

Extract from the original supplementary request / English translation of the original German document

By messenger

Management Board of Aareal Bank AG
Paulinenstrasse 15
65189 Wiesbaden
Germany

12 April 2021

Annual General Meeting 2021 – Supplementary request

Ladies and Gentlemen,

1. pursuant to Art. 122 par. 2 sentence 1 Stock Corporation Act (AktG), I request that the following agenda items be added to the agenda of the next Annual General Meeting on 18 May 2021:
 - Resolution on the dismissal of Supervisory Board members in accordance with § 103 AktG
 - Resolution on the by-election of Supervisory Board members
2. Specifically, I submit the following draft resolutions for separate votes in each case:

Item: Resolution on the dismissal of Supervisory Board members pursuant to § 103 Stock Corporation Act (AktG)

It is proposed that the following resolution be adopted:

- (a) Supervisory Board member Marija Korsch (also Chairwoman of the Supervisory Board) is removed from office with effect from the conclusion of this Annual General Meeting.
- (b) Supervisory Board member Christof von Dryander shall be removed from office with effect from the conclusion of this Annual General Meeting.
- (c) Supervisory Board member Dietrich Voigtländer shall be removed from office with effect from the conclusion of this Annual General Meeting.

The resolution is to be adopted by individual vote.

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Item: Resolution on the by-election of Supervisory Board members

In accordance with Art. 2 par. 1 of the Co-Determination Agreement in conjunction with Art. 9 of the Articles of Association and Arts. 95, 96 par. 1, 101 par. 1 German Stock Corporation Act (AktG), the Supervisory Board is composed of eight members to be elected by the Annual General Meeting and four members to be elected by the employees. When electing the shareholder representatives, the Annual General Meeting is not bound by election proposals.

Assuming that the motion for a resolution on the removal of Supervisory Board members is successful in whole or in part, i.e. that at least one of the existing Supervisory Board members Ms. Marija Korsch, Mr. Dietrich Voigtländer or Mr. Christof von Dryander is removed from office at this Annual General Meeting, or insofar as the membership of one of the Supervisory Board members on the Supervisory Board has otherwise ended or will otherwise end at the time of the conclusion of the Annual General Meeting, it is proposed that the following candidates be elected to the Supervisory Board as shareholder representatives for the remainder of their respective terms of office and therefore resolved as follows:

- (a) In the event that the Supervisory Board member Marija Korsch is removed from office at this Annual General Meeting or her membership of the Supervisory Board has otherwise ended or otherwise ends at the time of the conclusion of the Annual General Meeting, Mr. Theodor Heinz Laber, Unterschleißheim (Germany), businessman and former member of the Management Board of UniCredit Bank AG, shall be elected to the Supervisory Board as shareholder representative.

Mr. Theodor Heinz Laber is Chairman of the Supervisory Board of BVV Versicherungsverein des Bankgewerbes a.G., BVV Versorgungskasse des Bankgewerbes e.V. and BVV Pensionsfonds des Bankgewerbes AG. A curriculum vitae of Mr. Laber is attached.

- (b) In the event that Supervisory Board member Christof von Dryander is removed from office at this Annual General Meeting or his membership of the Supervisory Board has otherwise ended or will otherwise end at the time of the close of the Annual General Meeting, Ms. Marion Khüny, Mödling (Austria), independent consultant, shall be elected to the Supervisory Board as shareholder representative.

Ms. Marion Khüny is a member of the Supervisory Board of Erste Group Bank AG, Vienna, Austria, and of KA Finanz AG, Vienna, Austria. A curriculum vitae of Ms. Marion Khüny is attached.

- (c) In the event that the Supervisory Board member Dietrich Voigtländer is removed from office at this Annual General Meeting or his membership of the Supervisory Board has otherwise ended or will otherwise end at the time of the conclusion of the Annual General Meeting, Mr. Thomas Christian Hürlimann, Horgen (Switzerland), independent consultant, shall be elected to the Supervisory Board as shareholder representative.

Mr. Thomas Christian Hürlimann is an Independent Non-Executive Director of Hiscox Ltd, Bermuda, and of Hiscox S.A., Luxembourg. A curriculum vitae of Mr. Thomas Christian Hürlimann is attached.

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The election shall take place with effect from the conclusion of this Annual General Meeting and in accordance with § 9 of the Articles of Association of the Company (i) for the candidate Heinz Laber and the candidate Marion Khüny until the end of the Annual General Meeting which resolves on the discharge of the Supervisory Board for the financial year 2022 and (ii) for the candidate Thomas Christian Hürlimann until the end of the Annual General Meeting which resolves on the discharge of the Supervisory Board for the financial year 2023.

The resolution is to be adopted by way of an individual vote.

Explanation of the request for additions to the agenda:

Dear fellow shareholders, members of the Management Board, and employees of Aareal Bank Group,

in order to meet the many challenges of the future that Aareal Bank Group is facing at this point in time, immediate joint and prudent strategic action is necessary to ensure the sustainable success of the Group for the future! The Management Board and the Supervisory Board, in particular the Chairwoman of the Supervisory Board, Ms. Korsch, have failed in this regard. Therefore, to use Ms. Korsch's own words in connection with the premature departure of the former Chairman of the Management Board, Dr. Wolf Schumacher, in September 2015, "this is a good time to hand over the baton".

