

1st Supplement, dated 10 May 2023 to the Base Prospectus dated 24 March 2023

*This document constitutes a supplement (the "**Supplement**") for the purposes of Art. 8(10) and Art. 23(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, (the "**Prospectus Regulation**") to the base prospectus of Vonovia SE dated 24 March 2023 (the "**Base Prospectus**") relating to issues of non-equity securities within the meaning of Art. 2(c) of the Prospectus Regulation by Vonovia SE.*

VONOVIA

Vonovia SE

(incorporated in Germany as a European Company (Societas Europaea))

EUR 40,000,000,000 Debt Issuance Programme

The *Commission de Surveillance du Secteur Financier* (the "**CSSF**") of the Grand Duchy of Luxembourg in its capacity as competent authority under the Prospectus Regulation has approved this Supplement as a supplement within the meaning of Art. 23(1) of the Prospectus Regulation. By approving this Supplement, CSSF gives no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer.

This Supplement together with the Base Prospectus and the documents incorporated by reference are also available for viewing at www.luxse.com.

The purpose of this Supplement is to supplement the Base Prospectus with information from the unaudited consolidated interim financial information of the Issuer as of and for the three-month period ended 31 March 2023 and to amend other disclosure on the Issuer.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

Vonovia SE (the "**Issuer**", together with its consolidated subsidiaries, "**Vonovia**" or the "**Group**") with its registered office in Bochum, Germany accepts responsibility for the information given in this Supplement.

The Issuer hereby declares that, to the best of its knowledge, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement for which it is responsible is in accordance with the facts and that this Supplement makes no omission likely to affect its import.

The Arranger and the Dealers have not separately verified the information contained in this Supplement. Neither the Arranger nor any of the Dealers makes any representation, expressly or implied, or accepts any responsibility, with respect to the accuracy or completeness of any information contained in this Supplement. Neither this Supplement nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Arranger or the Dealers that any recipient of this Supplement or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Supplement and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arranger or the Dealers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Supplement nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

To the extent that there is any inconsistency between any statement included in this Supplement and any statement included or incorporated by reference in the Base Prospectus, the statements in this Supplement will prevail.

Save as disclosed on pages 2 - 6 of this Supplement, there has been no other significant new factor, material mistake or inaccuracy since the publication of the Base Prospectus.

1. Description of the Issuer and the Group – Major Shareholders

On page 142 of the Base Prospectus, in the section "General Information on Vonovia SE" the content of the sub-section "Major Shareholders" shall be replaced by the following:

"Major Shareholders

The Issuer's share capital as of 8 May 2023 amounted to EUR 795,849,997.00 divided into 795,849,997 ordinary registered shares with no-par value (*Stückaktien*) and is fully paid up.

The shares in the Issuer are listed on the Frankfurt Stock Exchange and are included in the DAX40 market index and EURO STOXX 50 market index.

On the basis of the notifications received by the Issuer as of the date of 8 May 2023 in accordance with the German Securities Trading Act (*Wertpapierhandelsgesetz* - "WpHG") and pursuant to information provided by the respective shareholders, the following shareholders directly or indirectly hold more than 3% of the Issuer's ordinary shares. It should be noted that the number of voting rights last notified could have changed since such notifications were submitted to the Issuer without requiring the relevant shareholder to submit a corresponding voting rights notification if no notifiable thresholds have been reached or crossed:

Shareholder	Share of voting rights (in %)
BlackRock, Inc.	8.35
DWS Investment GmbH.....	3.06
JPMorgan Chase & Co	4.14
Ministry of Finance on behalf of the State of Norway (Norges Bank)	14.60
Stichting Pensioenfonds APG.....	4.04
The Goldman Sachs Group, Inc.....	6.12
Total.....	40.31

Other shareholders, including those shareholders whose shareholdings represent less than 3 % of the total voting rights in the Issuer, hold the remaining 59.69% of the shares of the Issuer.

All of the Issuer's shares confer the same voting rights."

