5	1.0
of which social institutions ²⁾	%	5.6	0.7	0.9	0.6	1.2	0.0
Site area	m ²	199,113	119,995	166,379	124,406	38,985	2,988
of which green spaces	%	27.9	29.7	21.6	25.2	10.6	12.6
Expenses new construction	in € million	435.5	526.6	607.1	229.6	194.1	17.4

Energy and Heat Supply							
304-2							
Rentable area not including vertical expansion	m ²	134,297	134,669	240,998	101,703	136,881	2,413
of which district heating ³⁾	%	65.1	50.7	59.6	62.9	56.5	100.0
of which renewable energy sources/hybrid systems ⁴⁾	%	14.9	19.5	14.6	26.6	6.0	0.0
of which fossil energy sources ⁵⁾	%	20.1	29.8	25.7	10.5	37.5	0.0
of which primary energy requirement of ≤30 kWh/m ² a	%	25.6	35.9	41.8	60.1	28.9	0.0
of which primary energy requirement of >30 and ≤50 kWh/m ² a	%	41.2	45.5	38.6	38.6	39.4	0.0
of which primary energy requirement of >50 and ≤75 kWh/m ² a	%	23.7	9.9	12.2	1.3	18.7	100.0
of which primary energy requirement of >75 kWh/m ² a	%	9.5	8.6	7.4	0.0	13.0	0.0
Average primary energy requirement ⁶⁾	kWh/m ² a	35.7	38.6	37.7	27.5	45.0	58.0
Installed output of photovoltaic systems	kWp	233	255	825	505	319	0

Mobility⁷⁾							
Proportion of projects featuring charging stations ⁸⁾	%	32.3	29.6	38.6	34.5	42.9	100.0
Proportion of projects featuring empty cable conduits for charging stations	%	25.8	25.9	63.6	58.6	71.4	100.0
Number of bicycle parking spaces per rented unit	Avg.	1.7	1.7	2.1	2.2	2.1	2.0
Number of vehicle parking spaces per rented unit	Avg.	0.9	0.6	0.7	1.0	0.5	0.7
Minutes to reach the nearest public transport connection on foot	Avg.	3.4	3.9	4.1	3.6	4.6	5.0

1) 2020 and 2021 excl. Deutsche Wohnen. 2022 incl. Deutsche Wohnen (excl. nursing care and SYN VIA segments).

2) Category includes kindergartens, schools, homes and similar institutions.

3) Separate presentation, as both renewable and fossil energy sources can be used in district heating supply.

4) At least proportionate supply from renewable energy sources: biogas, biomass, wood pellets and heat pump (additional condition: Heat pump must be partly supplied with RE (solar thermal, geothermal, PV, or similar)).

5) Fossil energy sources: natural gas, crude oil, non-renewably generated electricity.

6) Based on completed rental space without extensions and without purely commercial buildings (analogous to Sustainability Performance Index indicator).

7) Calculated exclusively on the basis of completed projects without taking into account vertical expansion.

8) Charging stations can be publicly accessible or assigned to a private parking space.

Project Pipeline for New Construction

Key Figures	Unit	2022	2022 by Country		
			Germany	Austria	Sweden
Project Pipeline New Buildings ¹⁾					
Rented units	number	9,846	9,018	666	162
Rentable area	m ²	750,780	701,869	41,852	7,059
of which residential area	%	85.4	84.8	92.5	100.0
of which commercial area	%	13.4	13.9	7.5	0.0
of which social institutions ²⁾	%	1.2	1.3	0.0	0.0
of which completion in 2023	%	34.5	30.0	100.0	100.0
of which completion in 2024	%	38.2	40.8	0.0	0.0
of which completion in 2025	%	22.1	23.7	0.0	0.0
of which completion after 2025	%	5.2	5.5	0.0	0.0

1) Projects under construction and projects with planned start of construction in 2023. Incl. Deutsche Wohnen (excl. Care segment and SYNVIA). Both "to hold" and "to sell" projects included. Relative figures refer to rental space.

2) Kindergartens, schools, homes and comparable institutions.

Environmental Key Figures for Business Operations

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
Energy Consumption in Business Operations ¹⁾						302-1, 302-3	
Energy consumption	MWh	28,163	31,306	36,592	35,375	1,009	208
of which electricity consumption	MWh	8,995	10,300	13,832	13,305	430	98
Proportion electricity from renewable energy sources ²⁾	%	72.2	72.3	82.4	82.0	100.0	59.8
Heat consumption	MWh	19,168	21,006	22,760	22,070	579	110
of which natural gas	MWh	4,632	5,550	7,466	7,221	245	0
of which district heating	MWh	13,722	15,293	15,183	14,849	334	0
of which other ³⁾	MWh	813	164	110	0	0	110
Energy intensity	kWh/m ²	157.8	154.0	135.4	137.0	103.5	90.4

Water Consumption in Business Operations ⁴⁾						303-5	
Water consumption	m ³	68,448	67,407	48,071	46,704	963	404
Water intensity	m ³ /m ²	0.39	0.33	0.18	0.18	0.10	0.18

1) 2020 and 2021 excl. Deutsche Wohnen. 2022 incl. Deutsche Wohnen (excl. Care segment and SYNVIA). Partially limited comparability due to delayed availability of actual data and corresponding use of prior-year data. Energy consumption of office locations in Austria based on projections from the previous year. Heat consumption of office locations in Sweden based on energy certificate data.

2) The share of renewable energies is based on the information provided by the individual energy suppliers for each location (market based approach). Alternatively, the German electricity mix according to the BDEW location-based approach was used for Germany.

3) Other energy sources include heating oil and heat pumps.

4) From 2021, water consumption and water intensity will also include Swedish office locations. Partially limited comparability due to delayed availability of actual data. Water consumption of office sites in Austria based on projections from the previous year.

Key Figures	Unit	2020	2021	2022	2022 by Country			
					Germany	Austria	Sweden	
Waste Volume in Business Operations¹⁾							306-3	
Total volume of commercial municipal waste	t	811	667	861	736	125	-	
of which recycled commercial municipal waste	%	31.5	35.6	35.6	37.3	26.1	-	
of which residual commercial municipal waste	%	68.5	64.4	64.4	62.7	73.9	-	
Other waste ²⁾	t	93.0	29.0	9.7	3.5	6.2	-	

- 1) 2020 and 2021 excl. Deutsche Wohnen. 2022 incl. Deutsche Wohnen (excl. nursing care and SYNIVIA segments). No survey to date for the Sweden region.
 2) Other waste includes bulky waste, wood, iron and steel. Increased other waste generation in the Austria region due to relocation to new headquarters in 2020.

Key Figures	Unit	2020	2021	2022	2022 by Country			
					Germany	Austria	Sweden	
Mobile Combustion in Business Operations¹⁾							302-1	
Fuel consumption	MWh	76,108	75,893	76,888	74,997	208	1,683	
of which diesel	MWh	72,002	71,475	71,526	70,492	45	990	
of which gasoline	MWh	4,085	4,415	5,362	4,506	164	693	
of which other ²⁾	MWh	22	7	89	84	5	0	
Vehicles (yearly average)	number	5,685	5,746	6,065	5,798	33	235	
Distance traveled ³⁾	million km	91.9	91.5	97.6	93.9	0.4	3.2	
Average fuel consumption⁴⁾	liters/100 km	8.3	8.3	8.0	8.1	6.9	5.5	
Average emissions	gCO ₂ e/km	252	253	241	244	159	159	

- 1) Only the energy consumption of the vehicle fleet was taken into account. 2020 and 2021 excl. Deutsche Wohnen, from 2022 incl. Deutsche Wohnen (excl. nursing care and SYNIVIA segments).
 2) Position no longer includes natural gas/autogas shares from 2022.
 3) Including mileage of all-electric vehicles. Retrospective correction of distance traveled for the years 2020 and 2021.
 4) Excluding distance traveled and excluding energy consumption of electric vehicles.

Key Figures	Unit	2020	2021	2022	2022 by Country			
					Germany	Austria	Sweden	
Travel and Transport in Business Operations¹⁾								
By rail	million pkm ²⁾	1.99	2.08	3.87	3.72	0.05	0.10	
By plane	million pkm ²⁾	0.95	0.93	2.20	1.43	0.53	0.24	
By private vehicle	million km	2.78	2.88	2.82	2.45	0.18	0.19	

- 1) First survey of business trips from the Sweden region for 2021. 2020 and 2021 excl. Deutsche Wohnen. From 2022 incl. Deutsche Wohnen (excl. nursing care and SYNIVIA segments).
 2) "Passenger-kilometer" unit (pkm) stands for the kilometers traveled in passenger transport multiplied by the number of passengers.

