

# Invitation to the ordinary Annual General Meeting of Aareal Bank AG, Wiesbaden on 10 August 2023

Dear shareholders,

We are pleased to invite you to our Annual General Meeting to be held on

**Thursday, 10 August 2023, 12:00 hours CEST**

as a virtual Annual General Meeting without the physical presence of the shareholders or their representatives (with the exception of the Company's voting proxies) at the location of the Annual General Meeting in accordance with section 118a (1) sentence 1 of the German Public Limited Companies Act (AktG) in connection with section 26n (1) of the Act to Introduce the German Public Limited Companies Act (EGAktG).

The virtual Annual General Meeting will be live-streamed for duly registered shareholders or their representatives via the Company's shareholder portal. The shareholder portal can be reached via the Company's website at

**[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)**

In this way, the shareholders or their representatives can attend and participate in the virtual Annual General Meeting and exercise their rights. Regardless of registration and the exercise of shareholder rights via electronic participation, the entire Annual General Meeting will be live-streamed for shareholders and their representatives via the aforementioned shareholder portal.

The location of the Annual General Meeting within the meaning of the German Public Limited Companies Act (Aktengesetz – AktG) is the Head Office of Aareal Bank AG, Paulinenstrasse 15, 65189 Wiesbaden, Germany. Except for the voting proxies nominated by the Company, the shareholders and their representatives will have no right and no ability to attend the Annual General Meeting at its location in person.

This invitation to the ordinary Annual General Meeting is a translation from the German original, provided for the convenience of English-speaking readers. The German text shall be authoritative and binding for all purposes.

**Aareal**  
YOUR COMPETITIVE ADVANTAGE.

## Agenda

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### **Agenda item 1: Presentation of the confirmed Annual Financial Statements and the approved consolidated financial statements, the management report for the Company and the Group, the disclosures in accordance with sections 289a and 315a of the German Commercial Code (Handelsgesetzbuch – HGB) as well as the Report by the Supervisory Board for the 2022 financial year**

In accordance with section 172 sentence 1 of the AktG, the Supervisory Board approved on 27 March 2023 the Annual Financial Statements and the Consolidated Financial Statements prepared by the Management Board; the financial statements have thus been confirmed. The proposal for the appropriation of profits is set out in the Notes to the Annual Financial Statements. In accordance with statutory requirements, it is therefore not necessary to pass a resolution on this agenda item 1 at the Annual General Meeting.

### **Agenda item 2: Passing of a resolution on the appropriation of net retained profit for the 2022 financial year**

The Management Board and Supervisory Board propose the following resolution: that Aareal Bank AG's net retained profit of € 61,054,365.42 for the 2022 financial year be appropriated as follows:

Carried forward to new account	€ 61,054,365.42
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The Management Board and the Supervisory Board agree that the Company's capital resources are to be invested in its future growth and that for this reason a conservative dividend policy should be adopted.

### **Agenda item 3: Passing of a resolution on the formal approval of the members of the Management Board for the 2022 financial year**

The Management Board and Supervisory Board propose that formal approval be granted, for the 2022 financial year, for the members of the Management Board named under 3.1 to 3.5:

- 3.1 Jochen Klösger (Chairman)
- 3.2 Marc Hess
- 3.3 Nina Babic (since 1 July 2022)
- 3.4 Christiane Kunisch-Wolff (until 30 June 2022)
- 3.5 Christof Winkelmann

We intend to let the Annual General Meeting decide on the formal approval of the members of the Management Board by way of individual votes being cast.

### **Agenda item 4: Passing of a resolution on the formal approval of the members of the Supervisory Board for the 2022 financial year**

The Management Board and Supervisory Board propose that formal approval be granted, for the 2022 financial year, for the members of the Supervisory Board named under 4.1 to 4.18:

- 4.1 José Sevilla Álvarez (from 31 August 2022)
- 4.2 Jana Brendel (until 31 August 2022)
- 4.3 Thomas Hawel
- 4.4 Petra Heinemann-Specht
- 4.5 Jan Lehmann
- 4.6 Holger Giese (from 13 January 2022 until 31 August 2022)
- 4.7 Friedrich Munsberg (from 13 January 2022 to 31 August 2022)
- 4.8 Dr Ulrich Theileis (from 13 January 2022 to 31 August 2022)

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- 4.9 Klaus Novatius
  - 4.10 Richard Peters (until 31 August 2022)
  - 4.11 Sylvia Seignette
  - 4.12 Elisabeth Stheeman (until 31 August 2022)
  - 4.13 Henning Giesecke (from 31 August 2022)
  - 4.14 Prof. Dr Hermann Wagner (Chairman)
  - 4.15 Denis Hall (from 31 August 2022)
  - 4.16 Barbara Antonia Knoflach (from 31 August 2022)
  - 4.17 Hans-Hermann Anton Lotter (from 31 August 2022)
  - 4.18 Marika Lulay (from 31 August 2022)

We intend to let the Annual General Meeting decide on the formal approval of the members of the Supervisory Board by way of individual votes being cast.

#### **Agenda item 5: Passing of a resolution on the appointment of the auditors and Group auditors and on the auditors to review, if applicable, additional financial information during the course of the financial year**

- a) Based on the recommendation by the Audit Committee, the Supervisory Board proposes to appoint KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, as external auditors for the financial statements and consolidated financial statements for the financial year 2023, and as external auditors for any review of additional financial information during the course of the financial year, in accordance with sections 115 (7) and 117 of the German Securities Trading Act (Wertpapierhandelsgesetz – “WpHG”), which are prepared for periods following this ordinary Annual General Meeting and before 31 December 2023.
- b) Based on the recommendation of the Audit Committee, the Supervisory Board furthermore proposes that auditors KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, be appointed as the external auditors for the review, if applicable, of the condensed financial statements and the interim management report in accordance with sections 115 and 117 of the WpHG as well as any additional financial information arising in the course of the year within the meaning of sections 115 (7) and 117 of the WpHG prepared for the periods after 31 December 2023 and before the ordinary Annual General Meeting of 2024.

The Audit Committee has declared that its decision was taken free of any undue influence by third parties as defined in Article 16 (2) 3 of the EU Audit Regulation (Regulation EU No. 537/2014) of the European Parliament and the European Council of 16 April 2014) and that no clause of the kind referred to in Article 16 (6) of that Regulation has been imposed upon it.

#### **Agenda item 6: Passing of a resolution on the approval of the Remuneration Report for the 2022 financial year prepared and audited in accordance with section 162 of the AktG**

According to section 120a (4) of the AktG, the general meeting of the listed company must adopt a resolution on the approval of the Remuneration Report for the preceding financial year which has been prepared and audited in accordance with section 162 of the AktG.

The Remuneration Report of the Company for the 2022 financial year prepared in accordance with section 162 of the AktG and audited by external auditors KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, pursuant to section 162 (3) of the AktG and including an audit opinion is reproduced below in the notes on agenda item 6. The Remuneration Report can also be found at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

and will also be available during the Annual General Meeting.

The Supervisory Board and the Management Board propose that the Remuneration Report for the 2022 financial year prepared and audited in accordance with section 162 of the AktG be approved.

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## **Agenda item 7: Passing of a resolution on the election of a member of the Supervisory Board**

The regular term of office of Ms. Sylvia Seignette, a shareholder representative on the Supervisory Board, will be expiring at the end of the Annual General Meeting on 10 August 2023. Therefore, a corresponding number of new representatives must be elected to the Supervisory Board during this year's General Meeting.

Pursuant to section 2 (1) of the Co-Determination Agreement in conjunction with Article 9 of the Memorandum and Articles of Association and sections 96 (1) and 101 (1) of the AktG, the Supervisory Board consists of eight members to be elected by the Annual General Meeting and four members to be elected by staff. The General Meeting is not bound by nominations when electing shareholder representatives to the Supervisory Board.

The following nomination by the Supervisory Board takes into account the guidelines regarding the selection of members of the Management Board and the Supervisory Board which have been defined by the Supervisory Board. These guidelines comprise requirements regarding the suitability of the candidates and can be found in the current Corporate Governance Statement in accordance with sections 289f, 315d of the HGB on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

In the opinion of the Supervisory Board, the candidate possesses the personal reliability and the professional qualifications which are necessary for him to fulfil duties on the Supervisory Board of Aareal Bank. The goals regarding the composition and the diversity on the Supervisory Board would be achieved by the election of this person.

Based on the recommendation of the Executive and Nomination Committee, the Supervisory Board proposes that the following candidate be elected to the Supervisory Board as a shareholder representative:

Mr Jean Pierre Mustier, member of the Board of Directors (Conseil d'administration) of Atos SE, France, former president of the European Banking Federation, lives in Milano (Italy)

Mr Mustier will be elected for a term of office commencing after the close of this year's Annual General Meeting until, in accordance with Article 9 (2) of the Company's Memorandum and Articles of Association, the close of the Annual General Meeting that resolves on the formal approval for the 2025 financial year.

### **Disclosure pursuant to recommendation C.13 of the German Corporate Governance Code**

To the Supervisory Board's knowledge, the proposed candidate for the Supervisory Board has no personal or business relations with the Company or its affiliates, the executive bodies of the Company or with a significant shareholder of the Company within the meaning of recommendation C.13 of the German Corporate Governance Code.

### **Disclosure pursuant to recommendation C.14 of the German Corporate Governance Code**

The item entitled **Information on agenda item 7 on the candidate for election to the Supervisory Board** at the end of this agenda sets out the curriculum vitae of the candidate providing details of his relevant knowledge, abilities, specialist experience and key activities. The candidate's curriculum vitae is also available on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

## **Agenda item 8: Passing of a resolution on the cancellation of the existing Authorised Capital, the creation of new Authorised Capital and on the Management Board's authorisation to exclude the shareholders' subscription rights and on the amendment of Article 5 (4) of the Company's Memorandum and Articles of Association**

The authorisation granted by the Annual General Meeting on 31 August 2022 to use the Authorised Capital 2022 created in an amount of € 35,914,329 (Article 5 (4) of the Company's Memorandum and Articles of Association) is to be increased. In order to

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ensure additional flexibility through further capital measures by the Management Board, the existing authorisation is to be replaced by new Authorised Capital covering an amount of € 89,785,830, equivalent to 50% of the share capital, with a term until 9 August 2028, having essentially the same terms and conditions. In line with the existing Authorised Capital, the new Authorised Capital is to be used for capital increases against contributions in cash or in kind. In accordance with Article 5 (5) of the Company's Memorandum and Articles of Association, the Company currently has conditional capital of € 35,914,329, equivalent to 20% of its share capital, which may be utilised until 21 May 2024 but which is to be increased to € 89,785,830 by the resolution under agenda item 9.

The Management Board and the Supervisory Board propose the following resolutions:

1. That the existing authorisation of the Management Board provided for in Article 5 (4) of the Company's Memorandum and Articles of Association to increase, on one or more occasions, the Company's registered share capital by up to a maximum total amount of € 35,914,329 via the issuance of new bearer shares for contribution in cash or in kind subject to the approval of the Supervisory Board on or before 30 August 2027 (Authorised Capital 2022) be cancelled upon the authorisation with respect to Authorised Capital 2023, on which a resolution is to be passed under Nos. 2 and 3, being entered in the commercial register.
2. That the Management Board be authorised to increase, on one or more occasions, the Company's registered share capital by up to a maximum total amount of € 89,785,830 through the issuance of new bearer shares for contribution in cash or in kind, subject to the approval of the Supervisory Board (Authorised Capital 2023); this authorisation will expire on 9 August 2028.

Shareholders shall generally be granted a subscription right. The statutory subscription rights may be granted in such a way that the new shares are subscribed by one or more banks, subject to the obligation of offering these to the shareholders for subscription (so-called "indirect subscription right"). However, subject to approval by the Supervisory Board, the Management Board may exclude shareholders' subscription rights in the following cases:

- a. in the event of a capital increase against cash contributions, provided that the issue price of the new shares is not significantly below the prevailing stock exchange price of the Company's listed shares at the time of the final determination of the issue price. However, this authorisation shall be subject to the proviso that the aggregate value of shares issued to the exclusion of shareholders' subscription rights, in accordance with section 203 (1 and 2) and section 186 (3) sentence 4 of the AktG, shall not exceed ten per cent (10%) of the registered share capital at the time said authorisation comes into effect or – if lower – at the time it is exercised. Any shares that were issued or sold during the term and prior to the exercising of said authorisation, in direct or analogous application of section 186 (3) sentence 4 of the AktG, shall count towards the above threshold of ten per cent (10%) of the registered share capital. Said ten-per-cent threshold shall also include shares the issuance of which is required under the terms of debt securities with embedded conversion or option rights on shares issued pursuant to section 186 (3) sentence 4 of the AktG (excluding shareholders' subscription rights), which were (or may be) issued during the validity of this authorisation; or
  - b. for fractional amounts arising from the determination of the applicable subscription ratio; or
  - c. where this is necessary to grant subscription rights to the holders of bonds with warrants or convertible debt securities issued (or to be issued) by the Company or its affiliated companies, which subscription rights are required to entitle these holders to the same extent as they would have been entitled to upon exercising their conversion or option rights or upon performance of a conversion obligation, if any, thus protecting such holders against dilution; or
  - d. up to an amount of € 4,000,000 in order to offer employees of the Company or its affiliated companies shares for subscription; or
  - e. in the event of a capital increase against contributions in kind for the purpose of acquiring companies, parts of (or interests in) companies, or any other assets.
3. The Management Board is authorised to determine any further details of the capital increase and its implementation, subject to the Supervisory Board's approval.

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4. That Article 5 (4) of the Memorandum and Articles of Association be amended to read as follows (cancelling its former version):

“The Management Board shall be authorised to increase, on one or more occasions, the Company’s registered share capital by up to a maximum total amount of € 89,785,830 via the issuance of new bearer shares for contribution in cash or in kind, subject to the approval of the Supervisory Board (Authorised Capital 2023); this authorisation will expire on 9 August 2028.

Shareholders shall generally be granted a subscription right. The statutory subscription rights may be granted in such a way that the new shares are subscribed by one or more banks, subject to the obligation of offering these to the shareholders for subscription (so-called “indirect subscription right”). However, subject to approval by the Supervisory Board, the Management Board may exclude shareholders’ subscription rights in the following cases:

- a. in the event of a capital increase against cash contributions, provided that the issue price of the new shares is not significantly below the prevailing stock exchange price of the Company’s listed shares at the time of the final determination of the issue price. However, this authorisation shall be subject to the proviso that the aggregate value of shares issued to the exclusion of shareholders’ subscription rights, in accordance with section 203 (1 and 2) and section 186 (3) sentence 4 of the AktG, shall not exceed ten per cent (10%) of the registered share capital at the time said authorisation comes into effect or – if lower – at the time it is exercised. Any shares that were issued or sold during the term and prior to the exercising of said authorisation, in direct or analogous application of section 186 (3) sentence 4 of the AktG, shall count towards the above threshold of ten per cent (10%) of the registered share capital. Said ten-per-cent threshold shall also include shares the issuance of which is required under the terms of debt securities with embedded conversion or option rights on shares issued pursuant to section 186 (3) sentence 4 of the AktG (excluding shareholders’ subscription rights), which were (or may be) issued during the validity of this authorisation; or
- b. for fractional amounts arising from the determination of the applicable subscription ratio; or
- c. where this is necessary to grant subscription rights to the holders of bonds with warrants or convertible debt securities issued (or to be issued) by the Company or its affiliated companies, which subscription rights are required to entitle these holders to the same extent as they would have been entitled to upon exercising their conversion or option rights or upon performance of a conversion obligation, if any, thus protecting such holders against dilution; or
- d. up to an amount of € 4,000,000 in order to offer employees of the Company or its affiliated companies shares for subscription; or
- e. in the event of a capital increase against contributions in kind for the purpose of acquiring companies, parts of (or interests in) companies, or any other assets.”

The report of the Management Board regarding this agenda item and on the reasons for the authorisations provided thereunder for the exclusion of the shareholders’ subscription rights can be inspected at the Company’s website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

from the date of convocation of the Annual General Meeting. Upon request, the report will be sent to every shareholder without delay and free of charge.

**Agenda item 9: Passing of a resolution on the creation of new authorisation for the Management Board to issue profit-participation certificates and other hybrid debt securities with conversion rights and with the option of excluding shareholders’ pre-emptive subscription rights, on the cancellation of Conditional Capital 2019 and on the creation of new Conditional Capital 2023, amendment to the Memorandum and Articles of Association.**

To enable the Company to cover any future requirements it may have as regards regulatory capital, authorisation is to be granted for the issue of profit-participation certificates and other hybrid debt securities in a total nominal amount of up to € 89,785,830. Profit-participation certificates and other hybrid debt securities to be issued according to this authorisation may be connected with con-

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version rights for the holder, entitling or compelling, in accordance with their respective conditions, the holder to purchase shares in the Company.

The Annual General Meeting of 22 May 2019 created conditional capital of € 71,828,664 which can be used to service convertible debt securities issued by the Management Board on the basis of the authorisation granted at that General Meeting until 21 May 2024. At the same time, Article 5 (5) of the Memorandum and Articles of Association was adjusted accordingly. At the Annual General Meeting of 31 August 2022, the conditional capital was reduced to the amount of € 35,914,329 and the Memorandum and Articles of Association amended accordingly.

A resolution is now to be passed granting new authorisation to issue profit-participation certificates and other hybrid debt securities with conversion rights. The existing Conditional Capital 2019 in accordance with Article 5 (5) of the Memorandum and Articles of Association is to be replaced by new Conditional Capital 2023 equalling 50% of the Company's share capital.

The Management Board and Supervisory Board propose the following resolutions:

### 1. Authorisation

- a. The Management Board shall be authorised to issue, on one or more occasions until 9 August 2028, profit-participation certificates against cash or non-cash contributions. The profit-participation certificates must be structured in such a way that funds paid into these instruments at the time of issue are eligible as regulatory capital in accordance with the legal provisions that apply at the time they are issued. In lieu of profit-participation certificates, the Management Board is also authorised to issue on one or more occasions on or before 9 August 2028 other hybrid financing instruments with or without a limited term, which fulfil the requirements described above for profit-participation certificates, but which may not be legally classified as profit-participation certificates as issuance requires the approval of the Annual General Meeting under section 221 of the AktG, due, for example, to a profit-linked coupon or for other reasons; these financing instruments are hereinafter referred to as “**hybrid debt securities**”.

The aggregate nominal amount of the profit-participation certificates and hybrid debt securities issued under this authorisation may not exceed a total of € 1,000,000,000. The nominal amounts of convertible debt securities, profit-participation certificates and other hybrid debt securities issued under other authorisations in accordance with section 221 of the AktG during the term of this authorisation shall count towards this limit of € 1,000,000,000.

Profit-participation certificates and hybrid debt securities may be issued in euros or – provided they are limited to the corresponding amount in euros – in any other legal currency, for example that of an OECD member state. Consideration for the issue of profit-participation certificates and/or hybrid debt securities may be cash or take the form of non-cash valuable consideration determined by the Company, including but not limited to existing debt securities or profit-participation certificates to be replaced by the new instruments.

- b. Domestic or foreign entities in which the Company directly or indirectly holds a majority interest (hereinafter referred to as “**subsidiaries**”) may also issue the profit-participation certificates and hybrid debt securities (hereinafter referred to as “**indirect issue**”). In the case of an indirect issue, the Management Board shall be authorised, subject to approval by the Supervisory Board, to provide on behalf of the Company a guarantee, letter of comfort and/or a comparable instrument as security for the profit-participation certificates or hybrid debt securities issued by the subsidiary, in accordance with any regulatory requirements. In the case of the indirect issue of profit-participation certificates or hybrid debt securities provided for in this authorisation, the Management Board shall be authorised, subject to approval by the Supervisory Board, to ensure that conversion rights can be granted or itself grant conversion rights for new no-par-value bearer shares in the Company or to establish corresponding conversion obligations in accordance with any regulatory requirements.

In the case of an indirect issue, utilisation of the total nominal amount of the profit-participation certificates and/or hybrid debt securities shall be subject to the requirement that in this case only the nominal amounts of the profit-participation certificates and/or hybrid debt securities issued by the subsidiary in question shall count towards the total nominal amount. The guarantee, letter of comfort or comparable instrument provided by the Company in this connection shall not additionally count towards the total nominal amount.



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The profit-participation certificates and/or hybrid debt securities issued either directly or indirectly may, in accordance with the other provisions of this authorisation, be placed with one or more investors or broadly distributed across the capital market.

- c. The profit-participation certificates and/or hybrid debt securities may earn interest at a fixed or variable rate. The profit-participation certificates and/or hybrid debt securities issued may participate in losses incurred by the Company in that their nominal amount can be written down temporarily or permanently if certain capital ratios or other financial performance indicators defined in the applicable terms and conditions of issuance fall below certain levels. However, provisions may be agreed whereby nominal amounts that have been written down may be reversed or written up again up to the original nominal amount for subsequent years in which the Company makes a profit. The Company's right of ordinary termination with respect to the profit-participation certificates and/or hybrid debt securities may be restricted in such a way that termination is not permissible until expiry of a period of five or more years; ordinary termination on the part of the holder(s) may be excluded.
- d. The profit-participation certificates and/or hybrid debt securities provided for in this authorisation may only be issued on a cash basis. The profit-participation certificates and/or hybrid debt securities issued under this authorisation may also provide for the right of the bearer and/or the Company to convert them into shares. The conversion rights embedded in the profit-participation certificates and/or hybrid debt securities authorise or oblige the holders to subscribe to shares in the Company in accordance with the applicable terms and conditions. Conversion rights or obligations may only be issued or created for no-par value bearer shares of the Company with a proportionate amount of the Company's share capital of € 89,785,830. The total shares to be issued to service option rights and conversion rights and obligations in connection with profit-participation certificates and hybrid debt securities issued under this authorisation must not exceed a share capital amount of € 89,785,830 (which corresponds to approximately 50% of the current share capital). Share issued under another authorisation during the term of this authorisation (particularly using Authorised Capital) shall count towards this limit. Profit-participation certificates and convertible debt securities with conversion rights which may be exercised by the bearers or the Company issued under this authorisation are referred to hereinafter as "**convertible debt securities**".

If convertible debt securities are issued, the holders of these shall be granted the right, or be obliged, to exchange their convertible debt securities for no-par-value bearer shares in the Company in accordance with the terms and conditions to be determined by the Management Board. The exchange ratio shall be calculated by dividing the nominal amount of a convertible debt security by the conversion price determined for one no-par-value bearer share in the Company. The exchange ratio can be rounded off to a conversion ratio in whole numbers; further, an additional cash contribution may be stipulated. The pro-rata amount of the registered share capital accounted for by the shares issued in connection with the conversion must not exceed the nominal amount of the convertible debt securities or an issue amount of the convertible debt securities that is lower than their nominal amount.

The terms and conditions of the convertible debt securities may also provide for an unconditional or conditional conversion obligation on the part of the holders upon expiry or at an earlier date (in each case "**final date of maturity**"). In particular, the holders may be obliged to convert all or some of their rights at a point in time at which capital ratios or other financial performance indicators to be determined in the terms and conditions of the convertible debt securities fall below certain levels, at which the Company's Management Board and Supervisory Board deem the conversion necessary in order to safeguard the Company's existence or at which a regulatory authority, within the limits of its competence, orders conversion to be carried out ("**ad-hoc conversion**").

