Green Finance at Aareal Bank

08/2026

YOUR COMPETITIVE ADVANTAGE.

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Sustainability strategy deeply embedded in business strategy, addresses expectations of key stakeholders

Group strategy

“WE ARE THE LEADING REAL ESTATE EXPERTS WITH GLOBAL REACH AND LOCAL EXPERTISE“

Sustainability mission

“We pursue a business strategy that is designed for the long term and attractive for all stakeholders. We offer our clients sustainable and forward-looking solutions in the property sector – responsible, transparent and resilient“

Stakeholder	**Clients**	**Equity-, Debt Investors**	**Employees & Local Community**	**Regulators** §
Our aspiration	Support clients’ sustainable transformation	Expand our investor base & continue to create value	Foster employee satisfaction & engage with our local communitiy	Ensure stability, resilience and compliance

Strategic priorities

“E”: Green Finance & decarbonisation
“S”: Employee development & corporate social responsibility
“G”: Sustainable corporate governance

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Clear sustainability targets to meet requirements of key stakeholder groups

	Clients	Equity-, Debt Investors	Employees & Local Community	Regulators
Targets	**Maintain a high level of green loans and enable decarbonisation** **€ 10 - 12 bn** green loan portfolio by 2028 **-40%** Reduction of carbon intensity of CRE portfolio to 33 kg CO_2/m^2 by 2030	**Expand Green Funding** **€ 0.5 bn** new green long-term funding per year	**Recruit young talent & support female leaders** **25%** share of young talents **>20%** female leaders	**§** **Sharpen risk culture & embed ESG component in Management Board remuneration** **10%** share of variable remuneration
2025	Green Loans: ~ € 11 bn Carbon intensity: 50 kg CO_2/m^2	Green funding: ~ € 1.5 bn (outstanding volume)	Young talents: 25% Female leaders: ~ 20%	~ 10%

Transition pathway

We see climate change and adaptation to its impacts as a key challenge for the future stability of financial institutions’ business models

Environmental risks are of high importance for the financial sector and have a direct impact on credit and investment portfolios. Our transition plan ensures that Aareal Bank makes its contribution to a low-emissions economy.

The transition plan describes the process to reduce financed GHG emissions in the commercial real estate financing portfolio (in accordance with the GHG Protocol Scope 3, Category 15) and operational emissions through the Bank’s own operations.

To achieve our targets we are managing an internal transition pathway towards 2050, which specifies the amount of carbon emissions per square meter permissible for the portfolio average.

Base year (2023): **55 kg CO_2e/m²** average emissions intensity

2030 target: approximately **33 kg CO_2e/m²** (reduction of 40% compared to the base year)

With these targets, the Bank is pursuing a clear, measurable plan for decarbonising its loan portfolio. The measures are planned step by step, taking into account available data, technical developments and sectoral reduction pathways.

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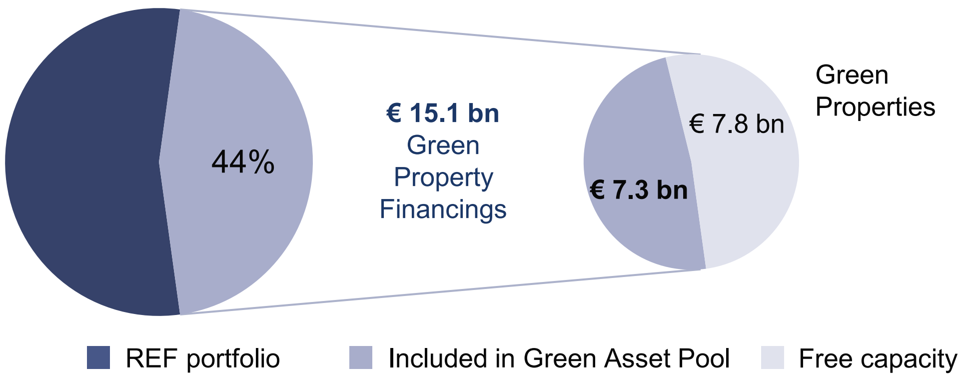
Green Financing