Renewable Energies

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
Renewable Energy Generation							
Energy generated ¹⁾	MWh	7,324	12,838	16,108	15,292	151	664
of which from renewable sources	%	100	100	100	100	100	100
of which from photovoltaic systems	%	100	100	100	100	100	100
Installed output ²⁾	MWp	15.9	16.8	19.3	18.3	0.3	0.7
Portfolio	number	424	451	533	503	7	23
Avoided emissions ³⁾	t CO ₂ e	4,458	8,343	10,551	10,460	39	52

1) Photovoltaic systems owned by Vonovia as of Dec. 31; electricity generation only. 2020 and 2021 excl. Deutsche Wohnen, 2022 incl. Deutsche Wohnen (excl. Care and SYN VIA segments).

2) The proportional increase in the number of plants and installed capacity can deviate from the energy generated, as the number of plants also includes plants that have already been built and will not be connected to the grid until the following year.

3) Theoretical annual emissions avoidance from energy generated by means of photovoltaic systems and fed into the general power grid. Calculated with emission factor for Electricity displacement mix PV, source: Federal Environment Agency (for Germany). Comparability with previous years is limited due to differences in emission factors per kWh of electricity over time possible to a limited extent.

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
Energy Sales ¹⁾							
Total energy sold	MWh	71,070	87,730	93,011	93,011	0	0
of which to rentable areas ²⁾	MWh	26,949	39,794	51,080	51,080	0	0
of which general electricity ³⁾	MWh	44,120	47,936	41,931	41,931	0	0
Share of electricity from renewable energy sources ⁴⁾	%	100	100	100	100	-	-
Avoided emissions ⁵⁾	t CO ₂ e	33,687	38,426	45,114	45,114	0	0
Total gas sold ⁶⁾	MWh	859,140	1,208,240	1,114,788	1,114,788	0	0

1) Reporting of electricity and gas sales based on revenue projections.

2) Electricity sold by VESG for private use by tenants.

3) Electricity sold by VESG for the common areas of the portfolio.

4) 100% green electricity by means of a guarantee of origin, deleted via the Federal Environment Agency's register of guarantees of origin.

5) Calculation based on "total electricity sales", in previous year's reports calculation based on "thereof common areas." In addition, (retroactive) consideration of emissions from the upstream chain.

6) Gas sold to tenants by VESG; in order to remain cost-neutral for tenants, Vonovia has decided not to acquire proof of origin for green gas.

Social

GRI 2-7, 2-8, 2-19, 203-1, 203-2, 401-1, 401-3, 403-9, 403-10, 404-1, 404-3, 405-1, 405-2, 413-1

The selected indicators presented under Social include personnel indicators, occupational safety data and indicators

covering social issues. You will find explanations of the contents in the chapters → **Corporate Culture and Employees**, → **Homes and Customers** and → **Society and Contribution to Urban Development**. You can find considerable additional information on the latter point in particular on our [company website](#).

Employee Key Figures

Key Figures	2020		2021		2022		2022 by Country		
	number	in %	number	in %	number	in %	Germany	Austria	Sweden
							number	number	number

Employees by Employment Contract and Gender								2-7, 2-8		
Total headcount ^{1) 2), 3)}	10,622		10,768		12,063		11,153	386	524	
of which female	2,626	24.9	2,764	25.7	3,404	28.2	2,979	256	169	
Full-time equivalents	10,118		10,305		11,530		10,697	344	490	
of which female	2,385	23.6	2,492	24.2	3,088	26.8	2,712	223	153	
Employees with temporary contracts	584		919		883		776	1	106	
of which female	199		330		325		290	1	34	
Employees with permanent contracts	9,569	90.8	9,849	91.5	11,180	92.7	10,377	385	418	
of which female	2,263		2,434		3,079		2,689	255	135	
Temporary workers	51	0.5	182	1.7	104	0.9	69	0	35	
of which female	18		63		55		37	0	18	

¹⁾ Germany: Total number of employees by headcount, incl. Deutsche Wohnen (excl. the Care segment and SYNVIA). The Care segment comprises a further 3,798 employees and 309 apprentices - 54 employees are accounted for SYNVIA.

²⁾ Austria: All employees, excl. pre-retirement part-time work arrangements, parental/educational leave, Management Board, but incl. management.

³⁾ Sweden: All employees, excl. parental leave and members of executive bodies (CEO + CFO).

Key Figures	2022 by Country											
	2020		2021		2022		Germany		Austria		Sweden	
	number	in %	number	in %	number	in %	number	in %	number	in %	number	in %
Number of Permanent Employees by Type of Employment and Gender												
Full-time employees ¹⁾	9,521		9,617		10,686		9,928		272		486	
of which female	1,959		2,009		2,473		2,166		162		145	
Part-time employees ^{1), 2)}	1,018		1,151		1,377		1,225		114		38	
of which female	667		755		931		813		94		24	
Proportion of part-time employees ³⁾		9.7		10.7		11.4		11.0		29.5		7.3
of which female		65.5		65.6		67.6		66.4		82.5		63.2
of which male		34.5		34.4		32.4		33.6		17.5		36.8
Marginal employees ²⁾	171		179		184		178		6		0	
of which female	62	36.3	71	39.7	60	32.6	59		1		0	

¹⁾ Austria: All employees, excl. pre-retirement part-time work arrangements, parental/educational leave, Management Board, but incl. Management; Sweden: All employees, excl. parental leave and members of executive bodies (CEO + CFO); Germany: Total number of employees by headcount, incl. Deutsche Wohnen (excl. the Care segment and SYNIVIA). The Care segment comprises a further 3,798 employees and 309 apprentices - 54 employees are accounted for SYNIVIA.

²⁾ The marginally employed are included in the number of part-time employees.

³⁾ Number of part-time employees/total number of employees.

Key Figures	2022 by Country									
	2020		2021		2022		Germany	Austria	Sweden	
	number	in %	number	in %	number	in %	number	number	number	
Personnel Turnover										
Newly hired employees ¹⁾	1,616	15.2	1,907	17.7	2,099	17.4	1,849	35	215	
of which female	409	25.3	548	28.7	622	29.6	526	27	69	
of which under 30 years of age	386	23.9	670	35.1	682	32.5	610	13	59	
of which 30-50 years of age	770	47.6	951	49.9	1,032	49.2	903	22	107	
of which over 50 years of age	214	13.2	286	15.0	385	18.3	336	0	49	
Employees leaving the company ^{1), 2)}	1,510		1,617		2,077		1,850	42	185	
of which female	318	21.1	360	22.3	584	28.1	503	23	58	
of which under 30 years of age	327	21.7	459	28.4	438	21.1	396	5	37	
of which 30-50 years of age	762	50.5	799	49.4	1,139	54.8	998	29	112	
of which over 50 years of age	362	24.0	359	22.2	500	24.1	456	8	36	
Turnover rate (in %) ³⁾		14.2		15.0		17.8	17.2	11.2	35.3	

¹⁾ All figures on employees joining leaving the company calculated according to HGB: Headcount excl. trainees, members of executive bodies, other employees, external staff, temporary staff, working students, marginal employees, interns and school students. Differentiation by age group and female employees newly introduced for 2020. Germany: Total number of employees by headcount, incl. Deutsche Wohnen (excl. the Care segment and SYNIVIA). The Care segment comprises a further 3,798 employees and 309 apprentices - 54 employees are accounted for SYNIVIA.

²⁾ Employees leaving the company include voluntary resignations, dismissals, retirement and deaths, but excl. traineeships that have come to an end and integration process-related dismissals.

³⁾ Employees leaving the company/headcount (adjusted to reflect integration process-related dismissals) as of Dec. 31, 2022 x 100%. Based on EPRA definition (employees leaving the company in the period/headcount at end of period). The following employee groups are also deducted from the headcount according to HGB (headcount excl. trainees, members of executive bodies, other employees, external staff, temporary staff, working students, marginal employees, interns and school students).