Under the terms and conditions of the convertible debt securities, the Company may also be entitled to grant the holders of the convertible debt securities new shares in the Company or treasury shares in partial or full replacement of a cash payment falling due ("**right to substitute**"). In accordance with the terms and conditions of the convertible debt securities, the value of each share shall correspond to the Company's average share price (rounded up to a full euro cent amount) in the closing auction of XETRA trading (or a system replacing XETRA) on the ten trading days of the Frankfurt Stock Exchange preceding either the announcement of the conversion or the final maturity date. The terms and conditions of the convertible debt securities may further stipulate that the Company pay those entitled to convert their rights an equivalent amount in cash in full or partial replacement of the Company's shares to which they are entitled. Further, the terms and conditions may stipulate that fractional shares be combined and/or compensated for in cash and that a certain period of time be determined within which the conversion rights can be exercised. The terms and conditions of the convertible debt securities may also stipulate that the number of shares to be subscribed on exercise of the conversion rights or on fulfillment of the conversion obligations or a related right of conversion be



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variable and/or that the conversion price or conversion ratio may, prior to expiry, be changed within a bandwidth determined by the Management Board depending on share price performance or as a consequence of antidilutive provisions.

The conversion price for no-par-value bearer shares in the Company to be determined in each case shall be set in euros and must – even in the case of a variable conversion ratio or a variable conversion price – be equivalent to either at least 80 per cent of the Company's average share price in the closing auction of XETRA trading (or a system replacing XETRA) on the ten trading days of the Frankfurt Stock Exchange preceding the Management Board's resolution to issue the convertible debt securities or at least 80 per cent of the Company's average share price in the closing auction of XETRA trading (or a system replacing XETRA) on those trading days of the Frankfurt Stock Exchange on which the subscription rights to the convertible debt securities are traded (with the exception of the last two days of subscription rights trading). Notwithstanding this, the conversion price may, in the case of an ad-hoc conversion obligation, be equivalent to the Company's average share price in the closing auction of XETRA trading (or a system replacing XETRA) on the ten trading days of the Frankfurt Stock Exchange preceding the date on which the ad-hoc conversion obligation arises, but must at least equal 50 per cent the Company's average share price in the closing auction of XETRA trading (or a system replacing XETRA) on the ten trading days of the Frankfurt Stock Exchange preceding the Management Board's resolution to issue the convertible debt securities with an ad-hoc conversion obligation. Sections 9 (1) and 199 (2) of the AktG shall remain unaffected.

Notwithstanding sections 9 (1) and 199 (2) of the AktG, the conversion price or the conversion ratio may, on the basis of an antidilutive clause in the terms and conditions governing the issue of the convertible debt securities, be reduced or adjusted by means of payment of a corresponding amount in cash upon exercise of the conversion right or fulfillment of the conversion obligation or by means of a reduction in the additional contribution if the Company, during the conversion period and while granting its shareholders pre-emptive subscription rights, increases its registered share capital or issues further convertible debt securities or grants other option rights, and the holders of conversion rights are not granted pre-emptive subscription rights in the same scope that they would be entitled to following exercise of their conversion rights.

In lieu of a cash payment or a reduction in the cash contribution, the conversion ratio may also – to the extent possible – be adjusted by dividing it by the reduced conversion price. The terms and conditions of convertible debt securities may also provide for value-preserving adjustments in the conversion price or conversion ratio in the event of reductions in capital, share splits or dividends or of other measures potentially leading to a dilution of the value of the conversion rights. In any case, the pro-rata amount of the registered share capital of the shares subscribed per convertible debt security must not exceed the nominal amount per convertible debt security.

## 2. Pre-emptive subscription rights, exclusion of pre-emptive subscription rights

The shareholders fundamentally have pre-emptive subscription rights to the profit-participation certificates and hybrid debt securities. The profit-participation certificates and hybrid debt securities may also be subscribed by one or more banks or other companies within the meaning of section 186 (5) sentence 1 of the AktG subject to the obligation that they are offered to the shareholders for subscription ("**indirect subscription right**").

In the case of an indirect issue, the Company must ensure that the profit-participation certificates and hybrid debt securities issued by the subsidiaries are offered to the Company's shareholders for subscription (hereinafter "**indirect subscription right**") or that any statutory subscription right of the shareholders is excluded in accordance with the provisions below.

To the extent that the Company ensures or excludes an indirect subscription right of this kind in accordance with the following provisions, the Management Board may, subject to approval by the Supervisory Board, exclude the shareholders' direct pre-emptive subscription rights to the profit-participation certificates and/or hybrid debt securities issued by the Company to its subsidiaries. In addition, the Management Board shall be authorised, subject to approval by the Supervisory Board, to exclude the shareholders' pre-emptive subscription rights to profit-participation certificates and/or hybrid debt securities in the following cases:

- (i) for fractional amounts; or
- (ii) to the extent that it is necessary to exclude pre-emptive subscription rights in order to grant holders of previously issued profit-participation certificates/debt securities with option or conversion rights or obligations a subscription right in the same scope to which they would be entitled following exercise of the option or conversion rights or fulfillment of the conversion obligations; or

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(iii) if the profit-participation certificates and/or hybrid debt securities have a bond-like structure and their issue amount is largely consistent with the market conditions for comparable issues prevailing at the time of issue. Profit-participation certificates and hybrid debt securities are deemed to have a bond-like structure if they (i) do not establish any share subscription or conversion rights, (ii) do not grant any share in liquidation proceeds and (iii) their coupon is not tied to the Company's net profit for the year, net retained profits or dividend; or

(iii) solely in the case of convertible debt securities being issued, if the issue price is not significantly lower than the theoretical market value of the convertible debt securities as determined in accordance with recognised financial calculation methods. This authorisation to exclude pre-emptive subscription rights is limited to the issue of convertible debt securities that provide for conversion rights or obligations (or alternative performance on the part of the Company) with respect to shares in the Company, if the shares (to be) issued to service the conversion rights do not exceed a total of ten per cent of the registered share capital either at the time this authorisation comes into effect or the time it is exercised. Any shares that were issued or sold during the term, and prior to exercise, of this authorisation, in direct or analogous application of section 186 (3) sentence 4 of the AktG shall count towards the above limit of ten per cent of the registered share capital. Said ten-per-cent threshold shall also include shares the issuance of which is required under the terms of the convertible debt securities with embedded conversion or option rights on shares issued pursuant to section 186 (3) sentence 4 of the AktG (excluding shareholders' subscription rights), which were (or may be) issued during the validity of this authorisation.

### **3. Authorisation to determine further details of the issue of profit-participation certificates and hybrid debt securities**

The Management Board shall be authorised, subject to approval by the Supervisory Board and taking into account the principles set down in this authorisation, to determine the further details of the issue of the profit-participation certificates and hybrid debt securities – in particular to determine the volume, issue date, interest rate, interest type, issue price, term and denominations, conversion details, such as the conversion price and conversion period, determination of an additional cash contribution, compensation for or combination of fractional shares, cash payment in lieu of the delivery of no-par-value bearer shares and delivery of existing no-par-value bearer shares in lieu of the issue of new shares of this kind – and, in the case of indirect issues by subsidiaries, to determine these same aspects by mutual agreement with the corporate bodies of the subsidiaries issuing the profit-participation certificates and/or convertible debt securities.

### **4. Cancellation of Conditional Capital 2019**

Conditional Capital 2019 in accordance with Article 5 (5) of the Memorandum and Articles of Association shall be cancelled.

### **5. Creation of new Conditional Capital 2023 in Article 5 (5) of the Memorandum and Articles of Association**

The Company's registered share capital shall be subject to a conditional capital increase not exceeding € 89,785,830 through the issue of up to 29,928,610 new no-par-value bearer shares (Conditional Capital 2023). The purpose of the conditional capital increase is to enable the granting of shares to holders or creditors of convertible debt securities issued in accordance with the aforementioned authorisation. The new no-par-value bearer shares may be issued only for a conversion price that meets the requirements given under No. 1 above. The conditional capital increase is to be carried out only insofar as conversion rights are exercised or conversion obligations arising out of such convertible bonds are fulfilled or the Company makes use of alternative performance and, insofar as it does, does not grant cash compensation or use treasury shares to service the rights. The new shares shall be entitled to a share in the profits from the beginning of the financial year in which they come into existence through the exercise of conversion rights or the fulfilment of conversion obligations.

The Management Board shall be authorised to determine the further implementation details of the conditional capital increase.

### **6. Amendment of the Memorandum and Articles of Association**

Article 5 (5) of the Memorandum and Articles of Association shall be completely reworded as follows:

“(5) The registered share capital shall be subject to a conditional capital increase not exceeding € 89,785,830 through the issue of up to 29,928,610 new no-par-value bearer shares (Conditional Capital 2023). The conditional capital increase will only be imple-

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mented to the extent that (i) the holders of convertible bonds that are issued on or before 9 August 2028 on the basis of the authorisation of the Annual General Meeting of 10 August 2023 by the Company or by a company in which the Company directly or indirectly holds a majority interest exercise their conversion rights under these convertible bonds, or (ii) the holders of convertible bonds that are issued on or before 9 August 2028 on the basis of the authorisation of the Annual General Meeting of 10 August 2023 by the Company or by a company in which the Company directly or indirectly holds a majority interest who are obliged to convert their bonds fulfil their conversion obligation, or (iii) the Company exercises its right of substitution, except where the treasury shares are used for servicing or, in the aforementioned cases (i) and (ii), cash compensation is granted. The new shares shall be entitled to a share in the profits from the beginning of the financial year in which they come into existence through the exercise of conversion rights or the fulfilment of conversion obligations. The Management Board is authorised to determine the further implementation details of the conditional capital increase.”

The report of the Management Board regarding this agenda item and on the reasons for the authorisations provided thereunder for the exclusion of the shareholders' subscription rights can be inspected at the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

from the date of convocation of the Annual General Meeting. Upon request, the report will be sent to every shareholder without delay and free of charge

### **Agenda item 10: Passing of a resolution on the creation of new authorisation for the Management Board to issue profit-participation certificates and other hybrid debt securities without conversion rights and with the option of excluding shareholders' pre-emptive subscription rights**

To enable the Company to cover any future requirements it may have as regards regulatory capital, authorisation is to be granted for the issue of profit-participation certificates and other hybrid debt securities without share conversion rights or obligations in a total nominal amount of up to € 1,000,000,000.

The authorisation granted by the Annual General Meeting on 22 May 2019 under agenda item 7 and not yet utilised to issue profit-participation certificates and other hybrid debt securities without any conversion rights is to be prematurely extended. A resolution is therefore now to be passed granting new authorisation to issue profit-participation certificates and other hybrid debt securities without conversion rights and to supplement the authorisation proposed under agenda item 9 to issue such instruments with conversion rights/obligations.

The Management Board and Supervisory Board propose the following resolutions:

#### **1. Authorisation**

- a. The Management Board shall be authorised to issue profit-participation certificates with a limited or unlimited term without conversion rights/obligations with respect to shares in the Company on one or more occasions against cash or non-cash contributions on or before 9 August 2028. The profit-participation certificates must be structured in such a way that funds paid into these instruments at the time of issue are eligible as regulatory capital in accordance with the legal provisions that apply at the time they are issued. In lieu of profit-participation certificates, the Management Board is also authorised to issue on one or more occasions on or before 9 August 2028 other hybrid financing instruments with or without a limited term, which fulfil the requirements described above for profit-participation certificates, but which may not be legally classified as profit-participation certificates as issuance requires the approval of the Annual General Meeting under section 221 of the AktG, due, for example, to a profit-linked coupon or for other reasons; these financing instruments are hereinafter referred to as “**hybrid debt securities**”.

The aggregate nominal amount of the profit-participation certificates and hybrid debt securities issued under this authorisation may not exceed a total of € 1,000,000,000.00. The nominal amounts of convertible debt securities, profit-participation certificates and other hybrid debt securities issued under other authorisation in accordance with section 221 of the AktG during the term of this authorisation shall count towards this limit of € 1,000,000,000.00.

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Profit-participation certificates and hybrid debt securities may be issued in euros or – provided they are limited to the corresponding amount in euros – in any other legal currency, for example that of an OECD member state. Consideration for the issue of profit-participation certificates and/or hybrid debt securities may be cash or take the form of non-cash valuable consideration determined by the Company, including but not limited to existing debt securities or profit-participation certificates to be replaced by the new instruments.

- b. Domestic or foreign entities in which the Company directly or indirectly holds a majority interest (hereinafter referred to as “**subsidiaries**”) may also issue the profit-participation certificates and hybrid debt securities (hereinafter referred to as “**indirect issue**”). In the case of an indirect issue, the Management Board shall be authorised, subject to approval by the Supervisory Board, to provide on behalf of the Company a guarantee, letter of comfort and/or a comparable instrument as security for the profit-participation certificates or hybrid debt securities issued by the subsidiary, in accordance with any regulatory requirements.

In the case of an indirect issue, utilisation of the total nominal amount of the profit-participation certificates and/or hybrid debt securities shall be subject to the requirement that in this case only the nominal amounts of the profit-participation certificates and/or hybrid debt securities issued by the subsidiary in question shall count towards the total nominal amount. The guarantee, letter of comfort or comparable instrument provided by the Company in this connection shall not additionally count towards the total nominal amount.

The profit-participation certificates and/or hybrid debt securities issued either directly or indirectly may, in accordance with the other provisions of this authorisation, be placed with one or more investors or broadly distributed across the capital market.

- c. The profit-participation certificates and/or hybrid debt securities may earn interest at a fixed or variable rate. The profit-participation certificates and/or hybrid debt securities issued may participate in losses incurred by the Company in that their nominal amount can be written down temporarily or permanently if certain capital ratios or other financial performance indicators defined in the applicable terms and conditions of issuance fall below certain levels. However, provisions may be agreed whereby nominal amounts that have been written down may be reversed or written up again up to the original nominal amount for subsequent years in which the Company makes a profit. The Company’s right of ordinary termination with respect to the profit-participation certificates and/or hybrid debt securities may be restricted in such a way that termination is not permissible until expiry of a period of five or more years; ordinary termination on the part of the holder(s) may be excluded.

## 2. Pre-emptive subscription rights, exclusion of pre-emptive subscription rights

The shareholders fundamentally have pre-emptive subscription rights to the profit-participation certificates and hybrid debt securities. The profit-participation certificates and hybrid debt securities may also be subscribed by one or more banks or other companies within the meaning of section 186 (5) sentence 1 of the AktG subject to the obligation that they are offered to the shareholders for subscription (“**indirect subscription right**”).

In the event of an indirect issue, the Company must ensure that the profit-participation certificates and hybrid debt securities issued by the subsidiaries are offered to the Company’s shareholders for subscription (hereinafter “**indirect subscription right**”) or that any statutory subscription right of the shareholders is excluded in accordance with the provisions below.

To the extent that the Company ensures or excludes an indirect subscription right of this kind in accordance with the following provisions, the Management Board may, subject to approval by the Supervisory Board, exclude the shareholders’ direct pre-emptive subscription rights to the profit-participation certificates and/or hybrid debt securities issued by the Company to its subsidiaries. In addition, the Management Board shall be authorised, subject to approval by the Supervisory Board, to exclude the shareholders’ pre-emptive subscription rights to profit-participation certificates and/or hybrid debt securities in the following cases:

- (i) for fractional amounts; or
- (ii) if the profit-participation certificates and/or hybrid debt securities have a bond-like structure and their issue amount largely matches the market conditions for comparable issues prevailing at the time of issue. Profit-participation certificates and hybrid debt securities are deemed to have a bond-like structure if they (i) do not establish any share subscription or conversion rights, (ii) do not grant any share in liquidation proceeds and (iii) their coupon is not tied to the Company’s net profit for the year, net retained profits or dividend; or

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(iii) if the profit-participation certificates and hybrid debt securities have a bond-like structure (as defined in point (ii)) and are issued on a non-cash basis for the direct or indirect acquisition of other companies, parts of companies or equity interests in companies and other assets. The shareholders' pre-emptive subscription rights may only be excluded if the value of the non-cash consideration appropriately reflects the value of the profit-participation certificates or hybrid debt securities at the date on which a resolution is passed to issue them.

### **3. Authorisation to determine further details of the issue of profit-participation certificates and hybrid debt securities**

The Management Board shall be authorised, subject to approval by the Supervisory Board and taking into account the principles set down in this authorisation, to determine the further details of the issue and structure of the profit-participation certificates and hybrid debt securities – in particular to determine the volume, issue date, interest rate, interest type, issue price, term and denominations and, in the case of indirect issues by subsidiaries, to determine these same aspects by mutual agreement with the corporate bodies of the subsidiaries issuing the profit-participation certificates and/or hybrid debt securities.

#### **Agenda item 11: Passing of resolution to amend the Memorandum and Articles of Association to permit virtual Annual General Meetings in the future (amendment of Article 15 (4) and Article 16 (4) of the Memorandum and Articles of Association)**

The Act on the Introduction of Virtual General Meetings of Stock Corporations and Amendment of Cooperative and Insolvency and Restructuring Law Provisions of 20 July 2022 (BGBl. I No. 27, p. 1166 et seq.) added section 118a to the AktG. Under section 118 (1) sentence 1 of the AktG, the Memorandum and Articles of Association may provide, or may grant authority to the management board to provide, for the Annual General Meeting to be held in virtual form, i.e. without the presence of the shareholders or their representatives at the location of the Annual General Meeting.

Such authorisation for the Management Board of Aareal Bank AG is to be included in the Company's Memorandum and Articles of Association.

This authorisation is considered to be appropriate in order to be able to decide flexibly and objectively in the future, after consideration and in the light of the specific circumstances, in which format the Annual General Meeting should take place. In making its decision, the Management Board of Aareal Bank AG will, for example, take into account the interests of the Company, the expected resource requirements and costs and the concerns of the parties involved in the Annual General Meeting as well as the shareholders' rights and sustainability aspects or other external factors such as the protection of participants' health or energy shortages.

The provision to be added to the Memorandum and Articles of Association shall initially not make full use of the maximum period of five years permissible under section 118a (4) sentence 2 of the AktG but provide for authorisation to hold virtual Annual General Meetings for a period of two years after the amendment to the Memorandum and Articles of Association is entered in the trade register.

The Management Board and Supervisory Board therefore propose the following resolution:

a) That the previous Article 15 (4) of the Memorandum and Articles of Association, the wording of which would no longer apply in view of the proposal under agenda item 15 (see agenda item 15 for more information), be reworded as follows:

“(4) The Management Board shall be authorised with respect to Annual General Meetings held within two years of this provision of the Memorandum and Articles of Association being entered in the Trade Register to determine that the Annual General Meeting is to be held in virtual form without the physical presence of the shareholders and their representatives at the location of the Annual General Meeting (virtual Annual General Meeting).”

b) That the following sentence 4 be added to Article 16 (4) of the Memorandum and Articles of Association:

“Article 15 (4) of the Memorandum and Articles of Association shall apply to virtual Annual General Meetings”

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**Agenda item 12: Passing of a resolution approving an amendment to the Memorandum and Articles of Association to allow members of the Supervisory Board to participate in virtual Annual General Meetings electronically (amendment to Article 19 (1) of the Memorandum and Articles of Association)**

The members of the Management Board and the Supervisory Board are required to participate in the Annual General Meeting in accordance with section 118 (3) sentence 1 of the AktG. However, under section 118 (3) sentence 2 of the AktG, the Memorandum and Articles of Association may provide for certain cases in which members of the Supervisory Board may participate in the Annual General Meeting electronically. The Company made use of this possibility for the first time at its Annual General Meeting in 2020 with the adoption of Article 19 of the Memorandum and Articles of Association. This provision is now to be modified and extended to allow for virtual Annual General Meetings.

The possibility for members of the Supervisory Board to participate in virtual Annual General Meetings electronically is appropriate as – with the exception of the chairperson of the Annual General Meeting – they do not play any active role at the Annual General Meetings and the shareholders' rights would not be adversely affected. A physical meeting of shareholders or their representatives with members of the Supervisory Board is already excluded in the case of virtual Annual General Meetings as shareholders and their representatives have no possibility and no right to physically participate in the virtual Annual General Meeting. Moreover, the participation of the members of the Supervisory Board by means of audio and video streaming is less expensive, requires fewer resources and is more sustainable.

The Management Board and the Supervisory Board therefore propose the following amendments to Article 19 (1) of the Memorandum and Articles of Association:

“(1) The members of the Management Board and the Supervisory Board are required to participate in the Annual General Meeting in person. Members of the Supervisory Board – with the exception of the chairperson of the Annual General Meeting – may participate in the Annual General Meeting electronically if they are prevented from physically attending the Annual General Meeting due to other commitments, if they are unable to attend the Annual General Meeting because they are abroad or at another remote location, or if the Annual General Meeting is held in virtual form.”

**Agenda item 13: Resolution to amend the Memorandum and Articles of Association and to delete the provisions on the remuneration of the Supervisory Board and to remove the deductible applicable to the directors and officers liability insurance taken out by the Company for members of the Supervisory Board (deletion of Article 9 (4) – (7) of the Memorandum and Articles of Association; amendment of Article 9 (8) of the Memorandum and Articles of Association, editorial adjustments).**

The provisions contained in Article 9 (4) – (7) govern the remuneration of the Supervisory Board and its committees. In the future, resolutions on the remuneration of the Supervisory Board are to be passed directly at the Annual General Meeting (see agenda item 14 below for more details). For this reason, Article 9 (4) – (7) is to be deleted.

Moreover, in its current version, Article 9 (8) sentence 1 of the Memorandum and Articles of Association provides for a deductible to be applied to members of the Supervisory Board in accordance with the recommendation of the German Corporate Governance Code applicable at that time. In a modification to the Code that took effect on 20 March 2020, the recommendation that members of the Supervisory Board should be subject to a deductible in the same way that members of the Management Board are was removed.

The Management Board and the Supervisory Board believe that the imposition of a deductible is not fundamentally conducive to improving the quality of the activities of the Supervisory Board or the sense of responsibility of its members. At the same time, the existing deductible reduces the appeal of holding an office on the Supervisory Board and hampers competition for suitably qualified candidates. For this reason, it is not appropriate to continue exposing the members of the Supervisory Board to governance risks to this extent, at least as long as the deductible is not required by law.

The Management Board and the Supervisory Board therefore propose the following amendments to the Memorandum and Articles of Association:



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- a) That Article 9 (4) - (7) of the Memorandum and Articles of Association be deleted.
- b) That the following Article 9 (8) of the Memorandum and Articles of Association be renumbered Article 9 (4) and reworded as follows:

“(4) The members of the Supervisory Board shall be included in a D&O (directors and officers) liability insurance policy maintained by the Company in an appropriate amount – only subject to a deductible where this is required by law – provided that such a policy exists. The relevant premiums shall be payable by the Company.”

#### **Agenda item 14: Passing of a resolution on the remuneration of the Supervisory Board members**

Section 113 (3) sentence 1 of the AktG requires the Annual General Meeting of a listed company to pass a resolution on the remuneration and the remuneration system for the members of the Supervisory Board at least once every four years. The Management Board and the Supervisory Board had submitted the remuneration and the remuneration system for the members of the Supervisory Board for approval by the Annual General Meeting for the first time in 2021 in accordance with the statutory requirements.

