

Doing business sustainably. By conviction.

Version dated:
Q1 2018
Next update:
Q3 2018

Company-specific key indicators per 31 March 2018

per 31 March 2018	per 31 December 2017
<ul style="list-style-type: none"> 19.2% Common Equity Tier 1 ratio* Property finance portfolio of €25.9bn** € 41.3bn in total assets 	<ul style="list-style-type: none"> Operating profit: € 328 mn 2,800 employees

Concept



Aareal Bank Group is a leading provider of smart financing, software products and digital solutions for the property sector and related industries.

Ratings

	2018	2017	2016	2015	2014
MSCI	← AA				-
Corporate Sustainability Index	← prime				
SUSTAINALYTICS	← 70	70	70	68	61
imug					
Mortgage Covered Bonds	← positive BBB		←	← positive BB	
Public Sector Covered Bonds	← positive BBB		← very positive A	← positive BBB	← positive BBB
Sustainability Rating	← positive BB		← positive BBB	← positive BB	← positive B
GRESB	← 56	-	-	-	-
CDP	← C	B	B	94C	88B

← Current valid rating

Sustainable business model

Attractive investment opportunities for investors:

- Portfolio of property loans with stable values
- A far-sighted, risk-aware lending policy
- Attractive dividend policy
- Solid liquidity and capital base

Focus on clients:

- Annual national and international Aareon client survey referring to satisfaction with products and level of recommendation
- Extensive survey amongst Housing Industry clients conducted in 2017 with more than 80% satisfied customers
- Individual client needs in the field of Structured Property Financing are determined through regular exchange and individual discussions

Smart products:

- Sustainability in property financing
- Innovative, environmentally friendly digital solutions
- Maximum-security digital IT and banking services

* Full Basel III implementation

** Including Westlimmo's private client business and local authority lending business.

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Voluntary commitments / awards / audits

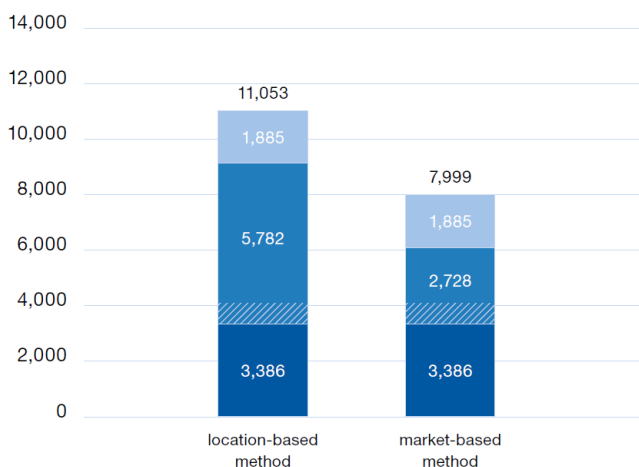
Corporate sustainability

	United Nations Global Compact – Promoting responsible corporate management		Corporate Health Award – Company health management
	top EMPLOYER – Excellent working conditions within organisations		Work-Care Balance Charta – Flexibility for staff with relatives needing long-term care
	Diversity Charta – Creating and promoting equal opportunities		Work and Family Audit – Family-friendly company
	FAiR company 2016 – High quality standards and transparent rules for internships		systematic occupational safety – Occupational health and safety
	ÖKOPROFIT businesses – Environmental consulting/qualification programme at Aareal and Aareon		ISO 27001, TÜV certification – Corporate IT security
	Equal pay at work – Equal opportunities and fair pay tool for organisations		INQA-Audit New Quality of Work Initiative – Family-friendly/life-phase oriented human resources policy

- Strategic sustainability management reporting directly to CEO
- Sustainability aspects part of Management Board's individual goals
- Responsible human resources policy, talent management
- 40% women on Management Board
- Average staff length of service approx. 14 years
- Staff turnover rate 3.9% p.a.
- 100% green energy at our headquarters and other sites of Aareal Bank Group

Environmental footprint

Total Group-wide CO₂ emissions in 2017 (in tonnes)



Resource consumption financial year

	2017	2016
energy consumption	108,424 GJ	115,722 GJ
energy consumption per employee	38.78 GJ	42.42 GJ
electricity consumption	41,030 GJ	42,975 GJ
of which green electricity	28,760 GJ	29,121 GJ
wotal water consumption	27,544 m ³	24,484 m ³
water consumption per employee	9.8 m ³	9.0 m ³
waste accumulation	428 t	390 t
waste accumulation per employee	152.8 kg	142.9 kg

Standardised reporting

GRI G4 Core	UN Global Compact	DCGK	DNK
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■ Scope 1 ■ Scope 2 incl. district heating ■ District heating (733 tonnes each) ■ Scope 3