Key Figures	2022 by Country								
	2020		2021		2022		Germany	Austria	Sweden
	number	in %	number	in %	number	in %	number	number	number

Employees by Category, Gender, Age Group and Disability 405-1

Total headcount ¹⁾	10,539		10,768		12,063		11,153	386	524
Total headcount, commercial ²⁾	3,917	37.2	4,743	44.0	5,660	46.9	4,959	386	315
of which female	1,701	43.4	2,152	45.4	2,692	47.6	2,279	256	157
of which under 30 years of age	573	14.6	674	14.2	779	13.8	660	48	71
of which 30-50 years of age	1,982	50.6	2,541	53.6	3,015	53.3	2,575	260	180
of which over 50 years of age	1,362	34.8	1,527	32.2	1,866	33.0	1,724	78	64
of which with disabilities ³⁾	197	5.0	195	4.1	174	3.1	171	3	0
Total headcount, technical trade ⁴⁾	5,774	54.8	6,025	56.0	6,403	53.1	6,194	0	209
of which female	534	9.2	612	10.2	712	11.1	700	0	12
of which under 30 years of age	922	16.0	868	14.4	842	13.2	819	0	23
of which 30-50 years of age	3,282	56.8	3,406	56.5	3,588	56.0	3,478	0	110
of which over 50 years of age	1,570	27.2	1,751	29.1	1,973	30.8	1,897	0	76
of which with disabilities ³⁾	171	3.0	185	3.1	172	2.7	172	0	0
Average age (in years) ⁵⁾	42.5		42.8		43.3		43.5	41.2	41.6
Employees with disabilities ³⁾	368	3.5	380	3.5	346	2.9	343	3	0

¹⁾ Sweden: All employees, excl. parental leave and members of executive bodies (CEO + CFO). Germany: Total number of employees by headcount, incl. Deutsche Wohnen (excl. the Care segment and SYNZIA). The Care segment comprises a further 3,798 employees and 309 apprentices - 54 employees are accounted for SYNZIA.

²⁾ New breakdown by operating company since 2020: Commercial employee headcount is based on figures for Germany. Classification by operating company is not carried out for Austria and Sweden. A retroactive breakdown by operating company is not provided in 2019.

³⁾ Germany: According to the socio-legal definition of disability in accordance with Section 2 of the German Social Code (SGB IX); total number and ratio relate to Germany and Austria only as no disclosure to Sweden is legally possible.

⁵⁾ Average age (in years) of the total workforce on the reporting date of Dec. 31, 2022.

Key Figures	2020		2021		2022		2022 by Country		
	number	in %	number	in %	number	in %	Germany	Austria	Sweden
	number	in %	number	in %	number	in %	number	number	number
Employees on Parental Leave 401-3									
Employees entitled to parental leave ¹⁾		100		100		100		100	100
Total number of employees on parental leave ²⁾	302		399		463		369	7	87
of which female	134	44.4	176	44.1	201	43.4	153	6	42
of which male	168	55.6	223	55.9	262	56.6	216	1	45
Employees returning to their workplace after parental leave within the reporting period ³⁾	260		404		424		338	15	71
of which female	90	34.6	155	38.4	168	39.6	126	11	31
of which male	170	65.4	249	61.6	256	60.4	212	4	40
Employees returning to their workplace after parental leave and still employed 12 months after their return ⁴⁾	196		299		327		242	18	67
of which female	67	34.2	100	33.4	134	41.0	91	16	27
of which male	129	65.8	199	66.6	193	59.0	151	2	40

¹⁾ There is a legal entitlement for all employees in Germany, Austria and Sweden (excl. interns).

²⁾ All employees who took parental leave in 2022 (Austria: excl. educational leave and family end-of-life care leave). Incl. Deutsche Wohnen (excl. the Care segment and SYNVIA).

³⁾ All employees that returned from parental leave in 2022.

⁴⁾ All employees that returned from parental leave in 2021 and were still with the company as of Dec. 31, 2022.

Key Figures	2020		2021		2022		2022 by Country		
	number	in %	number	in %	number	in %	Germany	Austria	Sweden
	number	in %	number	in %	number	in %	number	number	number
Performance Appraisal¹⁾ 404-3									
Employees who have had an appraisal interview/performance appraisal ²⁾	3,715	35.0	3,970	38.6	3,999	38.3	3,667	332	-
of which female		42.5		45.4		43.9	1,546	210	-
of which male		57.5		54.6		56.1	2,121	122	-
Employees who have had an appraisal interview/performance appraisal, by employee category ²⁾									
of which management level ³⁾		76.9		91.9		83.6	140	23	-
of which other employees ⁴⁾		32.8		37.0		37.4	3,527	309	-
Trainees		100.0		100.0		100.0	557	5	-

¹⁾ Excl. Deutsche Wohnen; Statistics not yet available for Sweden.

²⁾ The key figure for employees, who have had an appraisal interview/performance appraisal includes all meetings between employees and managers that have been recorded in the system.

³⁾ Germany: First and second level below the Executive Board.

⁴⁾ All employees excluded management level, marginal employees, trainees, interns, works council members.

Key Figures	2020		2021		2022		2021 by Country		
	number	in %	number	in %	number	in %	Germany	Austria	Sweden ⁴⁾
Training and Education 404-1									
Vocational training									
Total number of trainees ¹⁾	510		530		617		612	5	-
of which female	103	20.2	116	21.9	148	24.0	145	3	-
Commercial trainees	152	29.9	154	29.1	215	34.8	210	5	-
of which female	84	55.3	92	59.7	120	55.8	117	3	-
Technical trade trainees	357	70.1	376	70.9	402	65.2	402	0	-
of which female	19	5.3	24	6.4	28	7.0	28	0	-
Trainees in part-time training	3	0.60	3	0.6	3	0.5	3	0	-
Proportion of total workforce (in %)		4.6		4.9		5.1	5.2	1.3	-
Proportion taken on (in %) ²⁾		73.6		68.5		71.6	71.6	0	-
Further Training ³⁾									
Total number of participants in further training ⁵⁾	2,302		6,089		6,027		5,699	328	-
of which female	1,159	50.3	2,639	43.3	2,386	39.6	2,169	217	-
Further training rate (in %) ⁶⁾		21.7		56.3		54.7	53.7	83.9	-
Further training intensity ⁷⁾	0.5		5.2		6.0		6.1	2.9	-
Training and education ³⁾									
Total training and education days	45,545.0		54,348		62,881		61,873	1,008	-
Average training and education days per employee ⁸⁾	4.3		5.0		5.7		5.8	2.6	-
Total hours of further training ⁹⁾	364,360.0		434,787		503,047		494,984	8,063	-
Average hours of further training per employee ¹⁰⁾	34.5		40.2		45.7		46.6	20.6	-
of which per female employee	8.2		10.2		13.9		13.6	13.7	-
of which per male employee	26.4		30.0		31.8		33.0	7.0	-
of which per commercial employee	31.5		17.2		19.8		19.2	20.6	-
of which per technical trade employee	21.1		23.0		25.9		27.4	0.0	-
Training and further education costs (in € million)	3.5		1.8		3.3		3.1	0.2	0.0
Average training and education cost per employee ¹¹⁾	332.4		142.5		553.4		545.5	680.9	-

¹⁾ Total amount of apprentices in Headcount. Germany from 2022 incl. Deutsche Wohnen (excl. the Care segment and SYNIVIA, the Care segment contains 309 additional apprentices) In Austria it was introduced in 2021, therefore 2020 excl. Austria.

²⁾ Number of trainees taken on/all trainees who had completed their training by Dec. 31, 2022 x 100%.

³⁾ Following key figures excl. Deutsche Wohnen.

⁴⁾ Statistics not yet available for Sweden. No Apprentices in Sweden.

⁵⁾ Incl. works council.

⁶⁾ Number of participants in further training/total employees (headcount); if employees participated in several different courses, they are counted only once.

⁷⁾ Total number of working days used for processes related to professional further training by all employees during the reporting period/total for all employees (FTE).

⁸⁾ Total training days/number of employees (by headcount).

⁹⁾ Assumption: 8 hours per training day, total training days x 8 hours.

¹⁰⁾ Total training hours/total number of employees (headcount).

¹¹⁾ Total costs for training and education/total number of trainees + total number of participants in further training.

Key Figures	2020		2021		2022		2022 by Country		
	number	in %	number	in %	number	in %	Germany	Austria	Sweden
							in %	in %	in %
Female Managers									
405-1									
Proportion of women in total workforce ^{1) 2) 3)}	2,626	24.9	2,764	25.7	3,404	28.2	25.1	66.3	32.3
Proportion of women at the first two levels below the Management Board ⁴⁾		25.9		28.0		25.1	24.9	30.4	14.3

¹⁾ Germany: Total number of employees according to the German Commercial Code (HGB) (excluding trainees, external staff, members of executive bodies, miscellaneous employees, employees on parental leave, employees with pre-retirement part-time work arrangements).
²⁾ Austria: All employees, excl. pre-retirement part-time work arrangements, parental/educational leave, Management Board, but incl. management.
³⁾ Sweden: All employees, excl. parental leave and members of executive bodies (CEO + CFO).
⁴⁾ Cumulation of the first two management levels below the Management Board as a total value for the Group.