The Management Board and the Supervisory Board have since reviewed the remuneration system for the Supervisory Board and developed a slightly revised remuneration system that is consistent with the Company’s risk profile and the duties of the Supervisory Board. In the future, the remuneration of the members of the Supervisory Board is no longer to be governed by the Memorandum and Articles of Association (see agenda item 13 above) but approved directly in a resolution passed by the Annual General Meeting. To this end, the remuneration of the members of the Supervisory Board is to be adjusted with effect from the date of the Annual General Meeting. In this connection, the amount of the remuneration of the Supervisory Board is to be adjusted. Moreover, an adjustment is to be made to the previous deductible imposed on members of the Supervisory Board under the directors and officers liability insurance taken out by the Company as referred to in agenda item 13 above.

The revised remuneration now being proposed and the modified remuneration system for the Supervisory Board members are described in greater detail in accordance with sections 113 (3) sentence 3 and 87a (1) sentence 2 of the AktG in the appendix to this agenda item 14 attached to this agenda under Point C.

The Management Board and Supervisory Board propose the following resolutions:

That the Supervisory Board be remunerated as follows: the fixed remuneration shall be € 50,000 p.a. for each member of the Supervisory Board. The Chairman of the Supervisory Board shall receive € 250,000 p.a. and the Deputy Chairman € 100,000 p.a. The fixed remuneration shall increase for each membership in a committee. The additional fixed remuneration shall be € 25,000 p.a. for members of a committee and € 100,000 p.a. for the chairperson of a committee. In addition, the members of the Supervisory Board shall be reimbursed for any expenses incurred. The remuneration for any financial year shall be due and payable one month after the end of the respective financial year. If a member does not belong to the Supervisory Board or a committee for the entire financial year or does not serve as chairperson for the entire financial year, the remuneration shall be paid pro rata temporis.

That the remuneration system for the members of the Supervisory Board set out in Section C in the appendix to this agenda item 14 be approved.

#### **Agenda item 15: Passing of a resolution on the conversion of bearer shares to registered shares and on corresponding amendments to the provisions of the Memorandum and Articles of Association and any resolutions passed at the Annual General Meeting on 10 August 2023**

The Company’s share capital is divided into 59,857,221 registered shares. In the case of bearer shares, the issuing company holds a commitment under the applicable shareholder rights solely towards the respective holder, rather than a named person. This makes it more difficult for the company to identify its shareholders and communicate with them directly. Although changes to the law, particularly the Act Implementing the Second Shareholders’ Rights Directive (ARUG II) of 12 December 2019 (BGBl. I No. 50, p. 2637 et seq.) have facilitated the Company’s communications with bearer shareholders, registered shares enable a better form of investor



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relations in the opinion of the Management Board and the Supervisory Board. In addition, there has been a trend towards registered shares for several years for various reasons (see below). Moreover, section 10 (1) of the AktG provides for registered shares as the standard form of securitisation, meaning that the adoption of registered shares constitutes the default situation under law.

The Management Board and the Supervisory Board particularly believe that registered shares permit more direct, more transparent and simpler communications by the Company with its shareholders compared with bearer shares. The Company can maintain direct communications via the share register and, in this way, maintain closer relations through direct communication. Moreover, the use of registered shares is a very common international practice.

The Management Board and the Supervisory Board therefore intend to convert the existing bearer shares into registered shares. It will be possible to identify the shareholders as their names and addresses will be recorded in the Company's share register (section 67 of the AktG), meaning that the indirect contact with shareholders via their custodian banks can be dispensed with in the future. As the shareholders will be recorded in the share register, the Company will be able not only to communicate with them directly but also transparently identify the composition of its shareholder base and, in this way, track any changes in its shareholder structure more effectively (see above). This will not prejudice the shareholders' rights, particularly with respect to their shareholdings and the tradability of their shares. Likewise, the change will not have any effect on the division of the Company's share capital into 59,857,221 no-par shares.

In order to effect the adoption of registered shares, the Memorandum and Articles of Association and possible resolutions passed at this Annual General Meeting must be modified. The Management Board and the Supervisory Board therefore propose the following resolution:

- a) That the no-par bearer shares in the Company in existence upon the amendments to the Memorandum and Articles of Association in accordance with b) to f) below be converted into registered shares subject to the retention of their previous denomination.

That the Management Board be authorised and instructed to take all necessary steps to effect the conversion of the bearer shares into registered shares.

- b) That Article 5 (3) of the Memorandum and Articles of Association be amended as follows:

“(3) The shares shall be registered. If, in the event of a capital increase, no indication is included in the corresponding resolution as to the class of shares, the shares shall be deemed to be registered.”

- c) That a fourth paragraph (Article 6 (4)) with the following wording be added to the previous Article 6 of the Memorandum and Articles of Association:

“(4) The Company shall maintain a share register. The shareholders shall submit to the Company the details stipulated by law for entry in the share register. Shareholders shall in particular provide the Company with details of their name, address and date of birth if they are natural persons, or with details of their company name, business address and registered office if they are legal persons, and in all cases with the number of shares held by them, for inclusion in the share register. Electronic addresses and any changes to these should also be notified to facilitate communications.”

- d) That Article 15 (2) be reworded as follows:

“(2) Shareholders who have been recorded in the share register on the day of the Annual General Meeting and who register in good time prior to the Annual General Meeting with the Company or with an office designated in the notice convening the Annual General Meeting at the address specified for this purpose in such notice in text form or electronically may participate in the Annual General Meeting and exercise their voting rights. Registration must be submitted to the Company no later than six days – or in the case anticipated by Article 15 (1) sentence 2 of this Memorandum and Articles of Association – no later than three days before the Annual General Meeting at the address specified in the notice convening the Annual General Meeting. The notice convening the meeting may stipulate a shorter period for registration specified in days. This period shall not include the date of receipt of the notice convening the Annual General Meeting.”

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- e) That, in the resolution passed at this Annual General Meeting on agenda item 8 approving the cancellation of authorised capital, the creation of new authorised capital, the Management Board's authorisation to exclude the shareholders' pre-emptive subscription rights and the amendment of Article 5 (4) of the Memorandum and Articles of Association, the words "bearer shares" be replaced in all cases by the words "registered shares" and the Memorandum and Articles of Association be duly amended to reflect this.

That Article 5 (4) sentence 1 be reworded as follows only in the event that a resolution approving agenda item 8 is not passed at this Annual General Meeting:

"(4) The Management Board is authorised to increase, on one or more occasions, the Company's registered share capital by up to a maximum total amount of € 35,914,329 via the issuance of new registered shares for contribution in cash or in kind, subject to the approval of the Supervisory Board, on or before 30 August 2027 (Authorised Capital 2022)."

- e) That, in the resolution passed at this Annual General Meeting on agenda item 9 concerning the creation of new authorisation for the Management Board to issue profit-participation certificates and other hybrid debt securities with conversion rights and with the possibility of excluding shareholders' pre-emptive subscription rights, the cancellation of Conditional Capital 2019 and creation of new Conditional Capital 2023, the words "no-par value bearer shares" be replaced in all cases by the words "no-par value registered shares" and the words "no-par value bearer share" by the words "no-par value registered share" and the Memorandum and Articles of Association be duly amended to reflect this.

That Article 5 (5) sentence 1 of the Memorandum and Articles of Association be reworded as follows only in the event that a resolution approving agenda item 9 is not passed at this Annual General Meeting:

"(5) The share capital is subject to a conditional capital increase not exceeding € 35,914,329 through the issuance of up to 11,971,443 new no-par-value registered shares (Conditional Capital 2019)."

## A. Information on the candidate for the Supervisory Board proposed in agenda item 7

The candidate's curriculum vitae is also available on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

### Jean Pierre Mustier

Member of the Board of Directors (Conseil d'administration) of Atos SE, France, former president of the European Banking Federation

#### 1. Personal details



<b>Date of birth:</b>	18 January 1961
<b>Residence:</b>	Milan, Italy
<b>Nationality:</b>	French

#### 2. Education

Graduate of École Polytechnique and École des Mines de Paris, France

#### 3. Career and professional experience

**Expertise:** Bank and financial services, strategic planning, M&A, regulation, risk management, digitalisation, ESG and accounting

<b>2021 - 2023</b>	Co-CEO, founder/investor and sponsor of three special purpose acquisition companies: Pegasus Europe Acquisition Company B.V., Pegasus Entrepreneur Acquisition Company Europe and Pegasus Asia
<b>2019 - 2021</b>	President of the European Banking Federation
<b>2016 - 2019</b>	CEO of Unicredit S.p.A.
<b>2015 - 2016</b>	Partner in Tikehau Capital
<b>2011 - 2015</b>	Deputy General Manager, Head of Corporate & Investment Banking at UniCredit
<b>2009 - 2011</b>	Pro bono activities for Colony Capital, Société Générale, Tikehau Investment Management
<b>2008 - 2009</b>	Head of Asset Management, Private Banking and Securities Services at Société Générale
<b>2003 - 2008</b>	Head of Corporate & Investment Banking at Société Générale
<b>1987 - 2009</b>	Various functions at Société Générale

#### 4. Mr Mustier is a member of the following domestic statutory supervisory boards:

None

#### 5. Mr Mustier is a member of the following similar domestic and international supervisory bodies of business enterprises

Member of the Board of Directors (Conseil d'administration) of Atos SE, France

## B. Remuneration Report (document for agenda item 6)

### Remuneration Report

This Remuneration Report describes the remuneration for current and former members of the Management Board and Supervisory Board of Aareal Bank AG in accordance with section 162 of the German Public Limited Companies Act (Aktiengesetz – AktG). The Remuneration Report was reviewed by the auditors of Aareal Bank AG’s annual financial statements, KPMG. KPMG also performed a substantive audit on this report extending beyond the requirements set out in section 162 (3) sentences 1 and 2 of the AktG. The report on the outcome of this audit is reproduced in full at the end of the Remuneration Report. The Remuneration Report of the previous year, also prepared in line with section 162 of the AktG, was submitted to the Annual General Meeting and approved by 99.43 % of the shareholders.

#### 1. A review of the 2022 financial year

##### 1.1 Changes within the Management Board

One change within the Management Board of Aareal Bank AG happened during the year under review.

Christiane Kunisch-Wolff stepped down from the Management Board at her own request, effective 30 June 2022. The Supervisory Board approved the early termination of her contract.

The Supervisory Board appointed Nina Babic as Chief Risk Officer, succeeding Ms Kunisch Wolff, effective 1 July 2022.

##### 1.2 Changes within the Remuneration Control Committee

Aareal Bank’s ordinary Annual General Meeting, which was held on 31 August 2022, elected six new members to the Supervisory Board, which had consequences for the composition of all Supervisory Board committees.

With Mr Hall, Mr Giesecke and Mr Lotter, three of the newly elected members joined the Remuneration Control Committee. Prof. Dr Wagner, as the Chair, together with the two employee representatives, Ms Heinemann-Specht and Mr Novatius, remained members of the Remuneration Control Committee, ensuring continuity of the Committee’s work.

A detailed look at the changes:

#### Members of the Remuneration Control Committee

Until 31 August 2022	Since 31 August 2022
1. Prof. Dr Wagner (Chair)	1. Prof. Dr Wagner (Chair)
2. Ms Brendel (until 20 January 2022)	2. Mr Lotter (Deputy Chair)
3. Mr Munsberg (Deputy Chair) (since 20 January 2022)	3. Mr Giesecke
4. Mr Peters (Deputy Chair) (until 20 January 2022)	4. Mr Hall
5. Ms Heinemann-Specht*	5. Ms Heinemann-Specht*
6. Mr Novatius*	6. Mr Novatius*

\* Employee representatives

##### 1.3 New remuneration system for the Management Board as of 2023

Aareal Bank’s revised remuneration system was approved by 99.26 % of the votes cast at the ordinary Annual General Meeting 2022 – meaning that it was adopted – and will be implemented from the 2023 financial year onwards.

With Mr Klösger’s appointment as the Bank’s new Chairman of the Management Board, some of the system’s components already saw their implementation before the new remuneration system was adopted by the Annual General Meeting. The same applies to the service contract concluded with Ms Babic.

The new remuneration system for the Management Board, which recognises main points of criticism raised by the shareholders, is compared with the old remuneration system in the table below to highlight the changes.

		Remuneration system submitted to the ordinary AGM 2021 for approval	Revised remuneration system submitted to the ordinary AGM 2022 for approval	Rationale
<b>Appropriateness of remuneration level</b>	Peer group	All companies included in DAX, MDAX and SDAX	Companies which are comparable to Aareal Bank	Stronger focus on peer selection considering business segment, size, revenues, market capitalisation and remuneration structure requirements.
<b>Structure of target remuneration</b>	Weight of remuneration components within overall target remuneration <sup>1)</sup>	Base salary ~ 45 % Pension contribution ~15 % Target variable ~40 %	CEO: – Base salary ~ 46 % – Pension contribution ~8 % – Target variable ~46 %  Ordinary Board members – Base salary ~52 % – Pension contribution ~8 % – Target variable ~40 %	The reduced pension contribution is in line with current market practice and addresses concerns of investors in Aareal Bank.  The reduction of the CEO's base salary similarly reflects concerns by Aareal Bank's investors.
	Pension scheme	Guaranteed interest rate of 4 % p.a.  In general, life-long pension payments	Fund-tied interest rate (no additional premium guarantee)  In general, payout as a one-time payment	The revised approach was in line with market practice at that time, due to the low interest rate environment.
<b>Performance criteria</b>	Target structure	70 % Group targets 15 % Divisional targets 15 % Individual targets	70 % Group component 30 % Strategic component	Divisional targets and individual targets have been merged into one, thereby reducing complexity and making the remuneration system more easily comprehensible.
	Group component	The Supervisory Board may set targets based on Aareal Bank's performance indicators. In practice, Group performance was measured by linking the operating profit target achievement with the RWA target achievement	Four clearly outlined targets, one of them being an ESG component	Basing the Group component on four separate targets leads to a stronger consideration of the various expectations towards the performance of the Management Board and the entire Bank.
	Strategic component	Between two and four divisional targets, and up to two individual targets  No specifics on the weight of the targets  Catalogue of 22 potential performance criteria	Three strategic targets with equal weight, one of them being an ESG target  Catalogue of three categories with potential performance criteria	The revision provides more clarity and reduces complexity.
	ESG targets	The individual component contains solely ESG targets	Incorporation of a separate ESG target within the Group component	A specific ESG component within the Group targets reflects the growing importance of ESG related aspects and emphasises the Bank's commitment to ESG.
	Modifier	In case of extraordinary events, the Supervisory Board may adjust the target achievement of the Group component by up to +/- 20 %	Abolishment of the modifier	The abolition further decreases the amount of discretion that the Supervisory Board has when assessing target achievement.
<b>Further arrangements</b>	Change-of-control clause	Service contracts may contain change-of-control provisions entitling Management Board members to severance payments	Future service contracts will not contain change-of-control provisions	The revision follows recent amendments to the German Corporate Governance Code.
	Maximum remuneration	The maximum remuneration in accordance with section 87a of the AktG is € 5.5 million.	The maximum remuneration in accordance with section 87a of the AktG is € 4.5 million.	The reduction follows revised remuneration levels.

<sup>1)</sup> Without ancillary benefits. Pension contribution based on annual pension contribution amount per service contract.

### 1.4 Performance in the 2022 financial year

The Bank can look back on a successful 2022 financial year in which it exceeded the targets it had set itself despite the negative impact of Russia’s war of aggression against Ukraine and the after-effects of the Covid-19 pandemic.

The Bank not only boosted its net interest income and, as a result, its profitability significantly, it was even able to make a further improvement to its Common Equity Tier I ratio (CET1 ratio) at the same time. Overall, this put the Bank at the upper end of the forecast range and ahead of its ambitious plans. The starting position for sustainable and profitable growth was improved yet again in all segments.

This positive development is also based on the Management Board’s strong management performance, which is why it is also reflected in the variable remuneration for 2022. The positive results also illustrate, in particular, that the Bank’s management and employees have kept a firm focus on the Bank’s business and profitability. This all was achieved even though the Bank received an unsolicited takeover bid, which was only successful in a second attempt.

## 2. Management Board remuneration system applicable to the year 2022

The following overview illustrates the fundamental principles of the Management Board remuneration system applied in 2022, i. e. the year under review. The new Management Board remuneration system adopted by the Annual General Meeting 2022 will be implemented from the 2023 financial year onwards.

	Description	Reference to strategy and long-term development
<b>Fixed remuneration elements</b>		
Fixed annual salary + ancillary benefits = basic remuneration	<ul style="list-style-type: none"> <li>– Fixed contractually agreed remuneration in line with standard market conditions, paid monthly</li> <li>– Ancillary benefits in line with standard market conditions, in particular a company car that can also be used for private purposes or a lump-sum payment for members who decide against a company car; certain costs for security expenses, including the taxes and social security contributions payable on these amounts; (substitute) social security contribution corresponding to 50 % of the contributions due under the statutory social security scheme</li> </ul>	Guaranteeing the fixed income in the form of a fixed annual salary and ancillary benefits equivalent to scope and complexity of the business and the role and responsibility of the individual members of the Management Board, and competitive on the market.
Pension obligations	<ul style="list-style-type: none"> <li>– Defined contribution commitment with guaranteed interest</li> <li>– Management Board members are entitled to pension payments when they reach a defined age.</li> <li>– In the event of permanent disability, Management Board members are entitled to benefit payments even before they reach this defined age.</li> </ul>	<p>Granting of pension commitments for financial security in retirement and protection in case of death and disability that are in line with market requirements.</p> <p><b>New features for newly appointed Management Board members, or members reappointed from 2021 onwards:</b> The revised remuneration system, which was adopted by the ordinary Annual General Meeting 2022, provides for a defined contribution pension commitment with a fund index performance-based interest rate for newly appointed Management Board members, or members reappointed from 2021 onwards. Upon reaching the defined age, the Management Board members are entitled to a one-off lump-sum payment.</p>

	Description	Reference to strategy and long-term development
<b>Variable remuneration elements</b>	<ul style="list-style-type: none"> <li>– Variable remuneration is determined via the achievement of targets derived from the business and risk strategies, and which are in line with Aareal Bank’s corporate and risk culture.</li> <li>– Group (70%), divisional (15%) and individual (15%) targets</li> <li>– Group targets usually correspond to the financial KPIs used in the management system, while divisional and individual targets can include both financial and non-financial KPIs.</li> <li>– Performance measurement based on criteria whose achievement is determined over a three-year period</li> <li>– No discretionary component besides the targets derived from the strategy</li> <li>– Breakdown via four components (as per regulatory requirements)</li> <li>– At least 55% of variable remuneration is share-based</li> <li>– At least 80% is paid out on a deferred basis (20% as a share bonus with a retention period + 60% cash and share deferral)</li> <li>– Maximum overall target achievement level is capped at 150% of the target value</li> <li>– Variable remuneration cannot exceed fixed remuneration</li> <li>– No compensation is granted in the form of special bonuses extending over and above the components referred to above.</li> </ul>	<p>Calculation of variable remuneration on the basis of annual financial and non-financial performance criteria that promote the achievement of the strategic objectives.</p> <p>Provides incentives to Management Board members for implementing the business priorities of Aareal Bank and to act in the interest of the long-term and sustainable positive business development.</p> <p>Group performance targets account for 70% of overall target achievement, hence prioritising the entire Company’s interest, including shareholder expectations.</p> <p>By granting the variable remuneration, Aareal Bank meets the regulatory requirements to which it is subject.</p> <p><b>New features as of 2023:</b> The remuneration system adopted by the Annual General Meeting 2022 combines the previously separate divisional and individual targets into a uniform strategic component, thus enhancing the system’s transparency.</p>
<b>Other rules</b>		
Risk-bearing capacity	<ul style="list-style-type: none"> <li>– Before disbursing the variable remuneration, the Supervisory Board reviews it regarding its compatibility with the risk-bearing capacity.</li> </ul>	Disbursing variable remuneration is not meant to threaten Aareal Bank’s financial solidity.
Malus and clawback	<ul style="list-style-type: none"> <li>– All components of the variable remuneration are subject to malus and clawback provisions.</li> <li>– Admission of an adjustment to outstanding remuneration and/or clawback of remuneration already disbursed in case of clawback events.</li> </ul>	Within the meaning of responsible and sustainable corporate governance, and for the purpose of implementing the regulatory requirements, malus and clawback rules are a mandatory part of good corporate governance, which in turn is firmly enshrined in Aareal Bank’s strategy.
Consideration of extraordinary developments	<ul style="list-style-type: none"> <li>– (Modifier) adjustment of Group target achievement level by 20 percentage points possible in cases involving exogenous circumstances</li> <li>– In principle, no subsequent adjustments to remuneration targets, unless extraordinary developments result in the business strategy being adjusted during the year.</li> </ul>	<p>In order to ensure that the remuneration system provides incentives for the actual performance of the Management Board member with regard to the sustainable and long-term advancement of Aareal Bank Group, adjustments can be made subject to pre-defined and very restrictive conditions.</p> <p><b>New features as of 2023:</b> The modifier is no longer included in the new Management Board remuneration system. This further restricts the extent to which the Supervisory Board can exercise discretionary judgement when defining the variable remuneration.</p>



	Description	Reference to strategy and long-term development
Maximum remuneration of € 5.5 million per Management Board member (within the meaning of section 87a of the AktG)	– Maximum expense amount for the financial year, which includes the fixed annual salary, variable remuneration elements (incl. the development of the virtual shares over the next six years), ancillary benefits and pension obligations (service cost). Severance payments are excluded from this amount as a non-standard remuneration component.	In order to define absolute values to ensure the proportionality of the amount of Management Board remuneration, the maximum remuneration sets a specific upper limit. This theoretical maximum value is based on a maximum possible target achievement level over the entire three-year assessment period and maximum share price performance. This means that the maximum remuneration can be clearly distinguished from the total target remuneration.  <b>New features as of 2023:</b> Maximum remuneration has been reduced to € 4.5 million per Management Board member under the new Management Board remuneration system.

## 2.1 Appropriateness of the remuneration

A horizontal and vertical comparison is used to ensure that a Management Board member’s remuneration is appropriate in terms of their tasks and performance and in terms of the Company’s position.

The Supervisory Board took an in-depth look at the question as to which peer group should be used to review the appropriateness of the Management Board remuneration as part of the “horizontal comparison”.

The previous Management Board remuneration system, which is still applicable for 2022, included all companies listed in the SDAX, MDAX and DAX in the Bank’s peer group for comparison purposes. Many shareholders felt that this peer group was too broad and unspecific, which is why the new remuneration system adopted by the Annual General Meeting 2022 is based on a new peer group. This new peer group was already used when Mr Klösger’s and Ms Babić’s remuneration was determined in 2021 and 2022, respectively.

The new peer group includes – first and foremost – ECB-regulated banks in Germany, since due to the European Central Bank’s specific requirements and expectations towards Management Board members of such institutions, fundamental comparability is given. The focus on Germany is based on the fact that, when trying to attract potential candidates to fill Management Board positions, Aareal Bank is largely competing with other banks based in Germany. This group was further narrowed down by classifying all of the companies using a catalogue of six criteria that are considered highly relevant from the perspective of Aareal Bank and its business model, resulting in a final peer group comprising 13 institutions.