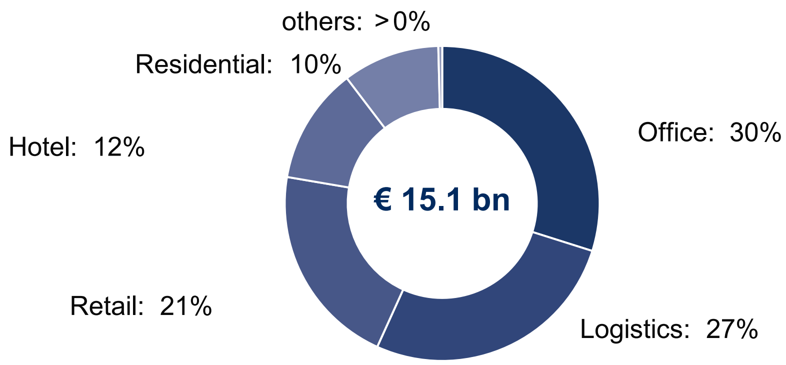
By June 30th, 2026 44% of REF portfolio classified as Green Property Financings

Real Estate Financing[1] portfolio

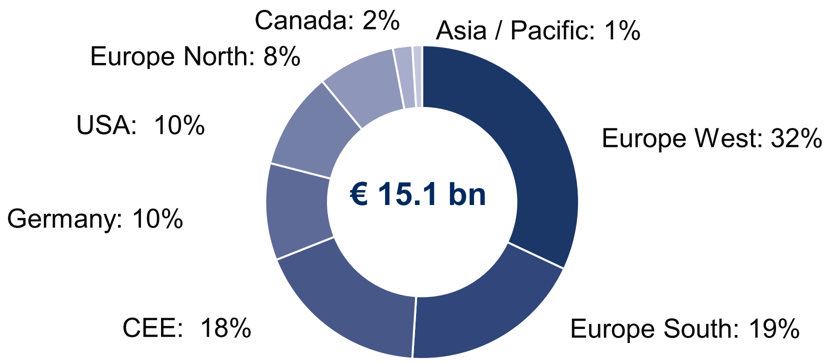


- € 15.1 bn1 (44%) classifying as "Green Property Financings"
  - € 7.3 bn included in Green Asset Pool for green bond issues
  - € 7.8 bn Green Property Financings - free capacity

Green Property Financings[2] by property type



Green Property Financings[2] by region



Note: Portfolio data as at 30.06.2026
1) Excluding business not directly collateralized by properties
2) Valid certificate is documented

Green funding

Green funding opportunities ensure diversified funding mix and broad investor base

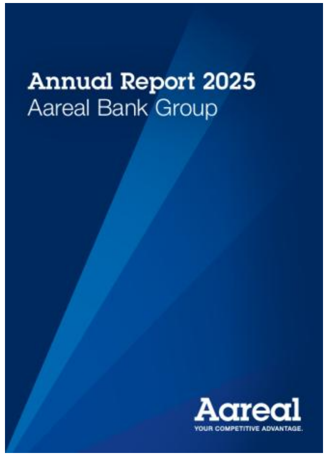
Aareal Bank‘s Green Funding mix

Green mortgage Pfandbrief in line with the standards of the Association of German Pfandbrief Banks (vdp)	Green Bonds	Green European Commercial papers

Details on our inaugural green mortgage Pfandbrief issuance in May 2026:

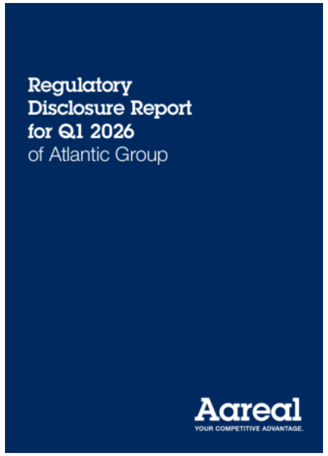
€ 625 mn	57 %	~ 3 x
with a six-year maturity	orders from green investors	oversubscription of the orderbook

Overview of important reports and Green Finance Frameworks



Annual Report 2025

The integrated combined sustainability statement 2025 (CSRD Report) describes our goals and policies concerning E, S & G matters. The report also comprises our PCAF Report on financed emissions.