Key Figures	2020		2021		2022		2022 by Country		
	number	in %	number	in %	number	in %	Germany	Austria	Sweden
							number	number	number
Gender Pay Ratio ¹⁾									
2-19, 405-2									
Total average income ^{2), 3), 4)}	37,985		39,102		41,245		40,690	52,232	39,600
of which female	39,962		40,946		42,661		42,150	45,389	38,492
of which male	37,372		38,484		40,696		40,168	68,134	40,128
Total salary ratio in % (women/men)		106.9		106.4		104.8	104.9	66.6	95.9
Management level total salary ratio in % (women/men) ⁵⁾		-		-		-	86.0	81.9	-
Non-management level total salary ratio in % (women/men) ⁶⁾		-		-		-	105.1	69.1	-

¹⁾ Germany 2020 and 2021 excl. Deutsche Wohnen, 2022 incl. Deutsche Wohnen
²⁾ Germany: Employees counted in accordance with the German Commercial Code (HGB) (excluding the Management Board and one management level below the Management Board as well as executive employees, temporary staff, marginal employees, students): basic monthly salary + allowances + holiday and vacation bonus (in line with the EPRA definition of "basic salary").
³⁾ Austria: All employees, excluding pre-retirement part-time work arrangements and parental/educational leave, Management Board, management, heads of department. In line with the EPRA definition of "basic salary."
⁴⁾ Sweden: All employees, excluding employees on parental leave as well CEO + CFO. In line with the EPRA definition of "basic salary". Conversion of Swedish salaries based on the exchange rate as of Dec. 30, 2022 (EUR 1 = 11.18 SEK).
⁵⁾ First and second levels below the Management Board. Austria since 2021 included. No disclosure for Sweden.
⁶⁾ All levels starting from the third level below the Management Board. Surveyed for Germany since 2020, for Austria since 2021. No disclosure for Sweden.

Occupational Health & Safety

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden ¹⁾
Occupational Health and Safety					403-9, 403-10		
Total occupational and commuting accidents (from 3 days lost time)	number	289	297	311	309	2	-
of which commuting accidents	number	26	30	32	32	0	-
of which occupational accidents	number	263	267	279	277	2	-
of which occupational accidents, commercial	number	30	28	102	100	2	-
of which occupational accidents, technical trade	number	233	240	177	177	0	-
Number of occupational and commuting accidents per 1,000 employees ²⁾	number	29	28.7	29.8	30.7	5.2	-
Accident rate (reportable occupational accidents) ^{3), 4)}	number	15.5	14.0	14.0	14.4	2.9	-
Accident rate (from 1 day lost time/LTIFR) ^{3), 5)}	number	26.1	21.0	21.7	22.3	2.9	-
Work-related fatalities	number	0	1	0	0	0	-
Work-related fatalities (ODR) ^{2), 6)}	in %	0.0	0.0	0.0	0	-	-
Time lost (in days) ^{3), 7)}	number	4,137	4,274	4,921	4,921	-	-
Time lost ^{3), 8)}	in %	0.2	0.2	0.2	0.2	-	-
Absence (in days) ^{3), 9)}	number	118,209	138,068	144,528	144,528	-	-
Absence ^{3), 10)}	in %	5.4	5.6	5.8	5.8	-	-

Occupational health and safety measures cover 100% of employees (by headcount) at Vonovia Group. Vonovia does not yet record the accident figures of subcontractors.

¹⁾ Sweden: no statistics are kept/consolidated at present.

²⁾ Total value = relates to Germany, excl. Deutsche Wohnen (excl. the Care segment and SYNVIA) and Austria.

³⁾ Total value = relates to Germany excl. Deutsche Wohnen (excl. the Care segment and SYNVIA).

⁴⁾ Number of notifiable occupational accidents (from 3 days lost) per 1 million working hours.

⁵⁾ Number of occupational accidents with at least one day lost per 1 million working hours (= LTIFR).

⁶⁾ Fatalities/number of working hours of all employees (ODR).

⁷⁾ Only time lost due to occupational and commuting accidents; occupational diseases cannot be evaluated as the reason for occupational diseases is not recorded in Germany.

⁸⁾ Total days lost due to work-related accidents of all employees/total required working days of all employees (FTE). The required working days were estimated.

⁹⁾ Absence due to any type of incapacity for work (not limited to work-related accidents and occupational diseases). Not including approved absences such as vacation or parental leave and not including long-term illness.

¹⁰⁾ Total days lost due to illness of all employees/total required working days of all employees (FTE) (= absentee rate). The required working days were estimated.

Social Key Figures

	2020	2021	2022
Social Key Figures (in Germany)			203-1, 203-2, 413-1
Voluntary Commitments ¹⁾			
Average modernization cost allocation ²⁾	€ 1.24/m ²	€ 1.24/m ²	€ 1.20/m ²
Customer care for modernization work (hardship management) ³⁾	753 positive decisions ⁴⁾ reached out of 1,017 hardship objection cases	662 ⁵⁾ positive decisions ⁴⁾ reached out of 874 hardship objection cases	391 positive decisions ⁴⁾ reached out of 546 hardship objection cases
Protection for older tenants ⁶⁾	201 positive decisions ⁴⁾ reached out of 346 requests	163 ⁵⁾ positive decisions ⁴⁾ reached out of 316 requests	185 positive decisions ⁴⁾ reached out of 334 requests
¹⁾ Excl. Deutsche Wohnen. ²⁾ Related to the modernization program and modernization work within the scope of community development; excluding heating renovation. ³⁾ Individual support for customers in cases of rent increases due to modernization work. ⁴⁾ Rent increases were not implemented or were not implemented in the planned amount, or other support (e.g., help with moving, moving furniture, or finding an alternative apartment). ⁵⁾ Correction due to cases received by 31.12.2021 but not positively decided until 2022. ⁶⁾ Guarantee that apartments will remain affordable for people aged over 70 even if the standard local comparative rent changes.			

	2020	2021	2022
Tenant participation			
Tenant meetings and consultation processes ¹⁾	158	79 ²⁾	114 ²⁾
Proportion of tenants involved (units) in modernization/construction measures	6,534 tenants reached in relation to 11,299 modernized residential units ^{2) 3)} 57.8%	3,631 tenants reached in relation to 8,230 modernized residential units ^{2) 3)} 44.1%	2,089 tenants reached in relation to 6,821 modernized residential units ^{2) 3)} 30.6%
¹⁾ Includes tenant meetings, workshops, advisory boards, consultation hours, neighborhood walks, etc. ²⁾ Decline mainly due to limited opportunities during the coronavirus pandemic. ³⁾ Excl. Deutsche Wohnen, Austria and Sweden.			

	2020		2021		2022	
Grants and Social Support ¹⁾						
Grants for social/cultural projects and facilities ²⁾		€ 1,478,790		€ 1,464,060		€ 1,156,765
of which locally through regional contributions	202 projects	€ 408,925	176 projects	€ 575,072	162 projects	€ 258,803
of which centrally via a funding program for social projects	156 projects	€ 387,715	146 projects	€ 373,993	167 projects	€ 354,225
of which in Duisburg and Dresden via customer service ("Vonovia bewegt")	24 projects	€ 24,000	0 ³⁾	€ 0	0 ³⁾	€ 0
of which via foundations	Grants from foundations: Vonovia Stiftung (Vonovia foundation), Vonovia Mieterstiftung e. V. and Stiftung Mensch und Wohnen	€ 202,440	Grants from foundations: Vonovia Stiftung (Vonovia foundation), Vonovia Mieterstiftung e. V. and Stiftung Mensch und Wohnen	€ 208,810	Grants from foundations: Vonovia Stiftung (Vonovia foundation), Vonovia Mieterstiftung e. V. and Stiftung Mensch und Wohnen	€ 196,143
of which via central cooperation projects	Stifterverband, Jewish Museum in Frankfurt, Josef Albers Museum Bottrop, Ackerdemia e.V., Dialog mit der Jugend, Wir im Revier, Freundeskreis Schauspielhaus Bochum, Freunde & Förderer Zollverein Essen	€ 455,710	Stifterverband, Jewish Museum in Frankfurt, Acker e.V., Dialog mit der Jugend, Freundeskreis Schauspielhaus Bochum, Freunde & Förderer Zollverein Essen	€ 306,185	Stifterverband, Jewish Museum in Frankfurt, Acker e.V., Dialog mit der Jugend, Josef Albers Museum Bottrop, Freundeskreis Schauspielhaus Bochum, Freunde & Förderer Zollverein Essen	€ 347,594
Units targeted via the central funding program for social projects	156 projects	232,573 units ⁴⁾	146 projects	181.600 units ⁵⁾	167 projects	296.921 units ⁶⁾
Rent-free or discounted commercial premises provided to social/charitable organizations	71 commercial units	6,624 m²	89 commercial units	8.782 m²	80 commercial units ⁷⁾	9.869 m² ⁷⁾

¹⁾ Excl. Deutsche Wohnen.
²⁾ Includes both cash and in-kind contributions.
³⁾ Adjusted in 2021.
⁴⁾ 65% of the 355,285 units in Germany.
⁵⁾ 51% of the 353,963 units in Germany.
⁶⁾ 85% of the 347,373 units in Germany.
⁷⁾ 2022 incl. Deutsche Wohnen.