Within this peer group, Aareal Bank had an external, independent remuneration consultant (Willis Towers Watson) rank the Bank on the basis of its size and arrive at an opinion regarding standard market remuneration based on this ranking.

In addition to the horizontal comparison, the vertical comparison serves to observe how the remuneration of Management Board members compares to the remuneration of the senior management (i.e. usually the highest management level below the Management Board) as well as to the remuneration of employees in general, also with a view to the development over time. In this context, ‘employees’ refers to all permanent employees of Aareal Bank AG in Germany.

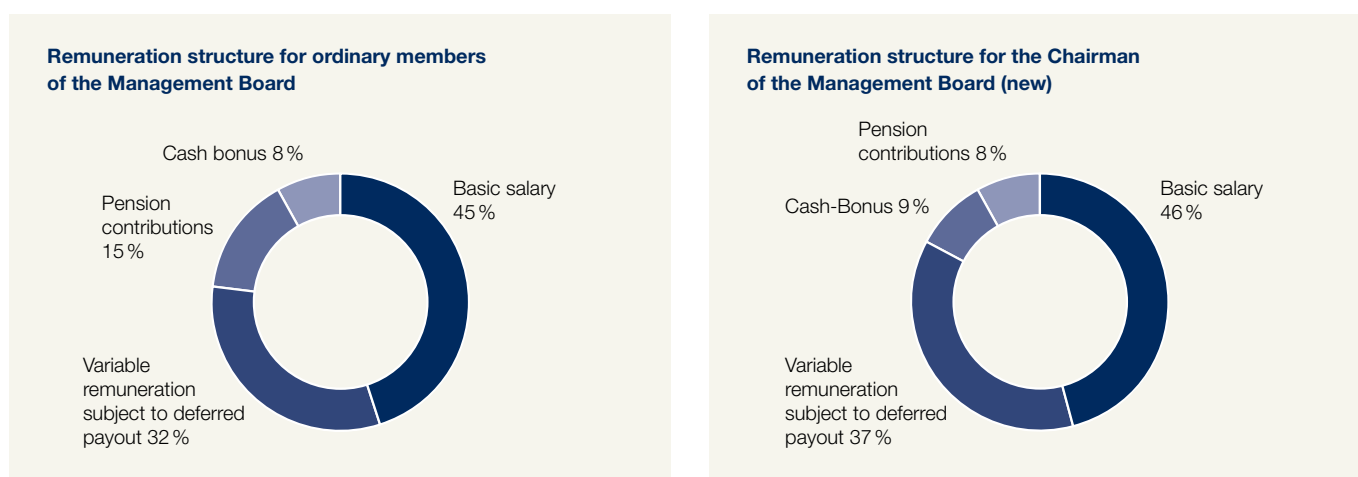
## 2.2 Remuneration structure

The target total remuneration comprises a fixed component (including ancillary benefits and contributions to retirement pension provisions) and a variable component whose structure is subject to comprehensive regulation, namely the provisions set out in the German Banking Act (Kreditwesengesetz – KWG), the German Regulation on Remuneration in Financial Institutions (Institutsvergütungsverordnung – InstVergV) and requirements at European level.

In the previous Management Board remuneration system, which is still applicable to 2022, 15% of the target total remuneration consisted of pension contributions. This portion has been reduced in the new remuneration system, following criticism by the Bank’s shareholders.

The Supervisory Board reacted to this criticism right after the 2021 ordinary Annual General Meeting and, when it appointed Mr Klösge as Chair of the Bank’s Management Board, it increased the target variable remuneration significantly in relation to the other remuneration components (from approx. 40% to approx. 46%) while significantly reducing the pension contributions proportionally (from approx. 15% to approx. 8%).

The diagram below illustrates the ratio between the fixed and variable components of the remuneration of all members of the Management Board.



### 2.3 Fixed remuneration component

The fixed remuneration component of a Management Board member consists of three components – the fixed annual salary, ancillary benefits, and contributions to retirement provisions.

#### 2.3.1 Fixed annual salary

After Mr Klösge’s appointment as the new CEO, the base salary for the Chair of the Management Board was set at € 1,200,000 per annum. The base salary paid to Mr Hess and Mr Winkelmann amounted to € 900,000 per annum in the year under review. As a new and first-time Management Board member, Ms Babic’s base salary is € 720,000 per annum.

#### 2.3.2 Ancillary benefits

As well as paying a fixed annual salary, the Bank grants the members of the Management Board ancillary benefits in line with standard market conditions. For example, Aareal Bank provides a company car to Management Board members, which may also be used for private purposes. If Management Board members decide against a company car, they receive a lump-sum compensation payment instead. Management Board members also receive an amount equivalent to 50% of the contributions to the statutory social security system.

The members of the Management Board are also granted insurance cover in line with standard market conditions, such as D&O insurance (subject to the statutory deductible), group accident insurance or health insurance for travel abroad. The Bank may also grant other ancillary benefits such as security expenses and travel costs for family visits.

Ancillary benefits can also fluctuate considerably from year to year.

### 2.3.3 Pensions and retirement benefits

The benefit regulations as agreed in the service contracts apply to the members of the Management Board. All members of the Management Board are granted a defined contribution commitment.

The Supervisory Board made significant changes to the benefit regulations when it appointed Mr Klösger as the new Chair of the Management Board. By way of example, the contribution for the former Chair of the Management Board – who retired in 2021 – was reduced from € 464,000 p. a. to € 200,000 p. a., meaning that it now only corresponds to around 8% of the target remuneration structure. The guaranteed interest rate of 4 % was also changed to a fund index performance-based interest rate with a 0 % guarantee. Mr Klösger's pension commitment also no longer provides for a monthly, lifelong pension as a fundamental pension benefit. Instead, a one-off lump-sum payment is now provided as standard. All in all, these measures serve to reduce the Bank's accounting risks considerably. These new provisions for Mr Klösger also apply in Ms Babic's case; she receives a contribution in the amount of € 120,000 per annum.

For members of the Management Board appointed prior to 2021, this usually amounts to € 293,000 p. a., accounting for 15 % of the target remuneration structure of the Management Board members. These contributions bear interest at a guaranteed rate of 4 %. For Management Board members appointed in 2021 and after, the rules stipulated by the new remuneration system, which was adopted by the Annual General Meeting 2022, apply as outlined above.

Management Board members who were appointed prior to 1 January 2013 are entitled to claim pension benefits as of the time at which they turn 60. For members of the Management Board who were appointed on or after 1 January 2013, claims arise as of the time at which they turn 62. In the event of permanent disability, a Management Board member is entitled to claim benefits prior to turning 60 or 62, respectively. In this case, the pension capital earned by the Management Board member is increased by a certain lump sum, which is further specified in the respective service contract.

The amounts are subject to a guarantee adjustment of 1 % p. a. The pension paid to widows amounts to 60 % of the pension of the member of the Management Board, while pensions to half-orphans and orphans amount to 10 % and not more than 25 %, respectively.

The main aspects of the previous and the new pension system are shown in the table below:

#### Pension commitment overview

	Previous pension commitment	New pension commitment*
<b>Type</b>	Defined contribution	Defined contribution
<b>Term of commitment</b>	Period of appointment as Management Board member	Period of appointment as Management Board member
<b>Amount of commitment</b>	~15 % of the target total remuneration	~8 % of the target total remuneration
<b>Interest</b>	Guaranteed interest rate of 4 % p. a.	Fund index performance-based interest rate with a guarantee covering the contributions made
<b>Payment</b>	<ul style="list-style-type: none"> <li>– Lifelong pension</li> <li>– Lump-sum payment (only with the approval of the Supervisory Board)</li> </ul>	<ul style="list-style-type: none"> <li>– Lump-sum payment</li> <li>– Payment in seven annual instalments (only with the approval of the Supervisory Board)</li> <li>– Lifelong pension (only with the approval of the Supervisory Board)</li> </ul>
<b>Further terms and conditions</b>	The pension commitment includes benefits paid out in the event of disability and death (paid to surviving dependants)	The pension commitment includes benefits paid out in the event of disability and death (paid to surviving dependants)

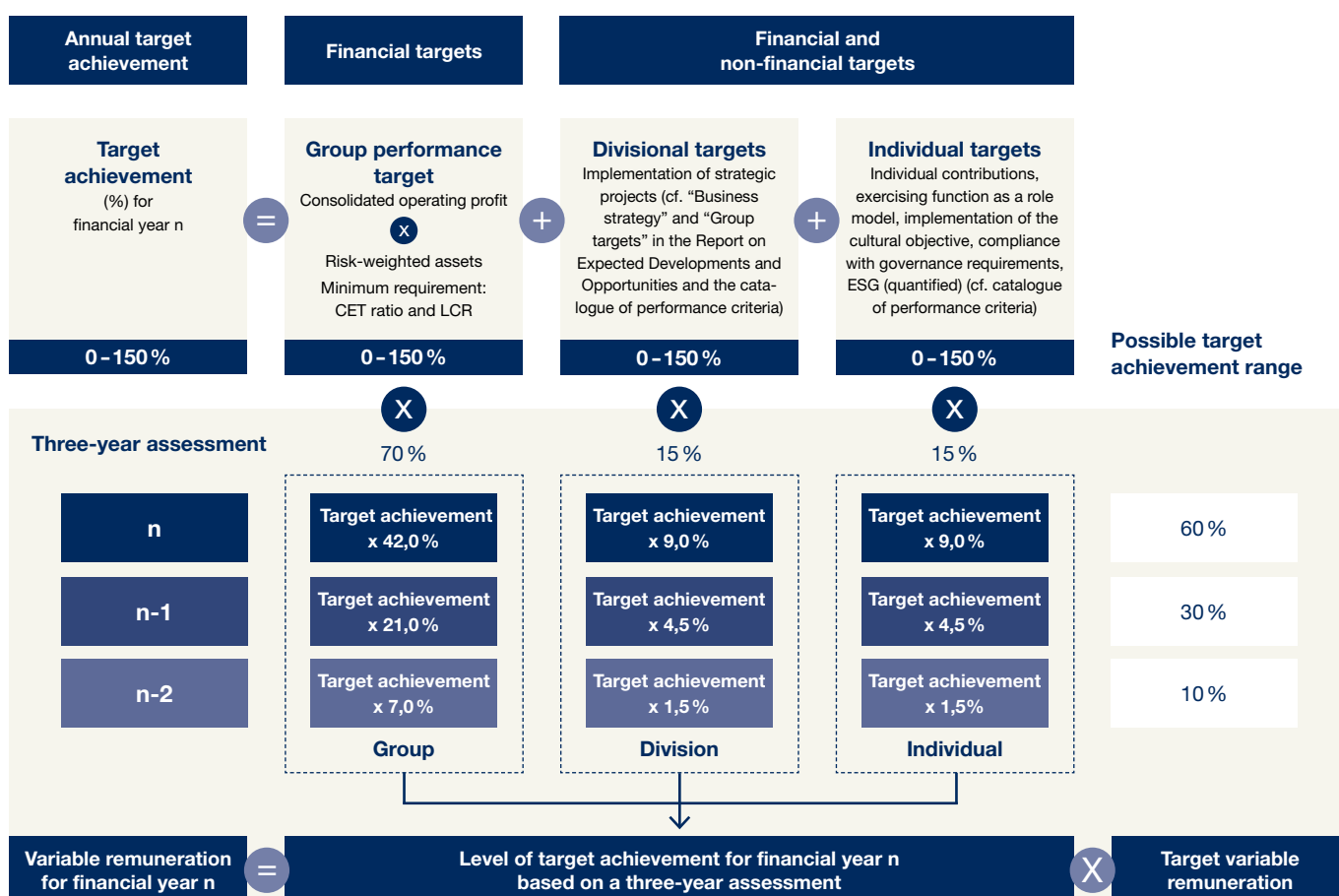
\* already applied for Mr Klösger and Ms Babic

## 2.4 Performance-related variable remuneration

### 2.4.1 Long-term and sustainable focus of the targets

The structure of the variable remuneration system is subject to detailed requirements set out in the bank regulatory provisions (e.g. German Banking Act, German Regulation on Remuneration in Financial Institutions). The calculation of the variable remuneration is generally split into two phases. In the first phase, the achievement of targets derived from the strategy is determined over a period of three years at three levels: Group, divisional and individual. The target achievement level is multiplied by the reference value and produces the amount calculated (e.g. 780,000 x 90% = € 702,000). The amount calculated is then paid out in the second phase in four different components, including 80% that is paid out on a deferred basis and at least 55% paid out in virtual shares over a period spanning several years. Among other things, the fact that the targets are geared towards the strategy and the subsequent adjustment based on share price performance over the next six years promotes sustainable and long-term company development while at the same time taking the interests of the shareholders into account. This is also achieved through the malus and clawback rules as well as through the guarantee of sufficient risk-bearing capacity.

### 2.4.2 Multi-year performance measurement across different target levels (phase 1)



A significant part of Aareal Bank's variable remuneration structure is governed by law: In accordance with the regulatory requirements set out in sections 19 and 20 of the German Regulation on Remuneration in Financial Institutions, the variable remuneration for the members of the Management Board was defined in the reporting year on the basis of three target levels and over a minimum assessment period of three years (2020, 2021 and 2022). Accordingly, the Management Board remuneration system that has applied at Aareal Bank to date, which was submitted to the ordinary Annual General Meeting 2021, provides for three target levels:

- Group performance;
- divisional performance; and
- individual performance.

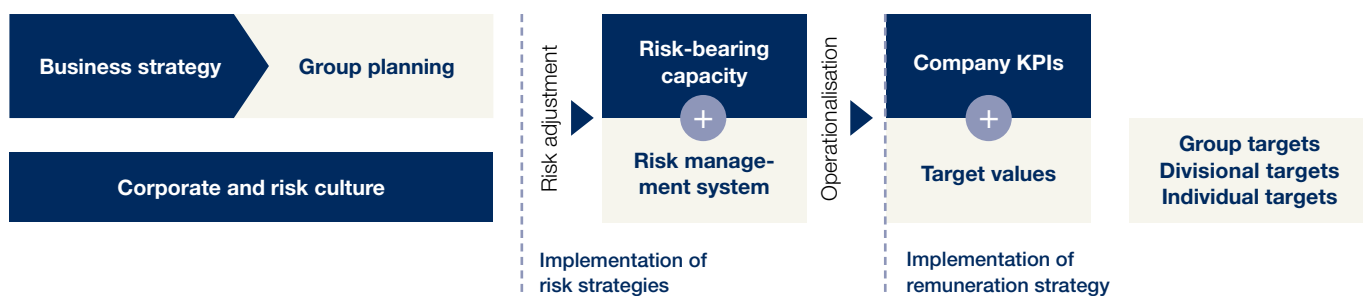
The targets set at all three levels are focused on sustainable and long-term growth. To measure and monitor target achievement, various KPIs are determined annually for targets, and their degree of achievement is assessed at the end of the financial year. The target achievement level for each target level is thus determined by the respective KPI achievement of the past financial year and by the degrees of KPI achievement of the two previous financial years (**three-year assessment basis**).

The members of the Management Board are responsible – and epitomise – the Company’s success. This is also reflected in the **weighting of the target levels**. Accordingly, achieving Group performance targets accounts for the clear majority (70 %) of target achievement. This target level is determined solely on a quantitative basis; performance is therefore calculated based on whether the target value specified by the Supervisory Board for the components consolidated operating profit, RWA or another annually defined parameter has been achieved using a performance grade. The other two target levels, the divisional and individual target levels, are weighted at 15 % each.

To set ambitious targets and a strong incentive for successful Management Board work, target achievement levels are incorporated at different levels over time. As a result, the target achievement level is calculated by looking at performance in more than one year at all target levels. The most recent reporting year is weighted at 60 %, the preceding one at 30 %, and the oldest year in the assessment period at 10 %. As Mr Klösger only joined the Bank in the course of 2021, his variable remuneration for the year under review is calculated on the basis of his performance during that year. At the same time, the deferral period for variable remuneration has been extended from five to seven years. The three-year assessment period will gradually be established over the reporting years following his appointment. The same applies for Ms Babic.

The revised Management Board remuneration system, which was approved by a large majority at the ordinary Annual General Meeting 2022, features a number of changes to the target system. In particular, the plan is that, from the 2023 financial year onwards, the divisional and individual target levels will be combined to create one single assessment level.

**2.4.3 System for defining targets**



*ESG targets being enshrined through business strategy*

Pursuant to section 25c (4a) KWG, the strategy is to be geared towards the Bank’s sustainable development. As early on as during the development process, the business strategy is reviewed as to its compatibility with the corporate and risk culture, the risk strategies and the Bank’s sustainability approach, and is adjusted if necessary. This means that the remuneration targets and KPIs derived from the strategy do not promote short-term successes, but rather support the Company in its long-term and sustainable development (**pay-for-performance principle**). As a result, they serve the interests of the shareholders, employees and other stakeholders of Aareal Bank Group.

### 2.4.4 Remuneration targets (ex-ante risk adjustment)

The targets are made up of quantitative and qualitative components. A target value for 100 per cent target achievement, a minimum ambition level and a maximum achievable value are set for quantitative criteria. Suitable assessment criteria are set for qualitative components. These can include comparisons with project targets, internal and external studies, section-specific reports, as well as statistics on how the Bank is perceived by its employees or clients. Specific target achievement is reported on an ex-post basis.

#### 2.4.4.1 Group performance targets

Amongst other things, the Company’s interests are duly taken into account by the fact that **Group targets** are geared towards the KPIs used for corporate management purposes. These KPIs are generally based directly on the Group’s performance indicators which can be found in the Group Management Report. In order to reduce the influence of one-off effects, certain effects are already excluded from target achievement per se when the targets are set, e.g. changes due to external regulatory requirements, M&A transactions, etc. The Supervisory Board sets target values for the Group on the basis of the consolidated operating profit, risk-weighted assets (RWA) or another indicator that it defines based on the performance indicators, and determines the result that constitutes achievement of each target.

For the 2022 financial year, consolidated operating profit was set as earnings target, whereas RWA was used as a risk-adjusted target. The maximum achievement level for target consolidated operating profit is 150 %; for the RWA target, it is 125 %. The overall target achievement level is calculated by multiplying all target values; it is capped at a target achievement level of 150 %.

The revised Management Board remuneration system presented to the ordinary Annual General Meeting 2022 features significant changes to the composition of the Group performance targets from the 2023 financial year onwards, with return on equity and ESG criteria targets playing a larger role at the Group level.

#### 2.4.4.2 Divisional and individual targets

In accordance with the regulatory requirements, the Management Board remuneration system that was applied to 2022 sets divisional and individual targets for the members of the Management Board. The targets set match the catalogue of performance criteria.

#### Catalogue of performance criteria

Divisional and individual targets	
Key performance indicators used in the Group management system	Strategic project (Aareal Next Level)
Increasing flexibility	Defined ESG indicators (e.g. diversity)
Increase in growth	Establishing sustainability in the core business
Capital market target	Expansion of sustainable products
Market expansion	Innovative power
Budget target	Client Satisfaction
Efficiency enhancement	Employee satisfaction
Liquidity planning	Employee communications
Targets for risk indicators	Safeguarding expertise
Effectiveness of the organisation	Transparency (e.g. in ecological aspects)
Scaling client relationships	Empowering the next generation

A maximum of three to four targets are set at divisional level and a maximum of two at individual level.

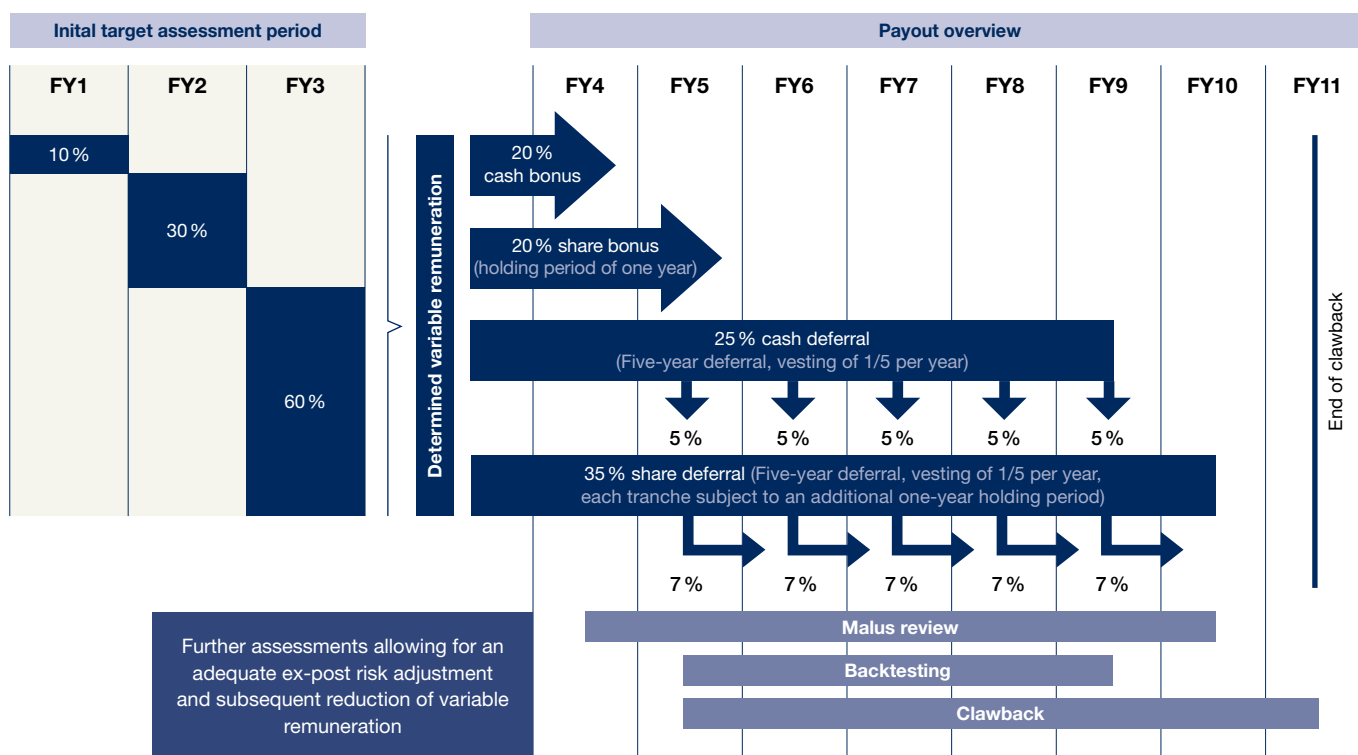
**Divisional targets** are related to the respective Management Board member’s area of responsibility pursuant to the schedule of responsibilities. Accordingly, the Supervisory Board sets targets which the organisational units assigned to the respective Management Board members need to fulfil in order to achieve the strategic objectives of the Company as a whole. The Supervisory Board uses the divisional component to measure the contribution to the implementation of the strategy made by the units for which the individual Management Board member is responsible. The KPIs used by the Supervisory Board include qualitative and quantitative criteria. In line with Aareal Bank Group’s management system, divisional targets for Management Board members responsible for Sales units comprise growth enhancement and development of main strategic fields of business and are measured, for example, by the level of specific property portfolio increases or the revenue generated with digital products.