2. Description of the Issuer and the Group – Material Agreements

On page 149 of the Base Prospectus, in the section "Material Agreements" the content of the sub-section "Notes Issuances" shall be replaced by the following:

"Notes Issuances

The table below provides an overview of the maturity profile of the outstanding bonds issued by the Group (including bonds issued by Deutsche Wohnen), as of the date of this Base Prospectus:

Year of Maturity	Amount due in EUR million
2023	1,805.3
2024	1,975.9*
2025	3,339.7
2026	2,800.0
from 2027	17,433.8*
Total	27,354.6

* Exchange rate as per 30 April 2023 for SEK Bonds: EUR/SEK = 11,2976

3. Description of the Issuer and the Group – Material Agreements

On page 150 of the Base Prospectus, in the section "Material Agreements" the content of the sub-section "Commercial Paper Programme" shall be replaced by the following:

"Commercial Paper Programme

On 4 November 2021, the Issuer entered into a general agreement with Commerzbank Aktiengesellschaft as arranger and several international banking institutions as dealers regarding the establishment of a EUR 3,000.0 million multi-currency commercial paper programme (the "Vonovia CP Programme"). Under the Vonovia CP Programme the Issuer may, from time to time, issue senior notes denominated in various currencies with a maturity of no more than 364 days. As of

the date of this Base Prospectus, notes in the amount of EUR 75 million were outstanding under the Vonovia CP Programme."

4. Description of the Issuer and the Group – Description of the Governing Bodies of the Issuer

On page 150 of the Base Prospectus, in the section "*Description of the Governing Bodies of the Issuer*" the following paragraph shall be included in the sub-section "*Management Board*":

"On 4 May 2023, the Supervisory Board appointed Ruth Werhahn as a new member of the Management Board. She will assume responsibility for the newly created Human Resources division on 1 October 2023. Furthermore, Helene von Roeder will be leaving the Management Board at her own request and by best mutual agreement effective 1 July 2023."

5. Description of the Issuer and the Group – Recent Developments

On page 154 et seqq. of the Base Prospectus, the content of the section "*Recent Developments*" shall be replaced by the following:

"Recent Developments

On 4 May 2023, Vonovia and Deutsche Wohnen agreed with funds managed by CBRE Investment Management on the sale of five assets with 1,350 residential units (located in Berlin, Munich and Frankfurt), including two assets with 380 apartments belonging to Deutsche Wohnen. Two of the assets are in the final construction phase with completion expected in the second and the third quarter of 2023. The other three assets are recently completed new constructions that are operated by Vonovia within the rental segment. The book value of the sold assets as of 31 December 2022, plus the estimated costs to completion for the not-yet finished assets amounts to ca. EUR 600 million. The agreed purchase price totals around EUR 560 million. At ca. EUR 6,000 per sqm the average fair value is more than twice as high as the Vonovia average, and the rent level of ca. EUR 19.50 per sqm compares to ca. EUR 7.50 for Vonovia's portfolio. The gross yield on the sold portfolio is just under 4% and closely in line with Vonovia's average. Due to different closing dates and partly staggered purchase price payments, the purchase prices will flow between May and December 2023. Vonovia expects a cash inflow after taxes and transaction costs of approximately EUR 535 million, which corresponds to a cash conversion of approximately 89%. The closing of the transaction is subject to customary maturity conditions.

Also on 4 May 2023, the Supervisory Board appointed Ruth Werhahn as a new member of the Management Board. She will assume responsibility for the newly created Human Resources division on 1 October 2023. Furthermore, Helene von Roeder will be leaving the Management Board at her own request and by best mutual agreement effective 1 July 2023.

On 26 April 2023, Vonovia announced the sale of a minority common equity participation in its "Südewo" portfolio to Apollo, on behalf of its affiliated and third party insurance clients and other long-term investors, for EUR 1.0 billion. The investment represents an ownership of just under 30% adjusted for minorities. The transaction values the Südewo portfolio at EUR 3.3 billion on a debt free and cash free basis, implying a discount below 5% to its fair value as of 31 December 2022, and below 6% to the fair value as of 30 June 2022. Vonovia retains a long-term call-option to repurchase the participation at an IRR of 6.95%-8.30% (including dividends received) without an obligation to exercise the option. Vonovia will continue to control, operate and consolidate the portfolio, which comprises more than 21,000 residential units in locations across the state of Baden-Württemberg. Closing of the transaction is expected to occur around 31 May 2023 and is subject to further conditions such as the absence of material adverse changes and regulatory clearances. With the proceeds, Vonovia generates approximately 50% of the targeted EUR 2 billion free cash flow from asset disposals to which Vonovia committed for the current year 2023. The transaction has no material impact on Vonovia's near term Group Funds From Operations ("**FFO**") per share or NTA per share. Vonovia intends to use the proceeds for liability management and to cover upcoming debt maturities.