Governance

GRI 2-9, 204-1, 205-3, 206-1, 308-1, 308-2, 405-1, 406-1, 414-1, 414-2, 416-1

Governance

You can find explanations of the content of the selected key figures presented here in the Governance section in the chapters → **Sustainable Governance and Responsible Business Practices**, → **Corporate Culture and Employees**, and → **Environment and Climate**.

Further key figures and policies can be found in the [Annual Report](#) and on our [Investor Relations website](#).

Key Figures	Unit	2020	2021	2022
Diversity of Controlling Bodies ¹⁾				2-9, 405-1
Supervisory Board members	number	12	12	12
	number	4	4	4
of which female	%	33.3	33.3	33.3
of which under 30 years of age	%	0	0	0
of which 30-50 years of age	%	8.3	0	0
of which over 50 years of age	%	91.7	100	100
of which independent Supervisory Board members	number	12	12	12
Average term of office of Supervisory Board members	number	6	7	6
Supervisory Board members with sustainability-related skills	number	5	5	6

¹⁾ Further information on the composition of the controlling bodies can be found in the 2022 Annual Report in the chapter **Recruitment of Members of Executive Bodies**.

Key Figures	Unit	2020	2021	2022	2022 by Country		
					Germany	Austria	Sweden
Anti-corruption ¹⁾					205-3, 206-1		
Proven cases of corruption	number	0	0	0	0	0	0
Proven cases of money laundering	number	0	0	0	0	0	0
Confirmed cases in which employees have been dismissed or issued with warnings due to corruption	number	0	0	0	0	0	0
Confirmed cases in which contracts with business partners have been terminated or not renewed due to corruption	number	0 ²⁾	0	0	0	0	0
Number of public legal proceedings relating to corruption	number	0	0	0	0	0	0
Legal actions for anti-competitive behavior	number	1	0	0	0	0	0

¹⁾ 2020 and 2021 excl. Deutsche Wohnen, 2022 incl. Deutsche Wohnen. Information on the ongoing investigation against former and current Vonovia employees can be found in the **Governance and Compliance** section of this report and in the 2022 Annual Report in the chapter **Subsequent Events**.

²⁾ No data has yet been collected for the Austria and Sweden regions for the 2020 fiscal year.

Key Figures	Unit	2020	2021	2022
Discrimination ¹⁾				406-1
Incidents of discrimination ²⁾	number	0	0	0

¹⁾ 2020 and 2021 excl. Deutsche Wohnen, 2022 incl. Deutsche Wohnen.

²⁾ This indicator refers to reportable incidents received via the AGG mailbox (introduced in 2022) or other whistleblower channels.

Portfolio Security

Key Figures	Inspection schedule	Unit	2020		2021		2022				
			Inspections carried out ²⁾		Inspections carried out ²⁾		Total inspection list	Target inspections ³⁾	Inspections carried out ^{2) 4)}		
			number	in %	number	in %			number	in %	
Safety Inspections (in Germany) ¹⁾											416-1
Buildings	Every 2 years	number	28,465	111.3	28,739	91.4	53,502	26,130	17,071	65.3	
Open spaces ⁵⁾	Every 2 years	m ²	19,391,507	96.4	19,669,398	100.0	39,274,567	20,011,249	19,504,055	97.5	

During the reporting period, the inspections did not reveal any violations of regulations and/or voluntary codes concerning health and safety aspects that were not immediately remedied. Vonovia has established standard processes for handling defects discovered as a result of inspections, which require prompt handling. These processes continued to function perfectly during the reporting period.

¹⁾ Excl. Deutsche Wohnen.

²⁾ Inspections carried out up to Dec. 31; figures above 100% are the result of inspections carried out in the previous year.

³⁾ The checks are conducted at regular intervals from the date of the first inspection; the annual certificates are therefore not distributed exactly equally (50%-50%). Forecast scope of inspections at the beginning of the year.

⁴⁾ The low number of building inspections in 2022 is due to the COVID19 pandemic. The outstanding inspections will be completed by the second quarter of 2023 and inspections will once again be carried out according to plan. From Vonovia's perspective, there is no risk.

⁵⁾ Includes open spaces with and without buildings.

Procurement Practices

Key Figures	Unit	2020	2021	2022	2022 by Country			
					Germany	Austria	Sweden	
Supplier Structure								204-1
Supplier¹⁾	Number	8,997	9,243	8,992	5,815	1,131	2,046	
from home country	Number	8,942	9,172	8,923	5,784	1,108	2,031	
from Europe (excl. home country)	Number	55	71	62	26	21	15	
contract partner (small repairs, maintenance, renovation, refurbishment, construction) ²⁾	Number	1,392	1,230	1,233	684	37	512	
material supplier ³⁾	Number	408	545	1,067	628	0	439	
operating costs ⁴⁾	Number	313	402	528	97	16	415	
other material and other services costs ⁵⁾	Number	958	1,067	1,245	465	200	580	
Share of expenses for local suppliers⁶⁾	in %	99.4	99.2	99.2	99.5	98.0	99.3	

¹⁾ The figure includes all suppliers that are actively managed by the purchasing departments in the central procurement process. Suppliers with micro-sales have been cleaned up. Data for Germany excl. Deutsche Wohnen.

²⁾ The figure reflects the active contract partners in the construction work.

³⁾ The figure includes all suppliers that are actively managed by material purchasing team for construction in the central procurement process. Suppliers with micro-sales have been cleared. Data basis has been evaluated and adjusted in 2022.

⁴⁾ Includes all suppliers managed by the purchasing department through SAP with the industry code "Supplier." According to the merger of Hembla and Victoria Park all accounts have been closed. During 2021 and 2022 new accounts have been opened successively for active suppliers of Victoriahem.

⁵⁾ Includes, e.g., tools, work clothes, office and business equipment, IT, telecommunications.

⁶⁾ Definition of "local": home country, i.e., Germany, Austria and Sweden.
Definition of "important operating sites": entire country in each case, as we are active in a decentralised manner.

Key Figures	Unit	2020	2021 ²⁾	2022	2022 by Country		
					Germany	Austria	Sweden
Review of Suppliers¹⁾					308-1, 308-2, 414-1, 414-2		
Number of new suppliers	Number	1,104	1,442	1,166	206	372	588
Number of new suppliers surveyed according to sustainability criteria	Number	230	181	179	105	74	588
environmental criteria	in %	50.5	21.4	31.0	51.0	19.9	1
social criteria (human rights, labor standards, corruption)	in %	50.5	21.4	31.0	51.0	19.9	1
Number of existing suppliers surveyed according to sustainability criteria ³⁾	Number	1,098	2,270	2,847	515	874	1,458
environmental criteria	Number	1,098	1,171	2,847	515	874	1,458
social criteria (human rights, labor standards, corruption)	Number	1,098	1,171	2,847	515	874	1,458
Number of suppliers that have not met the following criteria	Number	5	8	2	2	0	0
environmental criteria	Number	0	0	0	0	0	0
social criteria (human rights, labor standards, corruption)	Number	0	5	0	0	0	0
others	Number	5	3	2	2	0	0
Number of suppliers that have been found non-compliant with the following criteria and measurements have been agreed upon or the business partnership has been terminated	Number	5	8	2	2	0	0
environmental criteria	Number	0	0	0	0	0	0
social criteria (human rights, labor standards, corruption)	Number	0	5	0	0	0	0
others	Number	5	3	2	2	0	0

¹⁾ An audit or verification of suppliers does not take place systematically; before the connection, all suppliers with minor exceptions are obliged to meet standards of the Business Partner Code. Data for Germany excl. Deutsche Wohnen.

²⁾ Due to the merger of Victoria Park and Hembla to form Victoriahem, as well as further restructuring supplier management in Sweden was reorganised. An evaluation of new suppliers has not been conducted in 2021, therefore Swedish contract partners are not included in the evaluation of new suppliers in 2021.