**Individual targets** refer to the Management Board members’ individual performance as role models for the organisation (“tone from the top”). In this respect, Management Board members also need to achieve material quantitative ESG aspects.

ESG targets are established at both divisional and individual level. The specific ESG target parameters are disclosed as part of the reporting process (annual report for the year concerned) together with the other parameters used. In order to ensure that the increased importance of ESG aspects in Aareal Bank’s strategy are adequately reflected in the remuneration system, quantifiable ESG targets have been included in the overall target calculation with a minimum weighting of 15% since the 2021 reporting year and are covered, in particular, by the individual component. The use of quantitative ESG targets allows for a high level of transparency regarding our ESG focal areas and at the same time creates targeted incentives for a long-term sustainable strategy. In addition to the individual level, the divisional level can also include ESG targets to add more weight to ESG aspects.

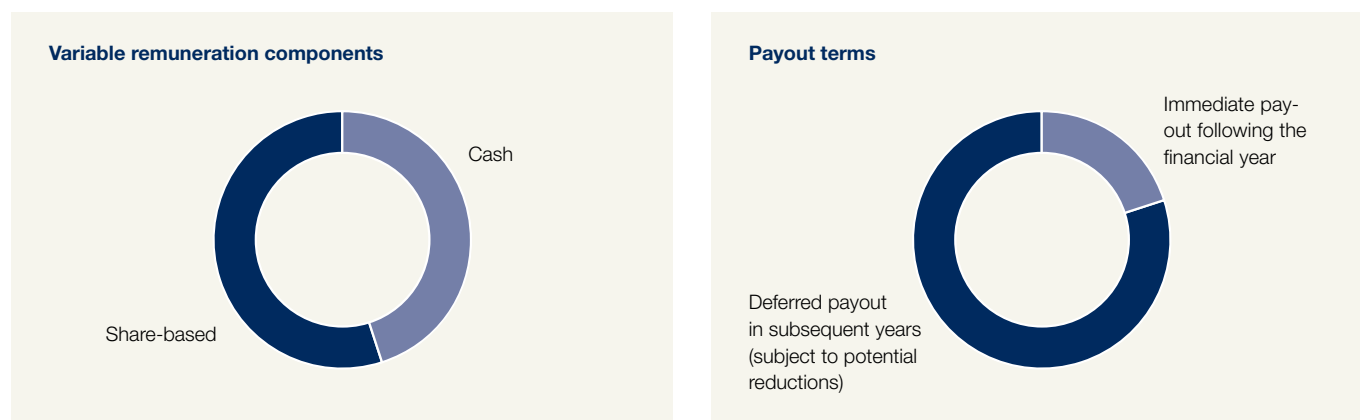
In the revised Management Board remuneration system, which was adopted by the ordinary Annual General Meeting 2022 and will be applied from the 2023 financial year onwards, divisional and individual targets are combined to create a single target level (the “strategic component”). Furthermore, the catalogue of performance criteria was also revised, with at least one target within the strategic component being an ESG target going forward.

**2.5 Deferred disbursement, through retention of variable remuneration components and virtual shares (phase 2)**



Aareal Bank has implemented robust regulations governing retention. These ensure that the remuneration paid to the Management Board members is linked to the institution’s long-term and sustainable success. They also promote alignment with shareholder interests, as 55% of the variable remuneration is granted in the form of virtual shares, meaning that it is linked to long-term share price performance. As 25% of the variable remuneration is granted as a deferred cash payment, a total of 80% of the variable remuneration is paid out as a deferred remuneration component. While the Supervisory Board can opt to adopt, and reach an agreement with the Management Board members on, a different breakdown for the variable remuneration components, care must always be taken to ensure that at least 55% of the variable remuneration amount that is originally calculated is granted in the form of virtual shares.





**Overview of pay-out components of variable remuneration**

	Share	Deferral period	Payout date (usually April or May)	Share-based
<b>Cash bonus</b>	20%	n/a	In the first year after the assessment period	None
<b>Share bonus</b>	20%	n/a (but holding period of one year)	In the second year after the assessment period	Yes (virtual)
<b>Cash deferral</b>	25%	Pay-out in equal annual tranches over five years	From the second until the sixth year after the assessment period	None
<b>Share deferral</b>	35%	Pay-out in equal annual tranches over five years, each being subject to an additional holding period of one year	From the third until the seventh year after the assessment period	Yes (virtual)

**Further details on share-based remuneration**

<b>Initial conversion</b>	The share-based portion of the variable remuneration is converted into a corresponding number of virtual shares. The number of virtual shares is calculated based on the weighted average Aareal Bank share price on the five (Xetra®) stock exchange trading days following the publication of the preliminary business figures for the financial year for which the share-based variable remuneration is being granted.
<b>Amount disbursed</b>	Before the share bonus/share deferral tranche is paid out, the virtual shares are converted into a cash amount based on the weighted average Aareal Bank share price on the five (Xetra®) stock exchange trading days following the publication of the preliminary business figures for the year prior to the payout.
<b>Cap</b>	The amount paid out for the share-based remuneration components for a given financial year can vary depending on share price performance and is capped at 300% of the amount of the share bonus/share deferral component calculated based on the bonus amount initially calculated.
<b>Dividends</b>	In accordance with the regulatory requirements for banks, Management Board members do not receive any dividend payments for the share-based remuneration components of their variable remuneration during the retention period. If dividends are paid on shares in Aareal during the holding period, a payment is made as a salary component in the amount of the dividend and the portion of the virtual shares.
<b>Changes in structure</b>	If the number of shares issued by Aareal changes during the retention/holding period, the number of virtual shares can be adjusted.

## 2.6 Ex-post review of target achievement and behaviour of the Management Board members

In accordance with the regulatory requirements, the Management Board members are only entitled to the deferred variable remuneration components when they are paid out. Before the payment is made, the Supervisory Board performs several checks to determine whether deferred variable remuneration components should be reduced or even clawed back (ex-post risk adjustment). In addition, all deferred variable remuneration tranches are subject to the risk-bearing capacity requirements described above (see section entitled “Additional ex-ante risk adjustment”).

### Ex-post risk adjustment

<b>Backtesting</b>	Before the retention period of a deferred tranche ends, the Supervisory Board performs a retrospective review of the original performance measurement. If, for example, an indicator used to determine variable remuneration needs to be adjusted retrospectively, this can result in the variable remuneration components being reduced retrospectively before they vest.
<b>Malus</b>	<p>Until they are paid out, variable remuneration components remain subject to the same malus review as before the initial determination of the variable remuneration, which allows for a subsequent reduction or even the cancellation of the entire variable remuneration.</p> <p>Events that can trigger a malus include intentional breaches of internal or external regulations, conduct that damages the Bank's reputation and negative contributions to performance resulting in substantial losses or significant regulatory sanctions.</p>
<b>Clawbacks</b>	The variable remuneration for Management Board members is also subject to clawback regulations. In cases involving negative performance contributions (see below), the Supervisory Board can claw back variable remuneration components that have already been paid out for up to two years after the end of the last retention period for the variable remuneration paid out for the financial year in question.

### Further details on malus and clawback regulations

When determining the variable remuneration and before the retention period for a deferred tranche ends, or the tranche is paid out, the Supervisory Board performs a review, in line with the regulatory requirements, to determine whether there are any reasons that could justify a reduction in, or even the full cancellation of, the variable remuneration. These malus-triggering events can, for example, include scenarios involving certain forms of unconscionable behaviour or behaviour in breach of duties, or so-called negative performance contributions by the Management Board member.

Negative performance contributions include, for example, situations where the Board member was materially involved in (or materially responsible for) conduct that resulted in a significant loss to the institution or a significant regulatory sanction, and also where the Board member has proven to have seriously violated certain relevant regulations regarding suitability and conduct.

The variable remuneration is reduced to zero in the event of negative performance contributions. The Supervisory Board has concluded clawback agreements with the Management Board members based on which the variable remuneration can be clawed back, in the event of negative performance contributions, for a period of up to two years after the end of the last retention period for the variable remuneration paid for the financial year in question.

## 2.7 Payments made upon regular or early contract termination

The following table shows the payments made upon regular or early contract termination. Information on pension commitments is provided in the chapter on “Pensions”.

<p><b>Treatment of remuneration components in the event of leaving the Company</b></p>	<p>In the event of regular or early contract termination, the retention periods and holding periods for deferred remuneration components are not shortened by the termination. The deferred remuneration components remain subject to the same backtesting, malus and clawback conditions even after the termination of the individual's contract. For the year during which the contract was terminated, variable remuneration is determined pro rata temporis, based on the duration of the employment in the given financial year.</p>
<p><b>Early termination</b></p>	<p>In accordance with the German Public Limited Companies Act (AktG), employment contracts do not provide for any option for termination for convenience; this does not affect the right of both parties to terminate the employment contract for good cause without notice.</p> <p>The Management Board member's contract ends automatically if the member becomes permanently incapacitated for work as defined by the individual contracts. In such cases, the Management Board employment contracts may provide for the continued payment of the member's fixed annual remuneration (plus (substitute) social security contributions) from the start of the permanent incapacity for work and for a period of up to six months (taking into account those periods for which continued salary payments have already been made). The continued payments cannot, however, extend beyond the date on which the employment relationship would have normally ended.</p> <p>The service contracts may state that, if a member of the Management Board dies during the term of his/her contract, widows, widowers or partners and legitimate children (provided they have not yet turned 27 and are still in vocational training/further education) are entitled, as joint and several creditors, to continued fixed salary payments for the month of death and the following six months, but until the contract ends at the latest. In such cases, the variable remuneration is calculated pro rata temporis for the period leading up to the member's death.</p>
<p><b>Severance payments</b></p>	<p>The Management Board service contracts do not include any obligation to make a severance payment in the event of premature termination. Service contracts concluded from 2021 onwards also do not feature any change-of-control clause providing for severance pay. The service contracts concluded prior to 2021 include change-of-control clauses that provide for severance pay in certain cases. If these members were to be reappointed, the change-of-control clauses would no longer be included in that member's extended service contract.</p> <p>Severance payments can still be included in individual cancellation of contract agreements provided that they are consistent with the regulatory requirements, in particular the German Regulation on Remuneration in Financial Institutions. The service contracts concluded with the Management Board members stipulate that, in the event that the contract is terminated early for a reason other than good cause, severance pay must not exceed the value of two annual remuneration payments and must not pay remuneration for more than the residual term of the member's contract (severance cap).</p>
<p><b>Non-compete clause</b></p>	<p>The service contracts do not contain any non-compete clauses with waiting allowances. The Supervisory Board can agree a post-contractual non-compete clause for a period of up to 24 months. For this period, appropriate compensation would be determined on a case-by-case basis. If post-contractual non-compete clauses were agreed, any severance payments would be taken into account in the calculation of any waiting allowance.</p>
<p><b>Temporary incapacity for work</b></p>	<p>In the event of temporary, non-permanent incapacity for work, members of the Management Board continue to receive their fixed annual remuneration for a period of up to six months. The Supervisory Board has the discretion to decide whether the variable-remuneration components are also granted in full or in part for the periods in which continued salary payments are made. For newly appointed Management Board members, or members reappointed from 2021 onwards, the service contracts contain a provision stating that no variable remuneration components are granted for periods exceeding three months in the financial year in question.</p>

## 2.8 Deviations from the remuneration system

As shown above, Aareal Bank has responded to the rejection of the previous remuneration system by the 2021 ordinary Annual General Meeting and has structured Mr Klösger's remuneration based on conditions that match the remuneration system adopted by the 2022 ordinary Annual General Meeting. The target variable remuneration, for example, has been increased significantly in relation to the other remuneration components (from approx. 40% to approx. 46%) and the pension contributions have been reduced significantly in relation to the other components (from approx. 15% to approx. 8%). The same applies to Ms Babic, who was appointed during the year under review.

In addition, and in line with the new remuneration system, Mr Klösger and Ms Babic are already subject to the revised pension commitment, which only provides for a fund index performance-based interest rate with a guarantee covering the contributions made.

### 3. Target achievement in the 2022 financial year

Notwithstanding the Management Board's overall responsibility for the Bank's management, specific divisional and individual targets were agreed upon for each Management Board member. The three-year assessment period means that the overall target achievement level also reflects target achievement in the 2020 and 2021 financial years. In Ms Babic's case, the overall target achievement level is based exclusively on target achievement in the 2022 financial year, as Ms Babic only joined the Management Board in the course of that financial year. Her variable remuneration is subject to a seven-year as opposed to a five-year retention period in line with the regulatory requirements. In Mr Klösge's case, variable remuneration is subject to a six-year retention period, since he joined the Bank in 2021. Against this background, his remuneration is calculated based on the 2021 and 2022 financial years.

The assessment of the individual targets regarding variable remuneration in the year under review yielded the following results:

	Jochen Klösge	Marc Hess	Christiane Kunisch-Wolff	Christof Winkelmann	Nina Babic
%					
<b>2022 Overall Bank performance</b>	<b>122</b>				
Divisional targets	113	142	133	125	100
Individual targets	133	133	133	133	100
<b>2021 Overall Bank performance</b>	<b>148</b>				
Divisional targets	105	112	106	110	
Individual targets	125	142	135	135	
<b>2020 Overall Bank performance</b>	<b>20</b>				
Divisional targets		110	110	110	
Individual targets		130	120	120	
<b>Overall target achievement level for 2022</b>	<b>127.25</b>	<b>123.66</b>	<b>122.17</b>	<b>121.60</b>	<b>115.67</b>
<b>Amount of variable remuneration (€)</b>	<b>1,400,000 €<sup>1)</sup></b>	<b>964,548 €</b>	<b>558,702 €</b>	<b>948,480 €</b>	<b>326,538 €</b>

<sup>1)</sup> Given an overall target achievement level of 127.25%, the imputed variable remuneration for Mr Klösge would have amounted to € 1,527,000. However, since in accordance with the requirements set out in the German Banking Act, variable remuneration must not exceed 100% of fixed remuneration (bonus cap), variable remuneration was € limited to € 1,400,000.

#### 3.1 Group performance targets 2022

The target achievement level for the Group performance is calculated by multiplying the target achievement level for an earnings target with a risk-adjusting indicator. At the beginning of the year, consolidated operating profit before taxes of € 239 million (adjusted) was set as the earnings target for 100% target achievement, while a target RWA level of € 13.604 billion based on Basel IV IRBA (adjusted) was used as a risk-adjusting indicator.

Thresholds were set for both target parameters which, if undercut or – in the case of RWA – exceeded, result in a target achievement level of zero.

Aareal Bank exceeded its targets for 2022. The members of the Management Board played a key role in this success story. This is also reflected in the Group target achievement level in particular.

	Operating profit before taxes	Risk-weighted assets Basel IV IRBA
<b>Link to strategy</b>	Operating profit before taxes is the key Group performance indicator that reflects the Bank's profitability and cost situation, and also plays a decisive role in the Bank's external communication and how it is viewed externally.	Risk-weighted assets are a key performance indicator with regard to the Bank's risk position and are also a key regulatory indicator of compliance with the capital requirements.
<b>Target achievement in %</b>	105.13%	116.42%
	<p>The chart shows target achievement for Operating profit before taxes (€ mn) on a scale from 0% to 200%. The achievement starts at 0%, jumps to 50%, then rises to 100%, and finally reaches 150%.</p>	<p>The chart shows target achievement for RWAs (€ bn) on a scale from 0% to 150%. The achievement starts at 0%, jumps to 75%, then rises to 100%, 116.42%, and finally reaches 125%.</p>
<b>Overall Group target achievement in %</b>	122.38% (product of both individual target achievement levels)	

### 3.2 Outlook for 2023

The Group targets will be adjusted for the financial years from 2023 onwards. In particular, the target system has been revised to place increased emphasis on the aspects of return on investment, profitability, and ESG. For more detailed information, please refer to the revised Management Board remuneration system, which was presented to the ordinary Annual General Meeting 2022 and approved by a large majority of the Bank's shareholders.

### 3.3 Divisional targets for 2022

Notwithstanding the Management Board's overall responsibility for the Bank's management, specific divisional and individual targets were agreed upon for each Management Board member. Whilst the individual targets reflect especially the individual contributions of each Management Board member, the divisional targets are meant to reflect the target achievement of the respective Management Board member's area of responsibility. Thus, the strategic initiatives and measures defined and implemented in the respective area of responsibility are the main basis for determining divisional targets. Furthermore, various ESG targets (derived from the business strategy) have been agreed upon on both levels.

#### Divisional targets

Weighting	Targets	KPI	Target achievement	Target achievement divisional component
<b>Jochen Klösger</b>				
33%	Optimise the deposit structure	– BDS deposits	134%	
33%	Organic growth initiatives	– Aareon sales revenues and – Aareon adjusted EBITDA	69% 91%	113%
33%	Optimise the cost base	– Cost target according to the plan for the CEO section	125%	

Weighting	Targets	KPI	Target achievement	Target achievement divisional component
<b>Marc Hess</b>				
33 %	Optimise funding structure (including green funding)	– Funding plan fulfilled, in line with the planning for the financial year 2022, complying with liquidity indicators (3-month liquidity, LCR, NSFR)	150 %	
33 %	Continuous review and optimisation of capital management	– Target Basel IV ratio (phase-in), adjusted for regulatory changes as well as results from the IMI audit not yet incorporated in the planning)	150 %	
33 %	Optimise the cost base	– Cost target according to the plan for the CFO section (adjusted for unplanned expenses for M&A transactions including the takeover offer, contributions to/levies by the deposit protection fund (Einlagensicherungsfonds – “ESF”), the statutory compensation facility (Entschädigungseinrichtung deutscher Banken – “EdB”) and the bank levy diverging from the plan, as well as costs driven by the share price development)	125 %	142 %
<b>Christiane Kunisch-Wolff</b>				
33 %	Optimise the cost base	– Cost target according to the plan for the CRO section – Devise sustainable concepts for cost efficiency enhancements in the GCRO section (compared to the current bottom-up planning for 2024)	100 % 150 %	
33 %	Operationalise regulatory requirements/risk culture	– Implement risk culture-related self-assessment – Devise a concept mapping concentration limits	125 %	133 %
33 %	Continue the cultural transformation	– Coaching and induction for Ms Babic, execute material parts of her induction plan and support her objectives	150 %	
<b>Christof Winkelmann</b>				
33 %	Expand the lending business with attractive margins, adhering to risk standards and maintaining the risk appetite	– Grow SPF portfolio volume (including non-SPF business) to € 31 billion by year-end 2022, adhering to income and risk parameters (“KPIs”) defined in bottom-up planning	100 %	
33 %	Enhance balance sheet flexibility, increasing market relevance	– Enhancing balance sheet flexibility to improve risk positions via syndications (syndication volume in line with margins) – Reduce the Stage 2 portfolio through migration to Stage 1	150 % 150 %	125 %
33 %	Optimise the cost base	– Cost target according to the plan for the CMO section	125 %	
<b>Nina Babic</b>				
33 %	Optimise the cost base	– Cost target according to the plan for the CRO section	100 %	
33 %	Operationalise regulatory requirements	– Review the NPL reduction strategy with the aim of reducing the legacy NPL portfolio	100 %	
33 %	Continue the cultural transformation	– Familiarisation with the divisions added to her scope of responsibility through the assumption of the CRO function (NFR, RCO, RA, ISD)	100 %	100 %

### 3.4 Individual targets for 2022

The individual targets for the 2022 financial year consisted exclusively of ESG targets. The focus in the 2022 financial year was on building a green finance portfolio in line with the Bank's green finance requirements.

#### Individual targets

Targets	KPI	Target achievement
<b>Jochen Klösger</b>		
Implement ESG in the banking business	<ul style="list-style-type: none"> <li>– 20 % green buildings in the SPF portfolio, in line with Aareal Bank's Green Finance Framework</li> <li>– € 600 million of additional green loans in new business</li> <li>– € 1 billion of green funding</li> </ul>	133 %
<b>Marc Hess</b>		
Implement ESG in the banking business	<ul style="list-style-type: none"> <li>– 20 % green buildings in the SPF portfolio, in line with Aareal Bank's Green Finance Framework</li> <li>– € 600 million of additional green loans in new business</li> <li>– € 1 billion of green funding</li> </ul>	133 %
<b>Christiane Kunisch-Wolff</b>		
Implement ESG in the banking business	<ul style="list-style-type: none"> <li>– 20 % green buildings in the SPF portfolio, in line with Aareal Bank's Green Finance Framework</li> <li>– € 600 million of additional green loans in new business</li> <li>– € 1 billion of green funding</li> </ul>	133 %
<b>Christof Winkelmann</b>		
Implement ESG in the banking business	<ul style="list-style-type: none"> <li>– 20 % green buildings in the SPF portfolio, in line with Aareal Bank's Green Finance Framework</li> <li>– € 600 million of additional green loans in new business</li> <li>– € 1 billion of green funding</li> </ul>	133 %
<b>Nina Babic</b>		
Implement ESG in the banking business	<ul style="list-style-type: none"> <li>– 19.77 % green buildings in the SPF portfolio, in line with Aareal Bank's Green Finance Framework</li> </ul>	100 %

### 3.5 Malus review, backtesting, clawback, risk-bearing capacity

In March 2023, as part of the annual malus review, the Supervisory Board checked whether there were any factors that could lead to a reduction in the variable remuneration for the past financial year or a subsequent reduction in and/or a subsequent clawback of the variable remuneration for previous years. No such factors were identified.

The annual review of risk-bearing capacity in accordance with section 7 of the German Regulation on Remuneration in Financial Institutions revealed that, from the perspective of risk-bearing capacity, there are no factors arguing against determining the variable remuneration for 2022 and paying out deferred remuneration components from previous years.

### 3.6 Other information

No severance payments were agreed with Management Board members in the last financial year. Christiane Kunisch-Wolff left the Bank during the year under review without receiving severance pay. The termination agreement concluded in this context does not include any agreements on this topic. Aareal Bank agreed to pay for Ms Kunisch-Wolff's legal advice during the negotiations on the termination agreement up to an amount of € 30,000.

No member of the Management Board was promised any kind of remuneration by third parties – neither in connection with their activity as member of the Management Board of Aareal Bank nor in connection with the takeover bid made by Atlantic BidCo GmbH.



#### 4. (Virtual) shareholdings of Management Board members and share-based remuneration

More than half of the variable remuneration is granted in the form of virtual shares. The long retention periods mean that Management Board members typically earn virtual shares amounting to more than 100 % of their fixed annual salary at the latest after three years of service.

The following table illustrates the number of virtual shares which are subject to retention for each member of the Management Board, as well as their value as a percentage of the basic remuneration paid during the year under review.

	Number of outstanding virtual shares at the end of the financial year	Virtual shares determined for the reporting year	Total number of shares	Total value of virtual shares <sup>1)</sup>	Total value of virtual shares (in % of the basic remuneration for the reporting year)
Jochen Klösger	8,523	23,340	31,863	1,051,160	88 %
Nina Babic		5,444	5,444	179,598	50 %
Marc Hess	35,951	16,081	52,032	1,716,536	191 %
Christiane Kunisch-Wolff	39,858	9,315	49,173	1,622,217	306 %
Christof Winkelmann	39,691	15,813	55,504	1,831,077	203 %
<b>Total</b>	<b>124,023</b>	<b>69,993</b>	<b>194,016</b>	<b>6,400,588</b>	<b>165 %</b>

<sup>1)</sup> The total value of the virtual shares was calculated based on a share price of € 32.99. This is the weighted average price for the first five (Xetra) exchange trading days following the publication of the preliminary business figures for the reporting year. This price is also used to convert the variable remuneration for the reporting year into virtual shares.