On 19 April 2023, Vonovia entered into an unsecured green loan agreement with CaixaBank, S.A. Zweigniederlassung Deutschland with a term of 5 years in an amount of EUR 150 million.

There have been no recent events particular to Vonovia since 31 March 2023 which are to a material extent relevant to an evaluation of the Issuer's solvency."

6. Description of the Issuer and the Group – Trend Information and Significant Changes

On page 154 of the Base Prospectus, the content of the section "*Trend Information and Significant Changes*" shall be replaced by the following:

"Trend Information and Significant Changes

There has been no material adverse change in the prospects of the Issuer since 31 December 2022.

There has been no significant change in the financial performance of the Group since 31 March 2023.

There has been no significant change in the financial position of the Group since 31 March 2023."

7. Description of the Issuer and the Group – Selected Consolidated Financial Information for the Issuer

On pages 154 et seqq. of the Base Prospectus, the content of the section "*Selected Consolidated Financial Information for the Issuer*" shall be replaced by the following:

"Selected Consolidated Financial Information for the Issuer"

The following selected historical financial information for the Group is based on the audited consolidated financial statements of the Issuer for the fiscal years ended 31 December 2022 and 2021 (the "**Consolidated Annual Financial Statements**") and the unaudited consolidated interim financial statements of the Issuer as of and for the three-month period ended 31 March 2023 (the "**Consolidated Interim Financial Statements**" and together with the Consolidated Annual Financial Statements, the "**Consolidated Financial Statements**") all of which are reproduced elsewhere or incorporated by reference in this Base Prospectus and should be read together with them. The Consolidated Financial Statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union. The Consolidated Financial Statements were prepared using the cost summary method. The Consolidated Annual Financial Statements were audited by KPMG and issued in each case with an unqualified auditor's report.

Consolidated income statement data

	Three-month period ended 31 March		Financial year ended 31 December	
	2023	2022	2022	2021*
<i>(amounts in EUR million)</i>	<i>(unaudited)</i>		<i>(audited)</i>	
Revenue from property management	1,377.4	1,175.4	5,151.8	3,623.9
Profit from the disposal of properties	27.4	41.1	138.4	165.0
Profit from the disposal of real estate inventories	6.0	50.6	127.5	137.9
Net income from fair value adjustments of investment properties	(3,612.2)	404.8	(1,269.8)	7,393.8
Capitalized internal expenses	115.4	147.4	673.3	662.6
Cost of materials	(660.2)	(492.9)	(2,501.5)	(1,671.1)
Personnel expenses	(238.0)	(218.4)	(863.8)	(682.3)
Depreciation and amortization**	(29.9)	(949.7)	(1,279.1)	(3,872.6)
Other operating income	51.1	62.4	218.8	276.9
Impairment losses on financial assets	(2.9)	(11.6)	(49.8)	(39.2)
Net income from the derecognition of financial assets measured at amortized cost	1.2	1.0	(2.6)	(2.5)
Other operating expenses	(81.6)	(73.5)	(397.5)	(388.9)
Net income from investments accounted for using the equity method	(0.1)	1.0	(436.6)	15.7
Interest income	33.3	21.5	115.5	21.5
Interest expenses	(195.9)	(59.9)	(367.6)	(411.6)
Other financial result	25.0	10.4	10.3	(137.1)
Earnings before tax	(3,184.0)	109.6	(732.7)	5,092.0
Income taxes**	1,095.9	(51.3)	63.3	(2,651.5)
Profit for the period	(2,088.1)	58.3	(669.4)	2,440.5

* Adjusted.

** The impairment test for goodwill was recalculated due to the conclusion of the purchase price allocation in connection with the acquisition of Deutsche Wohnen. As a result, the impairment loss to be recognized as of 31 March 2022, decreased by EUR 164.3 million and income taxes increased by EUR 76.9 million.