³⁾ Data 2020 and 2021: related to new suppliers from Germany and Austria, excl. Sweden. From 2022: also incl. Sweden.

GRI Content Index

This report has been prepared in accordance with the Universal Standards of the Global Reporting Initiative (GRI, as amended in 2021). In the GRI Content Index we report on

at least one associated indicator for every issue that has been identified as material in order to make our performance in this area transparent.

GRI Standard	Disclosure	Location	Reasons for Omission/Notes
Foundation			
GRI 1: Foundation 2021	Statement of use	Vonovia SE has reported in accordance with the GRI Standards for the period of January, 1, 2022, to December 31, 2022.	
	GRI 1 used	GRI 1: Foundation 2021	
	Applicable GRI Sector Standard(s)	No applicable sector standard available.	
General Disclosures			
The organization and its reporting practices			
	2-1 Organizational details	→ Vonovia in the Context of Current Trends and Developments	
	2-2 Entities included in the organization's sustainability reporting	→ About This Report → Vonovia in the Context of Current Trends and Developments	
	2-3 Reporting period, frequency and contact point	→ About This Report → Contact, Imprint	
	2-4 Restatements of information	→ About This Report	
	2-5 External assurance	→ About This Report → Limited Assurance Report of the Independent Auditor Regarding Sustainability Information	
Activities and workers			
	2-6 Activities, value chain and other business relationships	→ Vonovia in the Context of Current Trends and Developments → Our Approach to Sustainable Development in Detail	
	2-7 Employees	→ Key Figures - Employee Key Figures	
	2-8 Workers who are not employees	→ Key Figures - Employee Key Figures	
Governance			
	2-9 Governance structure and composition	→ Our Approach to Sustainable Development in Detail → Key Figures - Governance ☞ AR 2022 - Corporate Governance	
	2-10 Nomination and selection of the highest governance body	→ Sustainable Governance and Responsible Business Practices → Governance and Compliance ☞ AR 2022 - Corporate Governance	
	2-11 Chair of the highest governance body	☞ AR 2022 - Corporate Governance	
	2-12 Role of the highest governance body in overseeing the management of impacts	→ Our Approach to Sustainable Development in Detail ☞ AR 2022 - Corporate Governance	
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	→ Our Approach to Sustainable Development in Detail ☞ AR 2022 - Corporate Governance	

GRI Standard	Disclosure	Location	Reasons for Omission/Notes
	2-14 Role of the highest governance body in sustainability reporting	→ Our Approach to Sustainable Development in Detail ☞ AR 2022 – Corporate Governance	
	2-15 Conflicts of interest	☞ AR 2022 – Corporate Governance	
	2-16 Communication of critical concerns	☞ AR 2022 – Corporate Governance → Governance and Compliance	
	2-17 Collective knowledge of the highest governance body	☞ AR 2022 – Report of the Supervisory Board	
	2-18 Evaluation of the performance of the highest governance body	☞ AR 2022 – Report of the Supervisory Board ☞ AR 2022 – Corporate Governance	
	2-19 Remuneration policies	☞ Remuneration Report 2022 ☞ AR 2022 – Performance Indicators → Remuneration and Flexible Working Models → Key Figures – Employee Key Figures	
	2-20 Process to determine remuneration	☞ Remuneration Report 2022	
	2-21 Annual total compensation ratio	☞ Remuneration Report 2022	The pay ratio is not explicitly reported, but its individual components are (see ☞ p. 25, Remuneration Report 2022)
	Strategy, policies and practices		
	2-22 Statement on sustainable development strategy	☞ AR 2022 – Societal Megatrends Defining Overall Conditions on the Residential Real Estate Market ☞ AR 2022 – Strategy → Our Approach to Sustainable Development in Detail	
	2-23 Policy commitments	☞ Commitments and Policies (e.g. Code of Conduct, Policy Statement on Respect for Human Rights) are available at: https://investoren.vonovia.de/en/corporate-governance/commitments-and-policies/business-ethics/ → Environment and Climate → Governance and Compliance	
	2-24 Embedding policy commitments	→ Environment and Climate → Homes and Customers → Corporate Culture and Employees → Contribution to Socio-Political Dialogue ☞ AR 2022 – Corporate Governance	
	2-25 Processes to remediate negative impacts	→ Environment and Climate → Homes and Customers → Governance and Compliance	
	2-26 Mechanisms for seeking advice and raising concerns	→ Contribution to Socio-Political Dialogue → Material Topics → Governance and Compliance	
	2-27 Compliance with laws and regulations	→ Sustainable Governance and Responsible Business Practices → Governance and Compliance → Human Rights Due Diligence and Supply Chain	
	2-28 Membership associations	→ Sustainable Governance and Responsible Business Practices → Contribution to Socio-Political Dialogue	
	Stakeholder engagement		
	2-29 Approach to stakeholder engagement	→ Inclusion, Diversity and Social Cohesion → Sustainable Governance and Responsible Business Practices → Contribution to Socio-Political Dialogue → Material Topics	
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	→ Appeal as an Employer	Vonovia guarantees its employees freedom of association and the opportunity to organize themselves into trade unions. We do not disclose the percentage of employees covered by collective bargaining agreements.

GRI Standard	Disclosure	Location	Reasons for Omission/Notes
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	→ Material Topics	
	3-2 List of material topics	→ Material Topics - Materiality Matrix	
Material topic: Neighborhood development and contribution to infrastructure			
Material topic: Living at fair prices			
GRI 3: Material Topics 2021	3-3 Management of material topics	→ Society and Contribution to Urban Development → Neighborhood Development and Contribution to Infrastructure → Homes and Customers → Living at fair prices → Our Road Map	
	203-1 Infrastructure investments and services supported	→ Society and Contribution to Urban Development → Neighborhood Development and Contribution to Infrastructure → Key Figures - Social Key Figures ☐ AR 2022 - Corporate Structure	
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	→ Homes and Customers → Living at fair prices → Key Figures - Social Key Figures	
Performance indicator	Average rent per m ²	→ Vonovia in Figures → Living at fair prices	
Performance indicator	Average modernization cost allocation	→ Our Road Map → Homes and Customers → Living at fair prices → Key Figures - Social Key Figures	
Performance indicator	Investment volume in community development	→ Neighborhood Development and Contribution to Infrastructure	
Material topic: Governance and compliance			
GRI 3: Material Topics 2021	3-3 Management of material topics	→ Sustainable Governance and Responsible Business Practices → Governance and Compliance → Our Road Map	
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	→ Governance and Compliance → Key Figures - Governance	
Material topic: Sustainable construction and refurbishment			
GRI 3: Material Topics 2021	3-3 Management of material topics	→ Environment and Climate → Sustainable Construction and Refurbishment → Our Road Map	
	302-1 Energy consumption within the organization	→ Resource and Climate Protection in Business Operations → Key Figures - Environmental Key Figures for Business Operations	We report energy consumption outside of the organization only in the form of emissions (Scope 3).
	302-2 Energy consumption outside of the organization	→ Key Figures - Carbon Emissions → Key Figures - Portfolio Environmental Figures	
	302-3 Energy intensity	→ Key Figures - Environmental Key Figures for Business Operations → Key Figures - Portfolio Environmental Figures	
	302-4 Reduction of energy consumption	→ Environment and Climate → Sustainable Construction and Refurbishment → Resource and Climate Protection in Business Operations → Key Figures - Development and New Construction	
GRI 302: Energy 2016	302-5 Reductions in energy requirements of products and services	→ Environment and Climate → Sustainable Construction and Refurbishment	
Performance indicator	Average primary energy requirement - new construction	→ Sustainable Construction and Refurbishment → Our Approach to Sustainable Development in Detail → Our Road Map	