#### 5. Adherence to maximum remuneration

The remuneration paid to the Management Board members is capped in three ways.

First, the variable remuneration calculated is based directly on the overall target achievement level, the maximum target achievement level for which is 150 %.

Second, the Bank decided to cap the variable remuneration (bonus cap) at 100 % of the fixed remuneration (base salary plus pension contribution).

Third, the Management Board remuneration system provides for maximum remuneration of € 5.5 million per Management Board member in accordance with section 87a (1) sentence 2 no. 1 of the AktG, which limits the total amount of remuneration actually paid out for a financial year. The revised Management Board remuneration system adopted by the ordinary Annual General Meeting 2022 provides for a reduction in the maximum remuneration (as defined in section 87a (1) sentence 2 no. 1 of the AktG) from € 5.5 million to € 4.5 million. As a matter of principle, compliance with the maximum remuneration (as defined in section 87a (1) sentence 2 no. 1 of the AktG) can only be reported in the Remuneration Report for the reporting year in which the last tranche of the variable remuneration for 2022 is paid out. This is 2029 or, in Mr Klösger's and Ms Babic's case, 2030 and 2031, respectively, due to the longer retention periods.

If it is already certain that the maximum remuneration will be exceeded before that point in time, payment of those remuneration components that are responsible for the maximum remuneration being exceeded is capped. In this sort of scenario, compliance with the maximum remuneration would be reported in the financial year in which the cap is imposed.

## 6. Amount of remuneration in the reporting year

Changes in total remuneration as compared to the previous year were due to several factors, such as changed target achievement levels and changes in the Management Board's composition. When comparing total remuneration, the latter must be kept in mind. In the 2022 financial year, the total remuneration calculated for the Management Board as a whole fell overall as against the 2021 financial year, from € 8.6 million to € 8.1 million. The amount of € 8.1 million for 2021 includes the remuneration of the retired Management Board members, which is why a different total amount is shown in the table below where only the Management Board members active in 2022 are shown.

The table below illustrates the remuneration calculated by the Supervisory Board for the reporting year. The multi-year variable remuneration components are subject to the conditions of ex-post risk adjustment as described in this report, and partially depend on Aareal Bank's share price performance. Therefore, there may be deviations in subsequent years between the amount defined initially and the amount which is actually paid out.

	2022				2021
	Basic salary	Variable remuneration due immediately	Multi-year variable remuneration	Total remuneration (Excluding ancillary benefits)	Total remuneration (Excluding ancillary benefits)
€ 000's					
Jochen Klösches	1,200	280	1,120	2,600	766
Nina Babic	360	65	261	687	
Marc Hess	900	193	772	1,865	1,759
Christiane Kunisch-Wolff	530	112	447	1,089	1,746
Christof Winkelmann	900	190	759	1,848	1,749
<b>Total</b>	<b>3,890</b>	<b>840</b>	<b>3,359</b>	<b>8,088</b>	<b>6,020</b>

### 6.1 Target remuneration and allocation to remuneration components

The tables below show the target remuneration, the actual remuneration, the minimum and maximum remuneration, as well as the allocation to the individual remuneration components, including ancillary benefits, for each Management Board member who was active in the reporting year.

The actual remuneration is the remuneration defined for the financial year, irrespective of the year in which it is paid out, irrespective of any subsequent changes in value due to share price fluctuations and irrespective of any potential subsequent reductions due to backtesting, malus scenarios or clawbacks.

Jochen Klösches	2022						2021	
	Actual (€ 000's)	Actual (in %)	Target (€ 000's)	Target (in %)	Min. (€ 000's)	Max. (€ 000's)	Actual (€ 000's)	Target (€ 000's)
Fixed remuneration	1,200	45 %	1,200	49 %	1,200	1,200	353	353
Ancillary benefits	45	2 %	45	2 %	45	45	13	13
<b>Total fixed remuneration</b>	<b>1,245</b>	<b>47 %</b>	<b>1,245</b>	<b>51 %</b>	<b>1,245</b>	<b>1,245</b>	<b>366</b>	<b>366</b>
One-year variable remuneration	280	11 %	240	10 %		280	82	71
Multi-year variable remuneration								
Share bonus	280	11 %	240	10 %		280	82	71
Cash deferral	350	13 %	300	12 %		350	103	89
Share deferral	490	19 %	420	17 %		490	144	124
<b>Total variable remuneration</b>	<b>1,400</b>	<b>53 %</b>	<b>1,200</b>	<b>49 %</b>		<b>1,400</b>	<b>412</b>	<b>355</b>
<b>Total remuneration</b>	<b>2,645</b>	<b>100 %</b>	<b>2,445</b>	<b>100 %</b>	<b>1,245</b>	<b>2,645</b>	<b>778</b>	<b>721</b>

Nina Babic	2022						2021	
	Actual (€ 000's)	Actual (in %)	Target (€ 000's)	Target (in %)	Min. (€ 000's)	Max. (€ 000's)	Actual (€ 000's)	Target (€ 000's)
Fixed remuneration	360	51 %	360	54 %	360	360		
Ancillary benefits	20	3 %	20	3 %	20	20		
<b>Total fixed remuneration</b>	<b>380</b>	<b>54 %</b>	<b>380</b>	<b>57 %</b>	<b>380</b>	<b>380</b>		
One-year variable remuneration	65	9 %	56	9 %		85		
Multi-year variable remuneration								
Share bonus	65	9 %	56	9 %		85		
Cash deferral	82	12 %	71	11 %		106		
Share deferral	114	16 %	99	15 %		148		
<b>Total variable remuneration</b>	<b>327</b>	<b>46 %</b>	<b>282</b>	<b>43 %</b>		<b>423</b>		
<b>Total remuneration</b>	<b>707</b>	<b>100 %</b>	<b>663</b>	<b>100 %</b>	<b>380</b>	<b>804</b>		

Marc Hess	2022						2021	
	Actual (€ 000's)	Actual (in %)	Target (€ 000's)	Target (in %)	Min. (€ 000's)	Max. (€ 000's)	Actual (€ 000's)	Target (€ 000's)
Fixed remuneration	900	47 %	900	52 %	900	900	900	900
Ancillary benefits	47	2 %	47	3 %	47	47	49	49
<b>Total fixed remuneration</b>	<b>947</b>	<b>50 %</b>	<b>947</b>	<b>55 %</b>	<b>947</b>	<b>947</b>	<b>949</b>	<b>949</b>
One-year variable remuneration	193	10 %	156	9 %		234	172	156
Multi-year variable remuneration								
Share bonus	193	10 %	156	9 %		234	172	156
Cash deferral	241	13 %	195	11 %		293	215	195
Share deferral	338	18 %	273	16 %		410	301	273
<b>Total variable remuneration</b>	<b>965</b>	<b>50 %</b>	<b>780</b>	<b>45 %</b>		<b>1,170</b>	<b>859</b>	<b>780</b>
<b>Total remuneration</b>	<b>1,912</b>	<b>100 %</b>	<b>1,727</b>	<b>100 %</b>	<b>947</b>	<b>2,117</b>	<b>1,809</b>	<b>1,729</b>

Christiane Kunisch-Wolff	2022						2021	
	Actual (€ 000's)	Actual (in %)	Target (€ 000's)	Target (in %)	Min. (€ 000's)	Max. (€ 000's)	Actual (€ 000's)	Target (€ 000's)
Fixed remuneration	530	45 %	530	49 %	530	530	900	900
Ancillary benefits	88	7 %	88	8 %	88	88	42	42
<b>Total fixed remuneration</b>	<b>618</b>	<b>53 %</b>	<b>618</b>	<b>57 %</b>	<b>618</b>	<b>618</b>	<b>942</b>	<b>942</b>
One-year variable remuneration	112	9 %	91	9 %		137	169	156
Multi-year variable remuneration								
Share bonus	112	9 %	91	9 %		137	169	156
Cash deferral	140	12 %	114	11 %		171	211	195
Share deferral	196	17 %	160	15 %		240	296	273
<b>Total variable remuneration</b>	<b>559</b>	<b>47 %</b>	<b>457</b>	<b>43 %</b>		<b>686</b>	<b>846</b>	<b>780</b>
<b>Total remuneration</b>	<b>1,176</b>	<b>100 %</b>	<b>1,075</b>	<b>100 %</b>	<b>618</b>	<b>1,304</b>	<b>1,787</b>	<b>1,722</b>

Christof Winkelmann	2022						2021	
	Actual (€ 000's)	Actual (in %)	Target (€ 000's)	Target (in %)	Min. (€ 000's)	Max. (€ 000's)	Actual (€ 000's)	Target (€ 000's)
Fixed remuneration	900	47 %	900	52 %	900	900	900	900
Ancillary benefits	48	3 %	48	3 %	48	48	38	38
<b>Total fixed remuneration</b>	<b>948</b>	<b>50 %</b>	<b>948</b>	<b>55 %</b>	<b>948</b>	<b>948</b>	<b>938</b>	<b>938</b>
One-year variable remuneration	190	10 %	156	9 %		234	170	156
Multi-year variable remuneration								
Share bonus	190	10 %	156	9 %		234	170	156
Cash deferral	237	13 %	195	11 %		293	212	195
Share deferral	332	18 %	273	16 %		410	297	273
<b>Total variable remuneration</b>	<b>948</b>	<b>50 %</b>	<b>780</b>	<b>45 %</b>		<b>1,170</b>	<b>849</b>	<b>780</b>
<b>Total remuneration</b>	<b>1,896</b>	<b>100 %</b>	<b>1,728</b>	<b>100 %</b>	<b>948</b>	<b>2,118</b>	<b>1,787</b>	<b>1,718</b>

## 6.2 Remuneration granted and owed (paid) in the reporting year

The tables below show the remuneration paid out in the reporting year. This is the remuneration granted and owed pursuant to section 162 (1) sentence 1 of the AktG. It includes remuneration components which were either actually paid (“granted”) to the Management Board members in the year under review or that were due in the same period, but have not yet been paid out (“owed”). In accordance with section 162 (1) sentence 2 of the AktG, the relative shares of the individual remuneration components are also shown.

Remuneration paid out	Jochen Klösiges		Nina Babic		Marc Hess		Christiane Kunisch-Wolff		Christof Winkelmann									
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021								
	€ 000's	in %	€ 000's	in %	€ 000's	in %	€ 000's	in %	€ 000's	in %								
Fixed remuneration	1,200	90 %	353	97 %	360	95 %	900	65 %	900	72 %	530	43 %	900	57 %	900	59 %	900	58 %
Ancillary benefits	45	3 %	13	3 %	20	5 %	47	3 %	49	4 %	88	7 %	42	3 %	48	3 %	38	2 %
<b>Total (fixed)</b>	<b>1,245</b>	<b>94 %</b>	<b>366</b>	<b>100 %</b>	<b>380</b>	<b>100 %</b>	<b>947</b>	<b>69 %</b>	<b>949</b>	<b>75 %</b>	<b>618</b>	<b>50 %</b>	<b>942</b>	<b>60 %</b>	<b>948</b>	<b>62 %</b>	<b>938</b>	<b>61 %</b>
One-year variable	82	6 %					172	12 %	114	9 %	169	14 %	111	7 %	170	11 %	112	7 %
Multi-year variable																		
Share bonus for 2020							136	10 %			133	11 %			133	9 %		
Share bonus for 2019									138	11 %			135	9 %			129	8 %
Share bonus for 2017													90	6 %			91	6 %
Cash deferral for 2020							28	2 %			28	2 %			28	2 %		
Cash deferral for 2019							39	3 %	39	3 %	46	4 %	46	3 %	44	3 %	44	3 %
Cash deferral for 2018							9	1 %	9	1 %	42	3 %	42	3 %	42	3 %	42	3 %
Cash deferral for 2017													79	5 %			80	5 %
Share deferral for 2019							41	3 %			48	4 %			46	3 %		
Share deferral for 2018							8	1 %	7	1 %	39	3 %	32	2 %	39	3 %	32	2 %
Share deferral for 2017											54	4 %	45	3 %	55	4 %	46	3 %
Share deferral for 2016											51	4 %	43	3 %	32	2 %	27	2 %
Share deferral for 2015																		
Dividend									3	0 %			6	0 %			5	0 %
<b>Total (variable)</b>	<b>82</b>	<b>6 %</b>					<b>433</b>	<b>31 %</b>	<b>309</b>	<b>25 %</b>	<b>609</b>	<b>50 %</b>	<b>628</b>	<b>40 %</b>	<b>588</b>	<b>38 %</b>	<b>607</b>	<b>39 %</b>
Pension benefits																		
<b>Total</b>	<b>1,328</b>	<b>100 %</b>	<b>366</b>	<b>100 %</b>	<b>380</b>	<b>100 %</b>	<b>1,381</b>	<b>100 %</b>	<b>1,259</b>	<b>100 %</b>	<b>1,227</b>	<b>100 %</b>	<b>1,570</b>	<b>100 %</b>	<b>1,536</b>	<b>100 %</b>	<b>1,545</b>	<b>100 %</b>

The following table shows the remuneration granted or owed to former members of the Management Board. Pursuant to section 162 (5) of the AktG, no personal details are provided for former members of the Management Board who left the Bank's Management Board prior to 31 December 2012.

Remuneration paid out	Dagmar Knopek (until May 2021)				Hermann J. Merkens (until April 2021)				Thomas Ortmanns <sup>1)</sup> (until September 2021)				Dr. Wolf Schumacher (until September 2015)			
	2022		2021		2022		2021		2022		2021		2022		2021	
	€ 000's	in %	€ 000's	in %	€ 000's	in %	€ 000's	in %	€ 000's	in %	€ 000's	in %	€ 000's	in %	€ 000's	in %
Fixed remuneration			375	29%			475	21%			675	8%				
Ancillary benefits			17	1%			39	2%			32	0%				
<b>Total (fixed)</b>			<b>392</b>	<b>30%</b>			<b>514</b>	<b>23%</b>			<b>707</b>	<b>9%</b>				
One-year variable	69	10%	110	9%	20	1%	179	8%	125	20%	112	1%				
Multi-year variable																
Share bonus for 2020	131	18%			214	15%			134	21%						
Share bonus for 2019			137	11%			226	10%			140	2%				
Share bonus for 2017			112	9%			196	9%			111	1%				
Cash deferral for 2020	28	4%			54	4%			28	4%						
Cash deferral for 2019	47	7%	47	4%	77	6%	77	3%	48	8%	48	1%				
Cash deferral for 2018	49	7%	49	4%	91	7%	91	4%	52	8%	52	1%				
Cash deferral for 2017			99	8%			174	8%			98	1%				
Share deferral for 2019	49	7%			81	6%			50	8%						
Share deferral for 2018	46	6%	38	3%	85	6%	71	3%	48	8%	40	1%				
Share deferral for 2017	67	9%	56	4%	118	8%	98	4%	67	11%	56	1%				
Share deferral for 2016	80	11%	67	5%	143	10%	119	5%	81	13%	67	1%				
Share deferral for 2015			88	7%			123	6%			87	1%			114	27%
Dividend			7	1%			11	1%			7	0%				
<b>Total (variable)</b>	<b>567</b>	<b>79%</b>	<b>811</b>	<b>63%</b>	<b>883</b>	<b>64%</b>	<b>1,367</b>	<b>62%</b>	<b>633</b>	<b>100%</b>	<b>818</b>	<b>10%</b>			<b>114</b>	<b>27%</b>
Pension benefits	154	21%	89	7%	507	36%	335	15%			6,556	81%	340	100%	315	73%
<b>Total</b>	<b>721</b>	<b>100%</b>	<b>1,292</b>	<b>100%</b>	<b>1,390</b>	<b>100%</b>	<b>2,216</b>	<b>100%</b>	<b>633</b>	<b>100%</b>	<b>8,081</b>	<b>100%</b>	<b>340</b>	<b>100%</b>	<b>429</b>	<b>100%</b>

<sup>1)</sup> With regard to his pension commitment (2021), Mr Ortmanns opted for the lump-sum payment of his entire pension capital.

## 7. Pensions

### 7.1 Pension expenses

	2022		2021	
	Service cost from employer contribution (IFRSs)	Defined benefit obligation	Service cost from employer contribution (IFRSs)	Defined benefit obligation
€ 000's				
Jochen Klösger	209	275	67	67
Nina Babic	63	63		
Marc Hess	622	1,474	723	2,215
Christiane Kunisch-Wolff	508	2,033	580	3,033
Christof Winkelmann	674	2,172	788	3,642
<b>Gesamt</b>	<b>2,076</b>	<b>6,018</b>	<b>2,158</b>	<b>8,956</b>

The total amount of pension obligations (IFRSs) to active and former members of the Management Board was € 47 million as at 31 December 2022 (2021: € 65 million). Of that amount, € 5 million (2021: € 11 million) related to members of the Management Board active at the end of the financial year and € 42 million to former members of the Management Board, including those retired from the Board during year under review, and their surviving dependants (2021: € 55 million).

## 7.2 Benefit payments made to former members of the Management Board

For benefit payments made to former members of the Management Board, who resigned from the Board after 31 December 2012, please refer to the tables on remuneration paid. Pursuant to section 162 (5) of the AktG, no personal details are provided for former members of the Management Board who left the Bank's Management Board prior to 31 December 2012.

## 8. Remuneration system for members of the Supervisory Board

The remuneration system for the Supervisory Board members was accepted by 81.54% of the votes cast at the ordinary Annual General Meeting 2021. The fundamental principles of the system and the actual Supervisory Board remuneration paid in 2022 are shown below.

### 8.1 Fundamental principles

Remuneration for the services of the Supervisory Board members is specified in Article 9 of the Memorandum and Articles of Association of Aareal Bank AG. Remuneration for the services of the Supervisory Board members comprises exclusively fixed remuneration, plus an attendance fee. In accordance with the requirements set out in section 25d (5) of the German Banking Act, the members of the Supervisory Board do not receive any variable remuneration components for this activity. Where membership in the Supervisory Board falls short of an entire financial year, said remuneration shall be paid on a pro rata temporis basis. Furthermore, the Supervisory Board members will be reimbursed for their expenses.

Remuneration of the Supervisory Board comprises the following:

Remuneration element	Description	Structure
Fixed remuneration	Remuneration for activities on the Supervisory Board; depending on the role of the respective Supervisory Board member (e.g. Chair of the Supervisory Board or Deputy Chair)	<ul style="list-style-type: none"> <li>– € 50,000 p. a. per Supervisory Board member</li> <li>– € 150,000 p. a. for the Chair</li> <li>– € 75,000 p. a. for the Deputy Chair</li> </ul>
Committee remuneration	Remuneration for activities and duties on the Supervisory Board committees also depends on the role of the respective Supervisory Board member in the respective committee (e.g. a committee chairman)	<ul style="list-style-type: none"> <li>– € 20,000 p. a. each for membership in the Risk Committee and/or Audit Committee</li> <li>– € 40,000 p. a. each for chairing any of the two committees</li> <li>– € 15,000 p. a. each for membership in other committees</li> <li>– € 30,000 p. a. each for chairing any of the other committees</li> </ul>
Attendance fees	Remuneration for participation in Supervisory Board meetings and on the committees of the Supervisory Board	– € 1,000 per meeting

The remuneration for any financial year shall be due and payable one month after the end of the respective financial year.

## 8.2 Supervisory Board remuneration in 2022

	2022			2021		
	Fixed remuneration	Attendance fees	Total	Fixed remuneration	Attendance fees	Total
€						
Prof. Dr Hermann Wagner Chair	270,000	47,000	317,000	138,736	61,000	199,736
Henning Giesecke Member since 31 August 2022	35,292	11,000	46,292			
Denis Hall Member since 31 August 2022	33,611	10,000	43,611			
Thomas Hawel <sup>1)</sup>	65,000		65,000	65,000	30,000	95,000
Petra Heinemann-Specht <sup>1)</sup>	105,000	40,000	145,000	90,917	41,000	131,917
Barbara Antonia Knoflach Deputy Chair since 31 August 2022	42,014	9,000	51,014			
Jan Lehmann <sup>1)</sup>	66,111	23,000	89,111	66,222	31,000	97,222
Hans-Hermann Lotter <sup>2)</sup> Member since 31 August 2022	33,611	10,000	43,611			
Marika Lulay Member since 31 August 2022	31,931	7,000	38,931			
Klaus Novatius <sup>1)</sup> Deputy Chair	105,000	25,000	130,000	105,000	57,000	162,000
Sylvia Seignette	120,000	38,000	158,000	92,139	34,000	126,139
José Sevilla Álvarez <sup>2)</sup> Member since 31 August 2022	33,611	10,000	43,611			
Jana Brendel Member since 31 August 2022	67,500	18,000	85,500	85,958	35,000	120,958
Holger Giese Member since 14 January 2022 to 31 August 2022	53,014	23,000	76,014			
Friedrich Munsberg Member since 14 January 2022 to 31 August 2022	65,292	29,000	94,292			
Richard Peters Member until 31 August 2022 Deputy Chair until 31 August 2022	71,111	21,000	92,111	140,000	57,000	197,000
Elisabeth Stheeman <sup>2)</sup> Member until 31 August 2022	67,778	27,000	94,778	87,139	37,000	124,139
Ulrich Theileis Member since 14 January 2022 to 31 August 2022	53,014	23,000	76,014			
Marija Korsch Member until 9 December 2021 Chair until 23 November 2021				230,681	68,000	298,681
Hans-Dietrich Voigtländer Member until 9 December 2021				108,292	44,000	152,292
Christof von Dryander Member until 9 December 2021				96,250	60,000	156,250
<b>Total</b>	<b>1,318,890</b>	<b>371,000</b>	<b>1,689,890</b>	<b>1,306,334</b>	<b>555,000</b>	<b>1,861,334</b>

<sup>1)</sup> Employee representative

<sup>2)</sup> Income tax plus solidarity surcharge for the Supervisory Board members subject to limited tax liability was declared pursuant to section 50a (1) no. 4 of the German Income Tax Act (Einkommensteuergesetz – EStG), and paid to the German Central Tax Office (Bundeszentralamt für Steuern, BZSt).



## 9. Comparison of earnings performance and remuneration

Pursuant to section 162 (1) sentence 2 no. 2 of the AktG, information has to be provided on earnings development, the annual change in the remuneration paid to members of the Management Board and the Supervisory Board, as well as the annual change in the average remuneration paid to employees on a full-time equivalent basis over the last five financial years.

Earnings performance is shown based on the operating profit before taxes and consolidated net income.

The remuneration granted and owed in the financial year concerned is taken as a basis for the members of the Management Board and the Supervisory Board. This means that for the Management Board, the remuneration paid out in the financial year concerned is shown.

The staff members employed by Aareal Bank AG in Germany are taken as a basis for the employee figures. The remuneration shown in this respect is the gross remuneration defined for the year.

