

Updating of remuneration indicators under Section 7 and Section 8, "German Ordinance governing supervisory requirements for remuneration systems of institutions" (InstitutsVergV)

Remuneration report 2013 pursuant to InstitutsVergV



Aareal Bank

Updating of remuneration indicators under Section 7 and Section 8, "German Ordinance governing supervisory requirements for remuneration systems of institutions" (InstitutsVergV)¹⁾

Change in the composition of the Remuneration Committee

With effect from 13 August 2013, the Head of Treasury has been appointed as an additional member of the Remuneration Committee. As regards the tasks (which have remained unchanged) and the organisational involvement of the Bank's Remuneration Committee, reference is made to the 2010 Remuneration Report.

Remuneration information under Section 7 IVV: all employees²⁾

The disclosure under Section 7 InstitutsVergV includes the remuneration for all staff for 2013 and is made below for Aareal Bank AG and for its subsidiaries as defined under Section 10a of the German Banking Act, where these are subject to InstitutsVergV.

	Structured Property Financing	Consulting/Services	Total
€ mn			
Total remuneration	83.18	13.54	96.72
of which:			
fixed remuneration	60.43	11.61	72.04
of which:			
variable remuneration for 2013 ³⁾	22.75	1.93	
No. of beneficiaries	(751)	(179)	24.68

¹⁾ The Remuneration reports for 2010 and 2011 describe the remuneration systems for employees of Aareal Bank AG – which applied unchanged during 2013 – and for the members of the Management Board, the latter being effective until 31 December 2013. The Remuneration reports are published on the Internet on the Aareal Bank AG website. The remuneration system for members of the Management Board – which was amended due to regulatory changes and came into effect on 1 January 2014 – will be outlined and published in a separate report. The remuneration system for Aareal Bank AG employees will be adapted to the changed regulatory requirements during the course of 2014 and will also be published after completion.

²⁾ Excluding the Management Board of Aareal Bank AG (see here annual report 2013, p. 184 ff.).

³⁾ Including severance pay

Remuneration information under Section 8 (3) IVV: Risk Takers⁴⁾

In 2013, a total of 46 employees were employed as risk takers at Aareal Bank AG and in its subsidiaries as defined in Section 10a of the German Banking Act.⁵⁾

		Total
€ mn		
1)	Total remuneration	17.07
	No. of beneficiaries	46
	of which: fixed remuneration	9.15
	of which: variable remuneration (total incentive)	7.92
	of which: cash bonus	1.93
	of which: share bonus (agreed but not yet disbursed bonus that depends on the sustainable profitability of the bank and is paid out after a deferral period of two years following on the origination of the claim.)	1.93
	of which: foreshadowed and initially deferred components of the variable remuneration, extended over the deferral period of at least three years	4.06
	of which: component granted as Restricted Cash Award	2.03
	of which: component granted as Restricted Virtual Share Award	2.03
	Components of the variable remuneration that depend on the Bank's sustainable profitability	3.69
	Component of variable remuneration reduced by penalty rules (penalty-triggering events)	0.00
2)	Guaranteed remuneration at commencement of an employment contract	0.30
	No. of beneficiaries	1
3)	Payments at termination of employment contract	0.58
	No. of beneficiaries	1

⁴⁾ Excluding the Management Board of Aareal Bank AG (see here annual report 2013, p. 184 et seq.)

⁵⁾ Of these, 44 risk takers are in Structured Property Financing and two in Consulting/Services. Remuneration information at the segment level has been waived for reasons of data protection and confidentiality.

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