GRI Standard	Disclosure	Location	Reasons for Omission/Notes
Material topic: Reducing CO₂ in the housing portfolio			
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> → Environment and Climate → CO₂ Reduction in the Housing Portfolio → Implementation of the TCFD Recommendations → Our Road Map → Key Figures - Carbon Emissions → Key Figures - Renewable Energies 	
	305-1 Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> → Environment and Climate → CO₂ Reduction in the Housing Portfolio → Key Figures - Carbon Emissions 	
	305-2 Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> → Environment and Climate → CO₂ Reduction in the Housing Portfolio → Key Figures - Carbon Emissions 	
	305-3 Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> → Environment and Climate → CO₂ Reduction in the Housing Portfolio → Key Figures - Carbon Emissions 	
	305-4 GHG emissions intensity	<ul style="list-style-type: none"> → Environment and Climate → CO₂ Reduction in the Housing Portfolio → Key Figures - Carbon Emissions → Our Approach to Sustainable Development in Detail → Our Road Map 	
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	<ul style="list-style-type: none"> → Environment and Climate → CO₂ Reduction in the Housing Portfolio → Key Figures - Carbon Emissions 	
Material topic: Appeal as an employer			
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> → Corporate Culture and Employees → Appeal as an Employer → Diversity and Equal Opportunities → Our Road Map 	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	<ul style="list-style-type: none"> → Appeal as an Employer → Our Road Map → Key Figures - Employee Key Figures 	
	401-3 Parental leave	<ul style="list-style-type: none"> → Appeal as an Employer → Key Figures - Employee Key Figures 	
Performance indicator	Employee satisfaction	<ul style="list-style-type: none"> → Corporate Culture and Employees → Appeal as an Employer → Our Approach to Sustainable Development in Detail → Our Road Map 	
Material topic: Diversity and equal opportunities			
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> → Corporate Culture and Employees → Diversity and Equal Opportunities → Our Road Map 	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	<ul style="list-style-type: none"> → Corporate Culture and Employees → Diversity and Equal Opportunities → Key Figures - Employee Key Figures → Key Figures - Governance → Our Road Map 	
	405-2 Ratio of basic salary and remuneration of women to men	<ul style="list-style-type: none"> → Corporate Culture and Employees → Diversity and Equal Opportunities → Key Figures - Employee Key Figures 	
Performance indicator	Proportion of women in management roles	<ul style="list-style-type: none"> → Corporate Culture and Employees → Diversity and Equal Opportunities → Key Figures - Employee Key Figures → Our Approach to Sustainable Development in Detail → Our Road Map 	

GRI Standard	Disclosure	Location	Reasons for Omission/Notes
Material topic: Customer satisfaction and service quality			
GRI 3: Material Topics 2021	3-3 Management of material topics	→ Homes and Customers → Customer Satisfaction and Service Quality → Our Road Map	
Performance indicator	Customer Satisfaction Index (CSI)	→ Homes and Customers → Customer Satisfaction and Service Quality → Our Approach to Sustainable Development in Detail → Our Road Map	
Material topic: Appeal on the capital market			
GRI 3: Material Topics 2021	3-3 Management of material topics	→ Appeal on the Capital Market → Our Road Map	
Performance indicator	Performance in relevant ESG ratings	→ Appeal on the Capital Market → ESG Ratings and Indices	
Material topic: Homes that meet people's needs and demographic change			
GRI 3: Material Topics 2021	3-3 Management of material topics	→ Homes and Customers → Customer Satisfaction and Service Quality → Our Road Map	
Performance indicator	Proportion of accessible (partially) modernized newly rented apartments	→ Homes and Customers → Homes that meet people's needs and demographic change → Our Approach to Sustainable Development in Detail → Our Road Map	

Other Topics

In the following section, we report on other topics that are important to us, but which are not material topics for Vonovia within the meaning of the GRI. With this step, we hope to further increase our reporting transparency.

GRI Standard	Disclosure	Location	Reasons for Omission/Notes
Other Topics			
GRI 201: Economic performance 2016			
	201-1 Direct economic value generated and distributed	☞ AR 2022: The Company and its Shares → Vonovia in Figures	
	201-2 Financial implications and other risks and opportunities due to climate change	→ Environment and Climate → Implementation of the TCFD Recommendations ☞ AR 2022: Current Risk Assessment ☞ AR 2022: Current Assessment of the Main Opportunities	
GRI 204: Procurement practices 2016			
	204-1 Proportion of spending on local suppliers	→ Key Figures - Procurement Practices	
GRI 206: Anti-competitive Behavior 2016			
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	→ Key Figures - Governance	
GRI 207: Tax 2019			
	207-1 Approach to tax	→ Governance and Compliance	
	207-2 Tax governance, control, and risk management	→ Governance and Compliance	
	207-3 Stakeholder engagement and management of concerns related to tax	→ Governance and Compliance	
	207-4 Country-by-country reporting	☞ Commitments and policies available at: https://investoren.vonovia.de/en/corporate-governance/commitments-and-policies/taxes/	

GRI Standard	Disclosure	Location	Reasons for Omission/Notes
GRI 303: Water and Effluents 2018			
	303-5 Water consumption	<ul style="list-style-type: none"> → Water, Effluents and Waste → Key Figures - Portfolio Environmental Figures → Key Figures - Environmental Key Figures for Business Operations 	
GRI 306: Waste 2020			
	306-1 Waste generation and significant waste-related impacts	<ul style="list-style-type: none"> → Sustainable Construction and Refurbishment → Water, Effluents and Waste 	
	306-2 Management of significant waste-related impacts	<ul style="list-style-type: none"> → Sustainable Construction and Refurbishment → Water, Effluents and Waste 	
	306-3 Waste generated	<ul style="list-style-type: none"> → Key Figures - Portfolio Environmental Figures → Key Figures - Environmental Key Figures for Business Operations 	
GRI 308: Supplier Environmental Assessment 2016			
	308-1 New suppliers that were screened using environmental criteria	<ul style="list-style-type: none"> → Human Rights Due Diligence and Supply Chain → Key Figures - Procurement Practices 	
	308-2 Negative environmental impacts in the supply chain and actions taken	<ul style="list-style-type: none"> → Human Rights Due Diligence and Supply Chain → Key Figures - Procurement Practices 	
GRI 403: Occupational Health and Safety 2018			
	403-2 Hazard identification, risk assessment, and incident investigation	<ul style="list-style-type: none"> → Promoting Health and Safety → Sustainable Construction and Refurbishment 	
	403-4 Worker participation, consultation, and communication on occupational health and safety	<ul style="list-style-type: none"> → Promoting Health and Safety → Sustainable Construction and Refurbishment 	
	403-5 Worker training on occupational health and safety	<ul style="list-style-type: none"> → Promoting Health and Safety → Sustainable Construction and Refurbishment 	
	403-6 Promotion of worker health	<ul style="list-style-type: none"> → Promoting Health and Safety → Sustainable Construction and Refurbishment 	
	403-9 Work-related injuries	→ Key Figures - Occupational Health & Safety	
	403-10 Work-related ill health	→ Key Figures - Occupational Health & Safety	
GRI 404: Training and Education 2016			
	404-1 Average hours of training per year per employee	<ul style="list-style-type: none"> → Training and Personal Development → Key Figures - Employee Key Figures 	
	404-3 Percentage of employees receiving regular performance and career development reviews	→ Key Figures - Employee Key Figures	
GRI 406: Non-discrimination 2016			
	406-1 Incidents of discrimination and corrective actions taken	<ul style="list-style-type: none"> → Corporate Culture and Employees → Diversity and Equal Opportunities → Governance and Compliance → Key Figures - Governance 	
GRI 413: Local Communities 2016			
	413-1 Operations with local community engagement, impact assessments, and development programs	<ul style="list-style-type: none"> → Society and Contribution to Urban Development → Inclusion, Diversity and Social Cohesion → Homes and Customers → Living at fair prices → Key Figures - Social Key Figures 	
GRI 414: Supplier Social Assessment 2016			
	414-1 New suppliers that were screened using social criteria	<ul style="list-style-type: none"> → Human Rights Due Diligence and Supply Chain → Key Figures - Procurement Practices 	
	414-2 Negative social impacts in the supply chain and actions taken	<ul style="list-style-type: none"> → Human Rights Due Diligence and Supply Chain → Key Figures - Procurement Practices 	

GRI Standard	Disclosure	Location	Reasons for Omission/Notes
GRI 415: Public Policy 2016			
	415-1 Political contributions	→ Contribution to Socio-Political Dialogue	
GRI 416: Customer Health and Safety 2016			
	416-1 Assessment of the health and safety impacts of product and service categories	→ Maintenance for Health and Safety → Key Figures - Portfolio Security	

SASB Mapping Vonovia 2022

SASB Real Estate Standard

Energy Management

Accounting Metric	Category	Code	GRI Disclosure	References
Energy consumption data coverage as a percentage of total floor area, by property subsector	Quantitative	IF-RE-130a.1	N/A	See: Sustainability Report 2022, p. 103 et seqq., chapter "About This Report" We show the coverage here for the corporate carbon footprint. It can also be seen analogously for energy consumption. More detailed information is provided in the EPRA Report . Vonovia does not disclose this metric for each property subsector.
1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	Quantitative	IF-RE-130a.2	302-1 302-2	We report for the entire portfolio. Missing coverage has been forecasted through projections. Therefore, the values in the following tables refer to the entire portfolio (100% coverage). Sustainability Report 2022, p. 109, table "Energy Consumption in the Portfolio" Vonovia does not disclose this metric for each property subsector.
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Quantitative	IF-RE-130a.3	302-1 302-2	The like-for-like disclosure is provided in our EPRA Report . Vonovia does not disclose this metric for each property subsector.
Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Quantitative	IF-RE-130a.4	N/A	1) Sustainability Report 2022, p. 110, table "Energy Efficiency Standards by Energy End-use Efficiency Class" 2) Not applicable
Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and Analysis	IF-RE-130a.5	302-4	Sustainability Report 2022, p. 22 et seqq., chapter "Environment and Climate"