	2018	2019	Changes (2019/2018)	2020	Changes (2020/2019)	2021	Changes (2021/2020)	2022	Changes (2022/2021)
<b>Earnings performance</b>									
Operating profit before taxes (€ mn)	316	248	-22 %	-75	-130 %	155	307 %	239	54 %
Consolidated net income (€ mn)	226	163	-28 %	-69	-142 %	68	199 %	153	125 %
Net profit of Aareal Bank AG for the financial year pursuant to the HGB (€ mn)	126	120	-5 %	90	-25 %	30	-67 %	61	103 %
<b>Average employee remuneration (€ 000's)</b>									
	<b>104,673</b>	<b>106,203</b>	<b>1 %</b>	<b>101,584</b>	<b>-4 %</b>	<b>107,160</b>	<b>5 %</b>	<b>107,870</b>	<b>1 %</b>
<b>Management Board remuneration (€ 000's)</b>									
Jochen Klösches						366		1,328	263 %
Nina Babic								380	
Marc Hess	223	983	340 %	1,203	22 %	1,259	5 %	1,381	10 %
Christiane Kunisch-Wolff	979	1,222	25 %	1,550	27 %	1,570	1 %	1,227	-22 %
Christof Winkelmann	995	1,137	14 %	1,461	28 %	1,545	6 %	1,536	-1 %
Dagmar Knopek (until May 2021)	1,885	1,979	5 %	1,890	-4 %	1,292	-32 %	721	-44 %
Hermann J. Merkens (until Apr 2021)	2,948	3,055	4 %	3,089	1 %	2,216	-28 %	1,390	-37 %
Thomas Ortmanns (until Sep 2021)	2,189	2,013	-8 %	1,904	-5 %	8,081	324 %	633	-92 %
Wolf Schumacher (until Sep 2015)	1,925	1,341	-30 %	555	-59 %	429	-23 %	340	-21 %
Dirk Große Würdemann (until May 2013)	203		-100 %						
<b>Supervisory Board remuneration (€ 000's)</b>									
Prof. Dr Hermann Wagner	129	131	2 %	156	19 %	200	28 %	317	59 %
Henning Giesecke								46	
Denis Hall								44	
Thomas Hawel	77	78	1 %	87	12 %	95	9 %	65	-32 %
Petra Heinemann-Specht	63	85	36 %	111	30 %	132	19 %	145	10 %
Barbara Antonia Knoflach								51	
Jan Lehmann				51		97	92 %	89	-9 %

	2018	2019	Changes (2019/2018)	2020	Changes (2020/2019)	2021	Changes (2021/2020)	2022	Changes (2022/2021)
Hans-Hermann Lotter								44	
Marika Lulay								39	
Klaus Novatius		126		142	13 %	162	14 %	130	-20 %
Sylvia Maria Seignette	103	105	2 %	114	9 %	126	11 %	158	24 %
José Sevilla Álvarez								44	
Jana Brendel (until Aug 2022)				65		121	87 %	86	-30 %
Holger Giese (until Aug 2022)								76	
Friedrich Munsberg (until Aug 2022)								94	
Richard Peters (until Aug 2022)	123	125	2 %	159	27 %	197	24 %	92	-54 %
Elisabeth T. Stheeman (until Aug 2022)	102	104	2 %	113	9 %	124	10 %	95	-25 %
Ulrich Theileis (until Aug 2022)								76	
Marija Korsch (until Dec 2021)	301	302	0 %	320	6 %	299	-7 %	0	-100 %
Dietrich Voigtländer (until Dec 2021)	141	140	-1 %	153	9 %	152	0 %	0	-100 %
Christof von Dryander (until Dec 2021)				84		156	85 %	0	-100 %
Dr Hans-Werner Rhein (until May 2020)	101	106	5 %	52	-51 %				
Prof. Dr Stephan Schüller (until May 2020)	152	148	-3 %	70	-53 %				
Beate Wollmann (until May 2020)	77	85	10 %	41	-52 %				
Dieter Kirsch (until Dec 2018)	120								
York-Detlef Bülow (until Mar 2018)	40								

## 10. Outlook

The revised target system will be applied for the first time in 2023. Changes in the remuneration system for the Management Board are currently not planned for 2023.

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## Audit opinion

To Aareal Bank AG, Wiesbaden

### Opinion on the Audit of the Remuneration Report

We have audited the attached remuneration report, including the associated disclosures, of Aareal Bank AG, Wiesbaden for the financial year from 1 January to 31 December 2022 prepared in compliance with Section 162 of the German Stock Corporation Act (AktG).

### Responsibilities of the legal representatives and the Supervisory Board

The legal representatives and the Supervisory Board of Aareal Bank AG are responsible for preparing the remuneration report, including the associated disclosures, that meets the requirements of Section 162 AktG. The legal representatives and the Supervisory Board are also responsible for the internal controls that they deem necessary to enable the preparation of a remuneration report, including the associated disclosures, that is free from material false disclosures, whether due to fraud or error.

### Responsibilities of the auditor

Our responsibility is to express an opinion on this remuneration report, including the associated disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards of Financial Statement Audits promulgated by the Institute of Public Auditors in Germany (IDW). According to these standards, we must adhere to the professional responsibilities and plan and conduct the audit in such a way that reasonable assurance is obtained as to whether the remuneration report, including the associated disclosures, is free of material false disclosures.

An audit comprises the conducting of audit procedures in order to obtain audit evidence for the valuations contained in the remuneration report including the associated disclosures. The audit procedures are selected at the auditor's due discretion. This includes assessment of the risks of material false disclosures – whether due to fraud or error – in the remuneration report including the associated disclosures. In assessing these risks, the auditor takes into account the internal control system that is relevant to the preparation of the remuneration report including the associated disclosures. The objective here is to plan and conduct audit procedures that are appropriate in the circumstances, but not to express an audit opinion on the effectiveness of the company's internal control system. An audit also comprises the assessment of the accounting policies used, the reasonableness of the estimated values calculated by the legal representatives and the Supervisory Board in their accounting, and the assessment of the overall presentation of the remuneration report, including the associated disclosures.

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

### Audit opinion

In our view, based on the findings of our audit, the remuneration report for the financial year from 1 January to 31 December 2022 including the associated disclosures complies in all material respects with the accounting rules in Section 162 AktG.

### Other matter – Formal audit of the remuneration report

The content-related audit of the remuneration report described in this audit opinion comprises the formal audit of the remuneration report required under Section 162 (3) AktG, including the issuing of an opinion on this audit. As we are issuing an unqualified audit opinion on the content-related audit of the remuneration report, this audit opinion also confirms that the disclosures as per Section 162 (1) and (2) AktG have been made in the remuneration report in all material respects.

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**Note on limitation of liability**

The terms governing this engagement, in fulfilment of which we performed the services detailed above for Aareal Bank AG, are set out in the General Engagement Terms for German Public Auditors and Public Audit Firms as amended on 1 January 2017. By acknowledging and using the information contained in this audit opinion, each recipient confirms that they are aware of the provisions set out therein (including the limitation of liability to 4 million € for negligence in item 9 of the General Conditions of Contract), and recognises their validity in relation to us.

**Frankfurt/Main, 16 June 2023**

**KPMG AG**

**Wirtschaftsprüfungsgesellschaft**

**(Original German version signed by:)**

**Winner**

**Wirtschaftsprüfer**

**(German Public Auditor)**

**Pott**

**Wirtschaftsprüfer**

**(German Public Auditor)**

## C. Information on agenda item 14: Remuneration and remuneration system for members of the Supervisory Board

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### 1. Remuneration of the Supervisory Board

The remuneration of the members of the Supervisory Board is to be determined in a resolution passed at the Annual General Meeting (section 113 (1) sentence 2 alternative 2 of the AktG) The remuneration shall be as follows:

- The fixed remuneration shall be € 50,000 p.a. for each Supervisory Board member. The Chairman of the Supervisory Board shall receive € 250,000 and the Deputy Chairman € 100,000 p.a.
- The fixed remuneration increases for each membership in a committee. The additional fixed remuneration shall be € 25,000 p.a. for members of a committee and € 100,000 p.a. for the chairperson of a committee.
- Furthermore, members of the Supervisory Board are reimbursed for their expenses.
- The remuneration for any financial year shall be due and payable one month after the end of the respective financial year. Where membership in the Supervisory Board or a committee falls short of an entire financial year or a member does not serve as chairperson for the entire financial year, said remuneration shall be paid pro rata temporis.

### 2. Remuneration system for the members of the Supervisory Board, including disclosures pursuant to sections 113 (3) sentence 3 and 87a (1) sentence 2 of the AktG

The Annual General Meeting resolves on remuneration for the members of the Supervisory Board (see I. above). Specifically, the remuneration system for Supervisory Board members is structured as set out below (disclosures pursuant to section 113 (2) sentence 3 in conjunction with section 87a (1) sentence 2 of the AktG):

#### a. Fixed remuneration for Supervisory Board members

The remuneration for members of the Supervisory Board provides for a fixed remuneration (the amount of which depends upon the specific tasks assumed on the Supervisory Board, or on its committees), without a variable, share-based or other performance-related remuneration component (pursuant to section 25d sentence 5 of the KWG). Furthermore, no attendance fee is granted to the members.

Granting fixed remuneration only is in line with the prevailing common practice of other listed companies, complies with the recommendation of the majority of investors and proxy advisors, and has proven appropriate. The Management Board and Supervisory Board believe that granting fixed remuneration to Supervisory Board members is most suitable in order to strengthen the Supervisory Board's independence, to ensure that advisory and monitoring functions are performed in an objective and neutral manner, and to ascertain independent personnel and remuneration decisions. Suggestion G.18 sentence 1 of the German Corporate Governance Code ("GCGC") also provides for fixed remuneration for members of the Supervisory Board.

Granting remuneration exclusively in the form of non-performance-related fixed remuneration contributes to ensuring that Supervisory Board members perform their duties in the best interests of the Company, taking an objective view. The remuneration system for members of the Supervisory Board thus promotes the Company's business and risk strategy, along with its long-term performance.

#### b. Components of fixed remuneration for Supervisory Board members

##### aa. Fixed remuneration for Supervisory Board members

Each Supervisory Board member receives a fixed remuneration of €50,000 p.a. In accordance with recommendation G.17 of the GCGC, the more onerous time commitment of the Chair and the Deputy Chair of the Supervisory Board, as well as of the Chair and the members of committees shall be taken into account in an appropriate manner. Hence, the Chairperson of the Supervisory Board shall receive a fixed remuneration of € 250,000.00 p.a., with € 100,000.00 for their Deputy(ies).

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bb. Additional fixed remuneration for members of the committees

The members of the committees shall receive additional fixed remuneration of € 25,000 p.a. and the committee chairpersons additional fixed remuneration of € 100,000 p. a. The fixed remuneration for a given financial year shall be payable one month after the end of that year. There shall be no further deferment periods for the payout of remuneration components.

Remuneration is determined by reference to the period of being appointed a Supervisory Board member or a committee member. Where members were not part (or did not chair) the Supervisory Board or a committee throughout a full year, remuneration will be made on pro-rata basis.

The members of the Supervisory Board are included in a directors' and officers' ("D&O") liability insurance policy maintained by the Company, with premiums paid by Aareal Bank AG. To the extent required by law, this shall be subject to a 10% deductible. The Company shall also reimburse every Supervisory Board member for expenses incurred in the course of performing his or her office.

The Annual General Meeting adopts a final resolution on the remuneration of the Supervisory Board members; there are no ancillary or supplementary agreements, nor have any commitments been made regarding severance payments, pensions or early retirement schemes.

**c. Fixed remuneration cap**

Remuneration for Supervisory Board members is capped by the aggregate fixed remuneration, which depends upon the specific tasks assumed on the Supervisory Board, or on its committees in each case. No specific maximum remuneration amount has been determined for Supervisory Board members. Given the absence of any performance-related remuneration, setting a maximum remuneration amount for individual members of the Supervisory Board, or for the Supervisory Board as a whole, is not deemed to be appropriate.

**d. Remuneration for all Supervisory Board members in line with prevailing market terms**

The amount and structure of remuneration for Supervisory Board members is in line with prevailing market terms – particularly considering the Supervisory Board remuneration of other listed companies in Germany. This will preserve the Company's ability to attract and maintain candidates for the Supervisory Board with outstanding qualifications, as a prerequisite for the Supervisory Board's ability to perform its advisory and monitoring activities in the best possible manner.

Remuneration rules apply to shareholder representatives as well as employee representatives on the Supervisory Board. The provisions of employment contracts applying to employee representatives on the Supervisory Board have been, and continue to be irrelevant for the remuneration system for the Supervisory Board; this is because Supervisory Board remuneration is provided for an activity that differs fundamentally from the activities of employees of Aareal Bank AG and Aareal Bank Group. Hence, a vertical comparison with employee remuneration is not appropriate.

**e. Review of the remuneration system, role of committees concerned, and measures to avoid and address conflicts of interest**

The Annual General Meeting resolves on, or affirms the remuneration system for Supervisory Board members, upon proposal by the Management Board and the Supervisory Board, at least every four years. The Annual General Meeting of the Company resolves on the remuneration. The Management Board and Supervisory Board shall carry out a review as to whether the amount and structure of remuneration are still in line with prevailing market terms, and are appropriate to the tasks of the Supervisory Board and the Company's overall situation and performance, in regular intervals – at least every four years. For this purpose, the Supervisory Board shall conduct a horizontal market comparison. The Supervisory Board may seek support from remuneration and/or legal advisors in the course of further development and review of the remuneration system. Where there is a reason to amend the remuneration or the remuneration system for the Supervisory Board, the Management Board and Supervisory Board shall submit a proposal to amend the remuneration for the Supervisory Board to the Annual General Meeting.

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The Remuneration Control Committee supports the Supervisory Board in this task.

By virtue of their statutory duties and in accordance with the German Corporate Governance Code, the members of the Management Board, of the Supervisory Board, and of the Supervisory Board committees must disclose any conflicts of interest without delay. In such cases, the executive bodies shall take appropriate measures to deal with the conflict of interest: for example, affected members will not take part in discussions or in the passing of resolutions.



## D. Further information

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### 1. Company website and documents and information available there

The invitation to the Annual General Meeting, the documents to be made available to the Annual General Meeting as well as further information in connection with the Annual General Meeting will be available on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

from the date of convocation of the Annual General Meeting.

Any counter-proposals, nominations or requests for amendments by shareholders that are received by the Company and require publication will also be made available on the above website. The entire video and audio track of the Annual General Meeting will be streamed via the Company's online portal (**shareholder portal**), which can be accessed to duly registered shareholders and their representatives at the Internet address

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

. Among other things, duly registered shareholders and their representatives will be able to exercise their voting rights before and during the Annual General Meeting via the shareholder portal. Following the Annual General Meeting, the voting results will be published on the Company's website mentioned above.

As a special service, the Company will send these documents to shareholders free of charge, upon request. It should be noted that the Company has complied with its legal obligation by making the information available on its website.

### 2. Total number of shares and voting rights

At the time of convening the Annual General Meeting, the Company's share capital amounts to € 179,571,663.00 and is divided into 59,857,221 no-par-value bearer shares. Each share carries one vote at a General Meeting. Therefore, at the time of convening the Annual General Meeting, the total number of voting rights amounts to 59,857,221. At the time of convening the Annual General Meeting, the Company does not hold any treasury shares.

### 3. Execution as an Annual General Meeting without the physical presence of the shareholders or their representatives, streaming of the Annual General Meeting

In accordance with section 118a (1) sentence 1 of the AktG in connection with section 26n (1) of the EGAktG, the Management Board has decided with the approval of the Supervisory Board to hold the Annual General Meeting on 10 August 2023 in virtual form without the physical presence of the shareholders or their representatives at the location of the Annual General Meeting.

The Annual General Meeting will be held in the physical presence of the Chairman of the Annual General Meeting and of members of the Management Board and Supervisory Board, who may participate in the Annual General Meeting by means of live-streaming, and the notary charged with the minutes of the General Meeting and the voting proxies appointed by the Company at the Company's registered office at Paulinenstrasse 15, 65189 Wiesbaden, the location of the Annual General Meeting within the meaning of section 121 (3) of the AktG. The physical participation of the shareholders or their representatives (except for the voting proxies appointed by the Company) is therefore excluded.

The organisation of the Annual General Meeting in a virtual form in accordance with the new statutory provisions in section 118a of the AktG calls for a number of modifications to the procedure for the Annual General Meeting and the exercise of shareholder rights compared to both a physical Annual General Meeting and the last virtual Annual General Meeting held in accordance with the special statutory requirements in connection with the Covid-19 pandemic. For this reason, we kindly ask you to pay special attention to the following information, in particular regarding the possibility to follow the Annual General Meeting by means of a live stream and to exercise voting rights, the right to submit statements, the right to file motions, the right to speak, the right to disclosure and the right to object.

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Shareholders and their representatives may attend the Annual General Meeting via the shareholder portal through live audio and video streaming of the entire Annual General Meeting on Thursday, 10 August 2023 from 12:00 hours CEST via the Internet service at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

and participate in the Annual General Meeting in this way, view the Annual General Meeting in a live stream (audio and video) and exercise their shareholder rights. Shareholders may only participate electronically in the Annual General Meeting and exercise their shareholder rights after duly registering.

A recording of the Management Board's speech will be available after the virtual Annual General Meeting at the same internet address.

Shareholders or their representatives may exercise their voting right solely by postal vote or by issuing proxy authorisation or voting instructions to the voting proxies appointed by the Company as specified below. The planned voting on the agenda items with the exception of agenda item 6 is mandatory, and in each case a yes, no or abstention vote may be cast; the planned voting on agenda items 6 in accordance with section 120a (1) sentence 2 in connection with (4) sentence 2 of the AktG does not establish any rights or obligations, therefore a yes, no or abstention vote is permitted.

#### 4. Shareholder portal

In lieu of the conventional admission ticket, duly registered shareholders will receive a voting card with further information explaining how they can exercise their rights. Among other things, the voting card sets out the logon data, which duly registered shareholders can use to access the Company's shareholder portal at the following Internet address

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

Any previous access data to the shareholder portal for past General Meetings is no longer valid.

The shareholder portal is expected to be open to duly registered shareholders and their representatives from 20 July 2023. Via the shareholder portal, shareholders and their representatives can exercise their voting rights, grant voting proxies, submit statements or lodge objections for inclusion in the minutes of the meeting. To use the shareholder portal, duly registered shareholders must enter the logon data that they have received together with their voting card. Detailed instructions on how to use the shareholder portal and the various options for exercising shareholder rights will be sent to the shareholders together with their voting card and are also available on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

Further information on registering for and using the shareholder portal can also be found there. **Shareholders are asked to note the technical information at the end of this invitation.**

#### 5. Preconditions for participating in the Annual General Meeting via online connection and exercising shareholder rights, in particular the right to vote

Shareholders who have registered prior to the Annual General Meeting and have provided evidence of their right to attend the Annual General Meeting (**duly authorised shareholders**) are authorised to attend the Annual General Meeting electronically and to exercise their shareholder rights, particularly the voting right. Registration with the Company must take place in text form (section 126b of the German Civil Code (Bürgerliches Gesetzbuch – BGB) at the following address (**registration address**). Specific evidence that shares are held shall be required to prove that the shareholder is authorised to attend the Annual General Meeting. A confirmation of shareholdings issued by the last intermediary as defined in section 67c (3) of the AktG shall in any case suffice for this purpose. Specific evidence of the shareholdings must refer to the Record Date and must be transmitted to the Company in text form (section 126b of the BGB) in German or English to the following registration address.

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**Aareal Bank AG**  
c/o Computershare Operations Center  
80249 Munich  
E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

Specific evidence of the shareholdings must refer to 20 July 2023 (00:00 hours CEST) (**the record date for submission of proof**). Registration to participate in the Annual General Meeting and evidence of the shareholding must be submitted to the Company by no later than 3 August 2023 (24:00 hours CEST) at the registration address.

Usually, the necessary registration and transmission of the specific proof of shareholdings are undertaken by the last intermediaries, in particular the custodian banks, on behalf of their customers. Shareholders are therefore requested to contact their custodian bank as early as possible. On receipt of the registration and the enclosed specific proof of shareholdings, the shareholders who are authorised to attend will receive the voting card as confirmation of their registration from the registration office, which includes the necessary logon data for the shareholder portal.

The Company will only consider shareholders who register within the requisite period and have proved that they are authorised to attend the Annual General Meeting and to exercise voting rights to be duly authorised to attend the Annual General Meeting and to exercise their voting rights. The Company shall be entitled to demand suitable additional evidence in cases of doubt regarding the correctness or authenticity of the proof submitted. Where no such evidence is provided, or evidence is not provided in an appropriate form, the Company may deny the shareholder attendance to the meeting.

## 6. Importance of the record date

The right to participate in the Annual General Meeting and to exercise shareholder rights as well as the scope of voting rights depend solely on the shareholdings stated in the evidence as of the record date for submission of proof (the "record date"). However, this record date does not in any way restrict the disposability of shareholdings. Even where shareholdings are sold in whole or in part after the record date, the shareholder's right to participate, and to exercise shareholder rights as well as the scope of the voting rights will be based solely on his/her respective shareholdings on the record date. This means that the sale of shares after the record date does not in any way affect the shareholder's right to participate in the Annual General Meeting or the scope of his/her voting rights. Corresponding provisions apply to the initial or further acquisition of shares after the record date. Anyone who does not hold shares in the Company at the record date, but subsequently becomes a shareholder of the Company may only participate in the Annual General Meeting and exercise shareholder rights (especially voting rights) to the extent that they have been authorised by the previous shareholder to act as a proxy. The record date has no bearing on possible dividend rights.

## 7. Exercise of voting rights by postal vote

Duly registered shareholders can exercise their voting rights by postal vote, which may be lodged in text form by mail or e-mail or electronically via the shareholder portal without actually participating in the Annual General Meeting.

Prior to the Annual General Meeting, duly registered shareholders may use the postal vote form in text form sent to them together with the voting card. In addition, the postal vote form can also be downloaded from the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

Even if you use the postal vote form, postal votes may be submitted, modified or revoked solely

- at the following address: **Aareal Bank AG, c/o Computershare Operations Center, 80249 Munich**, or
- by e-mail at [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

by no later than 9 August 2023 (18:00 hours CEST). The date on which the postal vote is received by the Company is decisive for determining whether it has been duly submitted, modified or revoked in this way. Postal votes that cannot be unambiguously assigned to a duly registered shareholder will be excluded.

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Before and during the Annual General Meeting, duly registered shareholders may also submit (or modify or revoke) their vote electronically at Aareal Bank AG's shareholder portal available at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

It is expected that voting rights may be exercised by way of electronic postal vote via the shareholder portal from 20 July 2023 until the time for voting specified by the chairperson of the Annual General Meeting for the respective vote during the virtual Annual General Meeting on 10 August 2023. Using the shareholder portal, shareholders can also modify or revoke any prior postal votes that they may have already submitted during the Annual General Meeting up until this point in time.

Duly registered shareholders or their representatives who exercise their voting rights by electronic postal vote will receive from the Company electronic confirmation of the votes cast in this way in accordance with the requirements of section 118 (2) sentence 2, (1) sentence 3 of the AktG in conjunction with Article 7 (1) and Article 9 (5) (1) of Commission Implementing Regulation (EU) 2018/1212. This confirmation shall be made available to the shareholder or – in the event of an authorisation – to the representative immediately after the vote is cast by electronic postal vote via the shareholder portal in the Company's shareholder portal or electronically by e-mail. The Company reserves the right to use a third party to make available the electronic confirmation of the electronic exercise of voting rights.