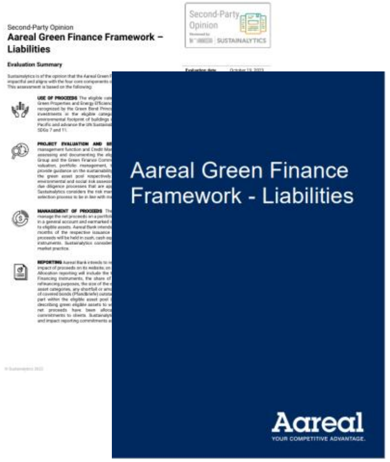


Regulatory Disclosure Report Q1 2026

The regulatory disclosure report provides transparency on the Bank's ESG risks, governance, and key sustainability metrics.

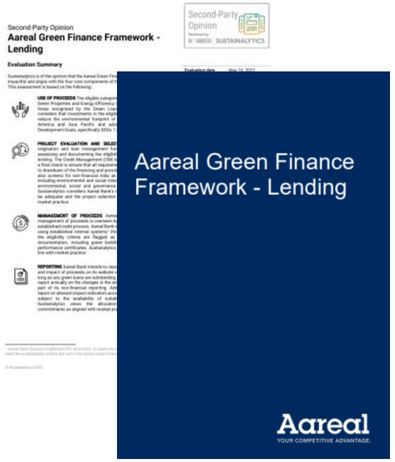
Green Bond Allocation & Impact Report 2025

Our Green Bond Allocation & Impact Report shows the composition of our green asset pool, and also its positive impact in terms of energy savings and CO_2 avoidance. We also obtained a Post Issuance Review from Sustainable Fitch.



Green Finance Framework – Liabilities

Our Green Finance Framework Liabilities serves as an internal taxonomy for identifying green loans in Aareal Bank's global property portfolio. For both frameworks, we obtained an SPO by Morningstar Sustainalytics.



Green Finance Framework – Lending

In our Green Finance Framework Lending, we disclose criteria for environmentally sustainable properties. For both frameworks, we obtained an SPO by Morningstar Sustainalytics.

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ESG Rating results rewarding Aareal's sustainability performance

A focused set of leading ESG ratings provides a balanced view of our positioning in comparison within our peer group

Rating	Result	Result Analysis	Scale Best to worst
MSCI	**A**	'A' rating shows solid ESG performance in managing the most significant ESG risks and opportunities relative to industry peers	AAA to CCC
ISS ESG	**C** Prime Threshold: A+ to C	Prime Status confirms ESG performance above sector-specific Prime threshold, which means Aareal fulfils ambitious absolute performance requirements and therefore is on second decile in the Mortgage & Public Sector Finance	A+ to D-
Morningstar Sustainalytics	**17.3** Low Risk	Aareal is at low risk of experiencing material financial impacts from ESG factors, due to its medium exposure and strong management of material ESG issues which shows in 'negligible' or 'low' risk rating in six out of eight material ESG issues	0 to 100 Negligible - severe
CDP	**C**	Awareness Level C affirms recognition of linkage between environmental issues and business activities	A to D-

Aareal Bank maintains a solid ESG positioning across relevant rating agencies, demonstrating consistent performance in managing material sustainability-related risks and opportunities. The results reflect a balanced profile with particular strengths in governance, risk management and the management of material ESG issues.

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