Water Management

Accounting Metric	Category	Code	GRI Disclosure	References
Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with high or extremely high baseline water stress, by property subsector	Quantitative	IF-RE-140a.1	N/A	<p>1) Sustainability Report 2022, p. 111, table “Water Consumption in the Portfolio” and p. 103 et seqq., chapter “About This Report”. See also EPRA Report. We report for the entire portfolio. Missing coverage has been forecasted through projections. Therefore, the values in the following tables refer to the entire portfolio (100% coverage).</p> <p>2) Vonovia's portfolio is based in Germany, Austria and Sweden. None of the assets are based in regions with high or extremely high baseline water stress. Therefore water consumption is not a material topic for Vonovia.</p> <p>Vonovia does not disclose this metric for each property subsector.</p>
(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with high or extremely high baseline water stress, by property subsector	Quantitative	IF-RE-140a.2	303-5 Water Consumption	<p>1) We report for the entire portfolio. Missing coverage has been forecasted through projections. Therefore, the values in the following tables refer to the entire portfolio (100% coverage). See: Sustainability Report 2022, p. 111, table “Water Consumption in the Portfolio”</p> <p>2) See above</p> <p>Vonovia does not disclose this metric for each property subsector.</p>
Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Quantitative	IF-RE-140a.3	303-5 Water Consumption	<p>The like-for-like disclosure is provided in our EPRA Report. Vonovia does not disclose this metric for each property subsector</p>
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	IF-RE-140a.4	303-1	<p>The management approach regarding water consumption is provided on p. 39 et. seqq., chapter “Water, Effluents and Waste”, Sustainability Report 2022.</p>

Management of Tenant Sustainability Impacts

Accounting Metric	Category	Code	GRI Disclosure	References
(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area, by property subsector	Quantitative	IF-RE-410a.1	N/A	<p>1) We provide detailed information about our energy renovations, e.g., about the refurbishment rate: Sustainability Report 2022, p. 110, table “Refurbishment” and p. 123, table “Social Key Figures (in Germany)”, KPI “Average modernization cost allocation”</p> <p>2) Sustainability Report 2022, p. 110, table “Refurbishment”</p> <p>Vonovia does not disclose this metric for each property subsector.</p>
Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Quantitative	IF-RE-410a.2	N/A	<p>Vonovia does not disclose this metric.</p>
Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Discussion and Analysis	IF-RE-410a.3	N/A	<p>Sustainability Report 2022, p. 22 et seqq., chapter “Environment and Climate” and p. 56 et seqq., chapter “Living at fair prices”</p>

Climate Change Adaptation

Accounting Metric	Category	Code	GRI Disclosure	
Area of properties located in 100-year flood zones, by property subsector	Quantitative	IF-RE-450a.1	N/A	Vonovia does not disclose this metric (not material, see above IF-RE-140a.1 (2)).
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Discussion and Analysis	IF-RE-450a.2	N/A	Sustainability Report 2022, p. 22 et seqq., chapter "Environment and Climate" and p. 23 et seqq., chapter "Implementation of the TCFD Recommendations" and p. 85, chapter "Management of Opportunities and Risks" and Annual Report 2022, p. 124 et seqq., chapter "Opportunities and Risks"

Activity Metrics

Accounting Metric	Category	Code	GRI Disclosure	References
Number of assets, by property subsector	Quantitative	IF-RE-000.A	N/A	Sustainability Report 2022, p. 105, table "General Key Figures", and p. 9, "Vonovia in Figures" and Annual Report 2022, p. 84 et seqq., chapter "Portfolio in the Property Management Business" and p. 88 et seqq., chapter "Development Business"
Leasable floor area, by property subsector	Quantitative	IF-RE-000.B	N/A	Sustainability Report 2022, p. 105, table "General Key Figures", and p. 9, "Vonovia in Figures" and Annual Report 2022, p. 84 et seqq., chapter "Portfolio in the Property Management Business"
Percentage of indirectly managed assets, by property subsector	Quantitative	IF-RE-000.C	N/A	Annual Report 2022, p. 84 et seqq., chapter "Portfolio in the Property Management Business" Vonovia manages 72,779 residential units for other owners (11.7%)
Average occupancy rate, by property subsector	Quantitative	IF-RE-000.D	N/A	Annual Report 2022, p. 282, "EPRA Vacancy Rate"

Limited Assurance Report of the Independent Auditor Regarding Sustainability Information*

GRI 2-5

To Vonovia SE, Bochum

We have performed an independent limited assurance engagement on quantitative disclosures on sustainability information published in the Sustainability Report 2022 (further "Report") of Vonovia SE, Bochum, (further "Company") for the period from January 1 to December 31, 2022.

It was not part of our engagement to review the examples labelled with "Project" in each chapter and references to external websites and information sources, as well as future-related statements in the Sustainability Report.

Management's Responsibility

The legal representatives of the Company are responsible for the preparation of the Report and the determination and presentation of the qualitative and quantitative disclosures on sustainability information in accordance with the Reporting Criteria. Vonovia SE applies the principles and standard disclosures of the Standards of the Global Reporting Initiative (GRI) and internal guidelines as Reporting Criteria.

The responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the non-financial reporting and the use of assumptions and estimates for individual qualitative and quantitative sustainability disclosures which are reasonable under the circumstances. Furthermore, the legal representatives are responsible for the internal controls they deem necessary for the preparation of the Report that is free of material misstatement, whether due to fraud (i.e., fraudulent reporting on sustainability) or error.

Independence and Quality Assurance of the Assurance Practitioner's Firm

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

Practitioner's Responsibility

Our responsibility is to express a conclusion with limited assurance on the quantitative disclosures on sustainability information in the Sustainability Report 2022 based on our assurance engagement.

We conducted our assurance engagement in the form of a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", published by IAASB.

Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the quantitative disclosures on sustainability information published in the Sustainability Report of the Company for the period from January 1 to December 31, 2022 have not been prepared, in all material respects, in accordance with the Reporting Criteria.

* Our engagement applied to the German version of the Sustainability Report 2022. This text is a translation of the Limited Assurance Report issued in German language, whereas the German text is authoritative.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the assurance practitioner.

In the course of our assurance engagement we have, among other things, performed the following assurance procedures and other activities:

- > Inquiries of personnel who are responsible for the materiality analysis to get an understanding of the process for identifying material topics and respective report boundaries of Vonovia SE
- > A risk analysis, including a media research, to identify relevant information about sustainability performance of Vonovia SE in the reporting period
- > Reviewing the suitability of internally developed Reporting Criteria
- > Evaluation of the design and implementation of the systems and processes for determining, processing and monitoring of quantitative sustainability disclosures included in the scope of this engagement, including the consolidation of the data
- > Inquiries of personnel who are responsible for determining the quantitative disclosures on sustainability information, the conduction of internal controls and consolidation of the disclosures
- > Evaluation of selected internal and external documents
- > Analytical evaluation of data and trends of quantitative disclosures which are reported by all sites on group level
- > Assessment of the overall presentation of the quantitative disclosures on sustainability information

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

Assurance Opinion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the quantitative disclosures on sustainability information in the Sustainability Report 2022 of Vonovia SE for the period from January 1 to December 31, 2022 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

Restriction of Use/Clause on General Engagement Terms

This assurance report is solely addressed to Vonovia SE, Bochum.

Our assignment for the Vonovia SE, Bochum, and professional liability is governed by the General Engagement Terms for Wirtschaftsprüfer (German Public Auditors) and Wirtschaftsprüfungsgesellschaften (German Public Audit Firms) (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms having taken note of provisions of the General Engagement Terms (including the limitation of our liability for negligence to € 4 million as stipulated in No. 9) and accepts the validity of the attached General Engagement Terms with respect to us.

Düsseldorf, April 26, 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Stauder	Brokof
Wirtschaftsprüfer	Wirtschaftsprüferin
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Note

This Sustainability Report is published in German and English. The German version is always the authoritative text.
The Sustainability Report can be found on the website at www.vonovia.de/en.

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