If votes are cast via an intermediary within the meaning of section 67a (4) of the AktG by electronic postal vote, electronic confirmation of the electronic exercise of the voting right shall be transmitted immediately by the intermediary to the shareholder.

Further information on postal voting via the shareholder portal can be found on the voting card sent to duly registered shareholders. Corresponding information and a detailed description of the electronic postal voting process via the shareholder portal are available at the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

## **8. Exercise of voting rights through voting proxies appointed by the Company and the issue of instructions**

Duly registered shareholders may arrange to be represented by a voting proxy appointed by the Company, who is bound by the voting instructions issued by the shareholder in question. Voting proxies and voting instructions may be granted either in text form by mail or e-mail or electronically via the shareholder portal.

In addition to the proxy document, voting proxies appointed by the Company require express and clear instructions from the shareholders for exercising the voting rights. Voting proxies appointed by the Company are obliged to vote in accordance with instructions given to them; they cannot exercise voting rights at their discretion. If the meeting votes on a topic for which a shareholder has not given express instructions, that shareholder's voting proxy will abstain from voting.

The voting proxies exercise their voting right solely on the basis of the instructions they have received from the shareholder. Please note that the voting proxies appointed by the Company will not accept mandates to request to speak, to lodge an objection against resolutions taken at the Annual General Meeting, to ask questions or submit motions.

Prior to the Annual General Meeting, duly authorised shareholders may use the proxy and voting instruction form sent to them by the Company together with the voting card to authorise and instruct the voting proxies appointed by the Company and bound by the instructions of the relevant shareholder to vote on their behalf. In addition, proxy forms may be downloaded from the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

Even if the proxy and voting instruction form is used, proxies and voting instructions for the voting proxies nominated by the Company and bound by the shareholder's instructions can be submitted, modified or revoked solely

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- at the following address: **Aareal Bank AG, c/o Computershare Operations Center, 80249 Munich**, or
  - via e-mail at **anmeldestelle@computershare.de**

by no later than 9 August 2023 (18:00 hours CEST). The date on which the proxy and voting instruction form is received by the Company shall be decisive for determining whether a proxy or voting instruction has been duly submitted, modified or revoked in this way.

Before and during the Annual General Meeting, duly registered shareholders may also grant voting proxies and issue instructions to the voting proxies appointed by the Company at Aareal Bank AG's shareholder portal, which can be reached at the Internet address

**[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)**

The grant of voting proxies and instructions via the shareholder portal is expected to be possible from 20 July 2023 until the point in time announced by the chairperson of the Annual General Meeting during the virtual Annual General Meeting on 10 August 2023. Via the shareholder portal, any prior voting proxies or instructions that may have already been submitted – including via different channels – may be modified or revoked during the Annual General Meeting up until that point in time.

Further information on granting a proxy and issuing voting instructions to the voting proxies appointed by the Company can be found on the voting card sent to duly registered shareholders. Corresponding information and a detailed description of the process for issuing proxies and voting instructions to the voting proxies nominated by the Company via the shareholder portal are available at the Company's website at

**[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)**

## **9. Granting proxies to third parties to exercise voting rights and other rights**

Duly registered shareholders may also authorise a third party (**authorised third party**), e.g. an intermediary, a shareholder association or a proxy advisor to exercise their voting right or other rights. Authorised third-party proxyholders may then exercise the voting rights by postal vote or voting proxy by issuing voting instructions to the voting proxies appointed by the Company (see above). If a shareholder appoints more than one person as a proxyholder, the Company is entitled to reject one or more of these proxyholders in accordance with section 134 (3) sentence 2 of the AktG.

A voting proxy must be granted or revoked or proof provided of such voting proxy to a third party in text form served on the Company (section 126b of the BGB) if no voting proxy is granted in accordance with section 135 of the AktG. Special rules generally apply if voting proxies are granted to third parties in accordance with section 135 of the AktG (voting proxies granted to intermediaries (particularly credit institutions), shareholder associations, proxy advisors or persons who accept voting proxies from shareholders at the Annual General Meeting on a commercial basis). Shareholders who wish to grant voting proxies in accordance with section 135 of the AktG are asked to inquire with the proxyholder in question to be authorised about the applicable conditions and to agree on these with the proxyholder.

Intermediaries (particularly credit institutions), shareholder associations, proxy advisors or persons who accept voting proxies from shareholders at general meetings on a commercial basis who represent a majority of shareholders are recommended to contact the shareholder hotline (see below in the section "Technical details concerning the virtual Annual General Meeting") or the registration office at the above-mentioned address ahead of the Annual General Meeting with regard to the exercise of voting rights.

If voting proxies are not issued to an intermediary (particularly credit institutions), shareholder associations, proxy advisors or persons who accept voting proxies from shareholders at the Annual General Meeting on a commercial basis, the voting proxy may be served directly on the Company or directly on the authorised third-party proxyholder (in which case proof of the grant of the voting proxy must be served on the Company in text form). Notice of the voting proxy served on the Company or evidence of the voting proxy served on the Company must reach the Company

- at the following address: **Aareal Bank AG, c/o Computershare Operations Center, 80249 Munich**, or
- by e-mail at **anmeldestelle@computershare.de**

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This also applies to a revocation of the voting proxy.

Where a proxy is granted, proof of such proxy provided, or a proxy revoked by way of a declaration to the Company by regular mail, the Company must, for organisational reasons, receive such declaration by no later than 9 August 2023 (18:00 hours CEST). It is still possible to serve the voting proxy or proof of voting proxy on the Company or the revocation of a voting proxy until the beginning of voting on the day of the Annual General Meeting by e-mail. Proof of the voting proxy granted in this way can be submitted by sending it (e.g. copy or scan of the voting proxy) to the e-mail address.

Duly registered shareholders wishing to issue a voting proxy to a third party should use the proxy form provided by the Company for this purpose and attached to the voting card. In addition, the proxy form can be downloaded from the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

Proxies are expected to be granted starting from 20 July 2023 up to and including the day of the Annual General Meeting also electronically using the shareholder portal.

For the proxy to connect to, and engage in the Annual General Meeting via the shareholder portal, the proxy must have the access data sent to the voting/authorising party with the voting card. Here too it is necessary to send proof of proxy to the Company. This proof must be served on the Company via the channels described above.

Further information on granting voting proxies to third parties can be found on the voting card sent to duly registered shareholders. Corresponding information and a detailed description of the process for granting voting proxies via the shareholder portal are available at the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

## **10. Further information on the exercise of voting rights**

If voting rights are due to be exercised in due time via several channels (post, e-mail, electronically via the shareholder portal or, pursuant to section 67c (1) and (2) sentence 3 of the AktG in conjunction with Article 2 (1) and (3) and Article 9 (4) of Commission Implementing Regulation (EU 2018/1212) by postal vote or by proxy or, if applicable, instructions, they shall be taken into account in the following order, independently of the date/time of their receipt: 1. electronically via the shareholder portal, 2. pursuant to section 67c (1) and (2) sentence 3 of the AktG in conjunction with Article 2 (1) and (3) and Article 9 (4) of Commission Implementing Regulation (EU 2018/1212), 3. by e-mail and 4. by post.

If multiple postal votes or votes by proxy and instructions are received via the same transmission channel in due time, the last declaration received shall be binding. Any votes cast later as such are not considered a revocation of an earlier vote cast.

The most recent revocation of a declaration, received in due time, is decisive.

If declarations in more than one form of exercise of voting rights are received via the same channel, the following shall apply: a postal vote has priority over a vote by proxy and instructions to the Company's voting proxies and the latter has priority over the issue of a voting proxy and voting instructions to an intermediary, a shareholder association, a proxy advisor as defined in section 134a of the AktG and a person holding an equivalent status as defined in section 135 (8) of the AktG.

If an intermediary, a shareholder association, a proxy advisor pursuant to section 134a of the AktG or an equivalent person pursuant to section 135 (8) of the AktG is not willing to act as proxy, the Company's proxy advisors shall be authorised to represent it in accordance with instructions.

The casting of votes by postal vote or proxy and instructions on agenda item 2 (appropriation of net retained profits) remains valid even if the proposal for the appropriation of profits is adjusted due to a change in the number of shares entitled to dividend payment.

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If an individual vote rather than a collective vote is cast on an agenda item, the postal vote or instruction cast on this agenda item shall apply to each item of the individual vote

**11. Website via which information in accordance with section 124a of the AktG is accessible, list of attendees and voting results**

The notice convening the Annual General Meeting, the documents to be made available to the Annual General Meeting as well as further information in connection with the General Meeting will be available on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

at which the information provided for in section 124a of the AktG as well as the current version of Aareal Bank AG's Memorandum and Articles of Association can also be found.

During the virtual Annual General Meeting, the list of attendees will be made available to duly registered shareholders before the first vote via the shareholder portal at the Internet address

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

After the Annual General Meeting the voting results will be published at the same Internet address.



## Information on shareholder rights

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### 1. Requests for amendments to the agenda in accordance with section 122 (2) of the AktG

Shareholders whose combined shareholdings amount to one-twentieth of the registered share capital, or a proportional number of shares amounting to € 500,000.00 (equivalent to 166,667 shares), may request that certain items be included in the agenda and made public (section 122 (2) of the AktG). Every new item must include a reason or draft resolution. The applicant(s) must prove that they have been holders of the relevant shares for a minimum of 90 days prior to the day the request is received and that they will continue to hold them until a decision on their application has been made by the Management Board. A corresponding confirmation from the custodian bank shall be sufficient evidence. In calculating the period, the requirements of section 121 (7) of the AktG must be observed. Certain periods in which third parties hold the shares are also taken into account in accordance with section 70 of the AktG.

The application must be addressed in writing (section 126 of the German Civil Code (BGB)) or in electronic form, i.e. using the qualified electronic signature (section 126a of the BGB), to the Management Board of Aareal Bank AG and must be received by the Company no later than 10 July 2023 (24:00 hours CEST). Shareholders are requested to use the following address:

**Management Board of Aareal Bank AG**  
**Paulinenstrasse 15**  
**65189 Wiesbaden**  
**E-Mail: HV2023@aareal-bank.com**

Unless already communicated at the date of convocation, amendments to the agenda that require communication must be published, without undue delay following receipt of the request, in the German Federal Gazette (Bundesanzeiger) and in such other media that can be assumed to distribute information throughout the entire European Union. In addition, they will be published on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

and communicated to the shareholders.

### 2. Motions and nominations by shareholders in accordance with sections 126, 127, 130a (5) sentence 3 and 118a (1) sentence 2 number 3 of the AktG

Shareholders may lodge counter-proposals to the proposals submitted by the Management Board and the Supervisory Board on certain items of the agenda and submit nominations for the election of members of the Supervisory Board and external auditors. Any such counter-proposals must also state their reasons; nominations for elections do not require any substantiation. Counter-proposals pertaining to items of the agenda and nominations must be sent to the following address only:

**Aareal Bank AG**  
**Corporate Affairs – Board Office**  
**Paulinenstrasse 15**  
**65189 Wiesbaden**  
**E-mail: HV2023@aareal-bank.com**

Counter-proposals and nominations received by the Company at the aforementioned address by no later than 14 days before the virtual Annual General Meeting, i.e. by 26 July 2023 (24:00 hours CEST) will be published on the Company's website at the following address immediately after they are received, including the shareholder's name and the reasons for the counter-proposal, taking the further stipulations set forth in sections 126 and 127 of the AktG into consideration.

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

Any management statements will be published on the same website.



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The Company may refrain from making a counter-proposal or a nomination and the reasons for these available if any of the grounds for exclusion under section 126 (2) of the AktG applies, for example, because the counter-proposal would lead to a resolution of the Annual General Meeting that would be contrary to law or the Company's Memorandum and Articles of Association. The reasons for a counter-proposal do not have to be made accessible if they exceed a length of 5,000 characters. Furthermore, a nomination pursuant to section 127 of the AktG need not be made available if it does not contain the name, profession and place of residence of the proposed member of the Supervisory Board or auditor and, in the case of a nomination for the election of Supervisory Board members, does not additionally contain information on the offices held on other statutory supervisory boards.

Proposals or nominations received from shareholders that are required to be published under sections 126, 127 of the AktG shall be deemed to have been received upon being published in accordance with section 126 (4) of the AktG. Shareholders may exercise their voting rights with respect to these proposals or nominations after duly registering via the channels described above. If the proposal or nomination is submitted by a shareholder who has not duly registered for participation in the Annual General Meeting, it will not be necessary for the proposal or nomination to be considered during the Annual General Meeting.

Shareholders who participate in the Annual General Meeting electronically may submit their proposals and nominations through the exercise of their speaking rights by means of video communications via the shareholder portal in accordance with section 118a (1) sentence 2 number 3 of the AktG in connection with section 130a (5) of the AktG.

### **3. Speaking rights in accordance with sections 118a (1) sentence 2 number 7 and 130a (5) and (6) of the AktG**

Duly registered shareholders or their representatives who are participating in the Annual General Meeting electronically have a right to speak at the Annual General Meeting, which may be exercised through video communication. From the beginning of the Annual General Meeting, shareholders or their representatives may request to speak via the shareholder portfolio. Speeches of the shareholders may contain motions and proposals in accordance with section 118a (1) sentence 2 number 3 of the AktG and all types of requests for information in accordance with section 131 of the AktG.

Under Article 17 (2) sentence 2 of the Memorandum and Articles of Association, the chairperson of the Annual General Meeting may reasonably restrict the time in which shareholders may exercise their right to ask questions and to speak. In particular, the chairperson may determine at the beginning of or during the Annual General Meeting the time frame for the entire proceedings, for debate on the individual agenda items and the individual shareholders' right to ask questions and to speak.

In order to exercise their right to speak, shareholders require an Internet-ready device (e.g. PC, laptop, tablet or smartphone) that is equipped with a camera and a microphone which can be accessed by the browser. The Company reserves the right to satisfy itself of the proper functioning of the video communications between the shareholder or his or her representative and the Company during the Annual General Meeting and before the statement, and to exclude him or her if the proper functioning of the communications is not assured.

### **4. Right to disclosure in accordance with section 118a (1) sentence 2 number 4 and section 131 (1) and (1d) of the AktG**

At the Annual General Meeting, duly registered shareholders or their representatives may request information from the Management Board in accordance with section 131 (1) of the AktG regarding the Company's affairs, its legal and business relationships with affiliated companies and the situation of the Group and its consolidated companies, provided that such information is necessary to make an informed assessment of the relevant agenda item and the request for information is not overridden by the right to withhold information.

The chairperson of the Annual General Meeting is authorised and intends (in accordance with section 131 (1f) of the AktG) to determine that the aforementioned right to disclosure in accordance with section 131 (1) of the AktG may be exercised solely through video communication via the shareholder portal and, hence, within the scope of the right to speak (see point 3 above). No other method of submitting questions electronically or by other means is planned either before or during the Annual General Meeting.

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The shareholders and their representatives may ask a follow-up question in accordance with section 131 (1d) of the AktG in response to an answer provided by the Management Board.

Shareholders attending the Annual General Meeting electronically may also submit requests for information in accordance with section 131 (4) and (5) of the AktG electronically via the shareholder portal.

#### **5. Right to submit statements in accordance with sections 118a (1) sentence 2 number 6 and 130a (1) to (4) of the AktG**

Duly registered shareholders and their representatives may submit statements on items of the agenda prior to the Annual General Meeting in accordance with section 130a (1), (2) and (4) of the AktG. Such statements must be submitted in text form solely via the shareholder portal and must reach the Company by no later than 4 August 2023 (24:00 hours CEST). Statements submitted at any other address will not be accepted. The statement must not exceed a length of 10,000 characters (including spaces).

The Company will publish duly submitted statements by no later than 5 August 2023 (24:00 hours CEST) stating the name of the shareholders submitting them on the website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

Any statements made by management will also be published there. Statements do not have to be published if any of the circumstances envisaged by section 126 (2) sentence 1 numbers 1, 3 and 6 of the AktG arise or the statement exceeds a length of 10,000 characters (including spaces).

The possibility for submitting statements does not establish any right to submit questions, motions, proposals or objections to any of the resolutions passed at the Annual General Meeting. Accordingly, any questions, motions, applications, proposals or objections contained in statements will only be considered at the Annual General Meeting if they are submitted in accordance with the requirements specified in this invitation.

#### **6. Possibility for submitting objections to resolutions passed at the Annual General Meeting in accordance with section 118a (1) sentence 2 number 8 in connection with section 245 of the AktG**

Duly registered shareholders and their representatives who are participating in the Annual General Meeting electronically may submit objections to resolutions passed at the Annual General Meeting in accordance with section 118a (1) sentence 2 number 8 of the AktG electronically. Such objections may be submitted for registration by the notary via the shareholder portal from the beginning until the end of the Annual General Meeting. The notary has authorised the Company to accept objections via the shareholder portal and will receive these via the shareholder portal.

#### **7. Further explanations concerning shareholder rights, publications on the website in accordance with section 124a of the AktG**

This invitation to the Annual General Meeting, the documents and shareholder proposals to be published as well as additional information on the shareholders rights in accordance with sections 122 (2), 126 (1) and (4), 127, 130a, 131 (1) and (1d) and 118a (1) sentence 2 number 8 of the AktG in connection with section 245 of the AktG can be found on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

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## 8. Information on data protection

In connection with the preparation and organisation of the Annual General Meeting and any activities subsequent to it, particularly if shareholders and/or their voting proxies register for the virtual Annual General Meeting, exercise their voting rights (including the granting of proxies), use the shareholder portal or join the virtual Annual General Meeting, we process personal data on these shareholders and/or their proxies (e.g. surname and first name, address, e-mail address, number of shares, type of shareholding and individual access data for use of the shareholder portal). We do this to ensure that shareholders or their representatives are able to participate in the virtual Annual General Meeting electronically and exercise their rights in connection with the virtual Annual General Meeting and also to fulfil our statutory obligations in connection with the virtual Annual General Meeting. In cases where we enable other interested persons (guests) such as press representatives to join the virtual Annual General Meeting, we will also process their personal data in this context. Personal data is always processed in accordance with the applicable data protection legislation.

The data controller with respect to the processing of personal data is:

**Aareal Bank AG**  
**Paulinenstrasse 15**  
**65189 Wiesbaden**  
**Telefax: +49 611 348 2965**  
**E-mail: HV2023@aareal-bank.com**

Any service providers that we use to organise the virtual Annual General Meeting process personal data solely on our behalf and are otherwise under a duty of confidentiality.

Provided that the statutory requirements are met, every data subject has the right of access, the right to rectification, the right to restriction of processing, the right to erasure and, if necessary, the right to object to the processing of their personal data at any time, as well as the right to data portability and the right to complain with the competent data protection supervisory authority.

Further information on the processing of personal data in connection with the Annual General Meeting and on the rights under the EU General Data Protection Regulation can be accessed at any time on the Company's website at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

or requested at the following address:

**Aareal Bank AG**  
**Paulinenstrasse 15**  
**65189 Wiesbaden**  
**Telefax: +49 611 348 2965**  
**E-mail: HV2023@aareal-bank.com**

## Technical details concerning the virtual Annual General Meeting

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Shareholders need an Internet connection and an Internet-enabled end device in order to participate in the virtual Annual General Meeting and to use the shareholder portal and exercise their shareholder rights electronically. A stable Internet connection with a sufficient transmission speed is recommended to ensure optimum audio and video streaming of the Annual General Meeting. Shareholders also require an Internet-capable device and loudspeakers or headphones to follow the audio and video stream of the virtual Annual General Meeting. For the exercise of shareholder rights for which video communication is intended, shareholders require a fully functional video camera and microphone in addition to the above hardware and software requirements.

In accordance with section 130a (6) of the AktG, the Company reserves the right to satisfy itself of the proper functioning of the video communications between the shareholder or his or her representative and the Company during the Annual General Meeting and to exclude him or her if the proper functioning of the communications is not assured.

A test sequence will be available from 9 August 2023, 10:00 hours CEST at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

to enable shareholders to check the suitability of their hardware and software for participating in the virtual Annual General Meeting.

To access the Company's shareholder portal, duly registered shareholders will need their voting card, which they will automatically receive after duly registering for the Annual General Meeting. This voting card sets out individual logon data to enable duly registered shareholders to log onto the shareholder portal.

On 10 August 2023, registered shareholders or their registered representatives may access the virtual Annual General Meeting from 12:00 hours CEST at

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

by entering their logon data.

In order to avoid the risk of any restrictions in the exercise of shareholder rights as a result of technical problems during the virtual Annual General Meeting, it is **recommended to exercise shareholder rights (particularly voting rights) before the Annual General Meeting commences** as far as possible. It is expected that voting rights can be exercised via the shareholder portal from 20 July 2023.

Shareholders will receive further details about the shareholder portal and the conditions for registration and use together with their voting card, which will be sent to duly registered shareholders. Corresponding information and a detailed description of the use of the shareholder portal are available at the Internet address

[www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/](http://www.aareal-bank.com/en/investors-portal/equity-investors/general-meeting-2023/)

If shareholders have any technical questions regarding the shareholder portal or electronic attendance of the virtual Annual General Meeting, the employees of our service provider Computershare will be happy to assist them before and during the Annual General Meeting on the following telephone number:

**Shareholder hotline: +49 89 30903 6334**

The shareholder hotline is available Monday to Friday from 9:00 hours until 17:00 hours CEST and on the day of the Annual General Meeting, 10 August 2023, from 9:00 hours CEST.

If shareholders have any technical questions before the start of the virtual Annual General Meeting, they can also contact our service provider Computershare by e-mail at [aktionaersportal@computershare.de](mailto:aktionaersportal@computershare.de).

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### **Availability of audio and video streaming**

In line with the current state of technology, the video and audio streaming of the virtual Annual General Meeting and the availability of the web-based shareholder portal may be subject to fluctuations due to restrictions in the availability of the telecommunications network and third-party Internet services, over which the Company has no influence. Accordingly, the Company assumes no liability for the functionality and continuous availability of the Internet services used, third-party network elements, the quality of the audio or video stream or the accessibility of the shareholder portal and its general availability. Nor does the Company assume any liability for any errors or shortcomings in the hardware and software used for the online service including the hardware and software used by third-party service providers except in the case of wilful intent. For this reason, the Company recommends making early use of the options described above for exercising shareholder rights, particularly voting rights. Where rendered necessary by data protection or security considerations, the chairman of the Annual General Meeting reserves the right to interrupt or terminate the virtual Annual General Meeting.

### **Comment on time zones**

All times stated in this invitation and in the additional information regarding the convocation of the Annual General Meeting are given in Central European Summer Time (CEST), which applies in Germany during these periods. In relation to Coordinated Universal Time (UTC), UTC is CEST minus two hours. Accordingly, CEST is UTC+2.

**Aareal Bank AG**

**The Management Board**

**Wiesbaden, June 2023**

**Aareal Bank AG**

Paulinenstraße 15 · 65189 Wiesbaden

[www.aareal-bank.com](http://www.aareal-bank.com)



**Aareal Bank**

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