Together with my partner Klaus Umek and our company, Petrus Advisers, we have been major shareholders of Aareal Bank AG since 2019. As of 30 March 2021, we jointly reported a stake of around 9.4% in Aareal Bank AG. For some time now, we have been engaged in an intensive and constructive dialogue with the Management Board on the Group's future strategic orientation, within the scope of which we not only pledged and provided internal and external advisory expertise, but also publicly backed the Management Board's decision to bring expensive private equity capital on board at the Group-owned Aareon AG. A review of the strategic orientation of Aareal Bank AG's banking business, which we initiated as early as the beginning of 2020, revealed that Aareal Bank AG's cost of capital (which we consider to be at least 8-10% after-tax return on equity) cannot be expected to be generated on a sustainable basis.

There has not been an appropriate response to our proposals on implementing further measures, including reducing costs, strengthening the share of fee and commission income in operating profit, and increasing ESG-relevant lending business. With regard to costs, we have in particular criticised the inappropriately high compensation - in our opinion, especially in these times of crisis - and pension commitments of the Board of Management and other senior executives. The Supervisory Board has not taken any appropriate decisions on this issue. Instead, the strategic review announced on 24 February 2021 relies to a large extent on returning capital to shareholders. As Aareal Bank AG will not be able to rely on concessions by the banking supervision authorities with respect to reduced capital requirements or an easing of the dividend restrictions, there is a great risk that Aareal Bank AG will suffer serious damage unless an amended and sustainable strategy be put in place. This is not in the interest of shareholders, management or employees - especially against the background of the bank's long track record.

Particularly in view of the changes to the composition of the Management Board of Aareal Bank AG that are also expected (uncertainty regarding the return of Mr. Merkens, expiry of Ms. Knopek's appointment on 31 May 2021; expiry of Mr. Ortmanns' appointment on 31 March 2023), it appears very necessary to have a Supervisory Board that as a collective body is in a position to meet future challenges together with a changed Management Board body in the years to come.

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We therefore consider a change to the Supervisory Board, in particular the Supervisory Board Chair, to be very necessary to successfully meet future challenges facing the Company. The Supervisory Board members Ms. Korsch, Mr. von Dryander and Mr. Voigtländer have not complied with our request of 30 March 2021 to step down from their positions on the Supervisory Board. We therefore feel compelled to make this supplementary request to the agenda.

In order to ensure the stability and sustainable future success of the bank and the Group, it is not enough in these challenging times to rest on the laurels of previous years: We are missing action here, in particular swift and consistent action to develop a sustainable strategy and implement it. In my and our opinion, however, the Supervisory Board under the leadership of Ms. Korsch does not appear to be willing or able to now develop or implement adequate and sustainable measures and solutions. In order for the Supervisory Board to have the right profile to meet future challenges, we consider it necessary to dismiss the Chairwoman of the Supervisory Board, Ms. Korsch, and the Supervisory Board members Mr. von Dryander and Mr. Voigtländer, and to replace them with new competent members who are capable of dealing with future challenges.

We deem the election proposals for the shareholder representatives in line with the legal requirements under Art. 100 par. 5 AktG. The proposed candidates have been identified with the help of external advice on the basis of publicly available information from the Company on the collective competence profile of the Supervisory Board. In the process, both the professional and personal suitability requirements and various objectives of promoting gender, professional, age and geographical diversity and independence were taken into account; as were all statutory requirements. All relevant information has been obtained and matched against profile requirements. The candidates proposed therefore meet the competence profile required by the Company and are independent within the meaning of Section C.13 of the GCGC. In addition, the candidates have each declared that they have sufficient time capacity to serve on the Supervisory Board and, if elected, that they will accept the position. For this reason, the curricula vitae of the proposed Supervisory Board candidates are attached to this agenda supplement on election proposals, providing information on the candidates' relevant knowledge, skills, professional experience and significant activities in addition to their Supervisory Board mandate.

Theodor Heinz Laber

Mr. Laber is a highly experienced bank manager with broad HR and Management Board experience. Thanks to the numerous transformation processes he has led in the German banking environment, his significant IT transformation expertise and experience in the field of commercial real estate financing, he has an ideal profile for the Supervisory Board of Aareal Bank AG.

Marion Khüny

Ms. Khüny is an experienced bank manager, with broad experience in portfolio management, investment banking and risk management as well as corporate governance.

Thomas Christian Hürlimann

Mr. Hürlimann has very broad experience, which includes in particular the areas of digital transformation, software and change management, in addition to the areas of risk and regulatory affairs.

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We request immediate confirmation of the addition to the agenda. Furthermore, we consider it a requirement of fairness that the candidates are given the opportunity to introduce themselves to the shareholders at the Annual General Meeting.

Yours sincerely,

Till Hufnagel

Enclosures

Curricula vitae of the candidates Laber, Khüny and Hürlimann
Custodian bank confirmation - proof of previous ownership