Consolidated balance sheet data

	As of 31 March	As of 31 December	
	2023	2022	2021*
<i>(amounts in EUR million)</i>	<i>(unaudited)</i>	<i>(audited)</i>	
Total non-current assets	92,742.1	96,037.9	99,138.5
Total current assets	4,997.0	5,351.7	6,775.8
Total assets	97,739.1	101,389.6	105,914.3
Total equity attributable to Issuer's shareholders	29,272.5	31,331.5	32,896.7
Non-controlling interests	2,981.0	3,107.3	3,242.4
Total equity	32,253.5	34,438.8	36,139.1
Total non-current liabilities	59,573.3	61,474.9	60,713.2
Total current liabilities	5,912.3	5,475.9	9,062.0
Total liabilities	65,485.6	66,950.8	69,775.2
Total equity and liabilities	97,739.1	101,389.6	105,914.3

* Adjusted.

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8. Documents incorporated by reference

On page 164 of the Base Prospectus, the content of the section "*Documents incorporated by reference*" shall be replaced by the following:

"DOCUMENTS INCORPORATED BY REFERENCE

The pages specified below of the following documents, which have previously been published or are published simultaneously with this Base Prospectus and which have been filed with the CSSF, are incorporated by reference into this Base Prospectus:

- (i) the Annual Report 2022 of the Issuer (the "**Vonovia SE Annual Report 2022**"), containing the English language translation of the respective German language audited consolidated financial statements of Vonovia SE as of and for the year ended 31 December 2022 and the independent auditor's report (*Bestätigungsvermerk des unabhängigen Abschlussprüfers*) in respect thereof;
- (ii) the Annual Report 2021 of the Issuer (the "**Vonovia SE Annual Report 2021**"), containing the English language translation of the respective German language audited consolidated financial statements of Vonovia SE as of and for the year ended 31 December 2021 and the independent auditor's report (*Bestätigungsvermerk des unabhängigen Abschlussprüfers*) in respect thereof; and
- (iii) the Consolidated Interim Financial Statements for 2023 Q1 of the Issuer (the "**Vonovia SE Interim Report Q1 2023**"), containing the English language translation of the respective German language consolidated interim financial statements of Vonovia SE as of and for the three-month period ended 31 March 2023.

The non-incorporated parts of such documents, i.e. the pages not listed in the tables below, are either not relevant for the investor or covered elsewhere in the Base Prospectus.

(i) **Extracted from: Vonovia SE Annual Report 2022**

Consolidated Income Statement	page 142
Consolidated Statement of Comprehensive Income	page 143
Consolidated Balance Sheet	pages 144 - 145
Consolidated Statement of Cash Flows	pages 146 - 147
Consolidated Statement of Changes in Equity.....	pages 148 - 149
Notes	pages 150 - 241
List of Vonovia's shareholdings	pages 244 - 260
Independent Auditor's Report.....	pages 264 - 272

(ii) **Extracted from: Vonovia SE Annual Report 2021**

Consolidated Income Statement	page 150
Consolidated Statement of Comprehensive Income	page 151

Consolidated Balance Sheet	pages 152 - 153
Consolidated Statement of Cash Flows	pages 154 - 155
Consolidated Statement of Changes in Equity.....	pages 156 - 157
Notes	pages 158 - 249
List of Vonovia's shareholdings	pages 252 - 270
Independent Auditor's Report.....	pages 274 - 284

(iii) **Extracted from: Vonovia SE Interim Report Q1 2023**

Consolidated Income Statement	page 22
Consolidated Statement of Comprehensive Income	page 23
Consolidated Balance Sheet	pages 24 - 25
Consolidated Statement of Cash Flows	pages 26 - 27

All of these pages shall be deemed to be incorporated by reference into, and to form part of, this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus may be obtained (without charge) from the registered office of the Issuer and the website of the Luxembourg Stock Exchange (www.luxse.com).

Electronic versions of the documents incorporated by reference are also available on the website of the Issuer (<https://www.vonovia.de>) and can be accessed by using the following hyperlinks:

(i) Vonovia SE Annual Report 2022:

https://report.vonovia.de/2022/q4/app/uploads/Vonovia-SE_Annual-Report-2022.pdf

(ii) Vonovia SE Annual Report 2021:

<https://investors.vonovia.de/2021/annual-report>

(iii) Vonovia SE Interim Report Q1 2023:

https://report.vonovia.de/2023/q1/app/uploads/VONOVIA-SE_Interim-Statement-Q1_2023.pdf

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