



Münchener Hypothekenbank

ANNUAL REPORT

2025



MÜNCHENER HYPOTHEKENBANK: A STRONG REAL-ESTATE BANK

We provide private residential property and commercial real estate financing with the help of our 704 employees.

Our mission? To be a reliable partner and maintain long-term business relationships with our customers. In private residential property financing, we work alongside Volksbanken and Raiffeisenbanken as well as with independent financial service providers in Germany and Austria and with cooperation partners in Switzerland.

We manage our national and international commercial lending business centrally from Munich. Our funding focuses on mortgage bonds, and we have an outstanding reputation as an issuer of these bonds on capital markets.

449

Net interest and
commission income

in EUR million

2024: 468 (-4%)

38.1

Cost-income ratio

in %

2024: 32.5 (+5.6pp*)

* percentage points

178

Income from ordinary
business activities

in EUR million

2024: 191 (-7%)

53.5

Total assets

in EUR billion

2024: 54.5 (-2%)

44.8

Portfolio of
mortgage loans

in EUR billion

2024: 46.2 (-3%)

3.4

New mortgage
business

in EUR billion

2024: 3.1 (+11%)



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FOREWORD

Dear Shareholders and Business Partners

In the 2025 financial year, Münchener Hypothekbank performed well in what continues to be a difficult environment. Despite persistently challenging conditions on property and capital markets, we were able to achieve our strategic business and earnings targets. This once again confirms the strength of our business model and our consistently conservative business and risk policy.

We are satisfied with the development of new business overall. With an 11 percent increase in the volume of mortgage loan commitments, we achieved our targets. Positive momentum in residential property financing came in particular from new products and successful sales activities. With the introduction of the innovative, fully automated credit assessment system MHB RAPID, we have also significantly accelerated the lending process in private property financing.

We were also able to expand new business in commercial property financing, although demand for purchase transactions remained subdued. In the public and liquid investments segment, we took advantage of the more attractive market environment to selectively expand our portfolio of high-quality securities eligible as regulatory capital.

»We have achieved our strategic objectives and consolidated our market position, with a clear focus on innovation, stability and sustainable growth.«

DR HOLGER HORN | CEO





We were again very successful in the area of funding. The focus of our issuance activity continued to be on Mortgage Pfandbriefe and uncovered bonds in euros and Swiss francs. Among the most notable developments were the successful benchmark issues of a Mortgage Pfandbrief and a green senior non-preferred bond, which enabled us to further expand our presence among international investors.

On the earnings side, net interest income remained at a high level and developed better than forecast. Appropriate loan loss provisions were made in view of the tight situation on property markets. Overall, we achieved net income of EUR 106.1 million. This result confirms the Bank's profitability and forms the basis for once again proposing a dividend of 4.0 percent on cooperative shares to the Delegates Meeting.

Münchener Hypothekbank's capital base has been strengthened, so that we continue to significantly exceed supervisory requirements. This gives us a very solid foundation for future growth.

**»Our robust earnings base
and solid capital position
enable profitable operations
and sustainable value creation.«**

ULRICH SCHEER | CFO





Economic and market conditions remain challenging in the current financial year. Nevertheless, thanks to our stable earnings base, the high quality of our loan portfolio and our solid capital base, we believe we are well positioned to continue operating reliably and sustainably in the future and to strengthen our market position.

We would like to thank our employees for their dedicated efforts in the past financial year. We would also like to thank the Supervisory Board and the delegates for their faithful cooperation. Finally, we would like to thank our customers, members, business partners and investors for the trust they place in us.

Yours sincerely,

Dr Holger Horn
CEO

Ulrich Scheer
CFO

Markus Wirsén
CRO

»Our conservative risk profile and the high quality of our portfolio ensure resilience even in a challenging market environment.«

MARKUS WIRSEN | CRO





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FUNDAMENTAL ASPECTS OF BUSINESS ACTIVITIES AND THE BUSINESS MODEL

Business model

Münchener Hypothekbank is a credit institution specialising in residential and commercial property financing for retail and corporate customers. It has its registered office in Munich. The Bank also has a branch in Berlin and 10 offices across Germany. It is organised as a registered cooperative society (eingetragene Genossenschaft) under German law.

The Bank is an independent credit institution with no majority shareholder and a total of 54,859 members, and the volume of members' capital contributions amounts to EUR 1,294.5 million (as at 31 December 2025). The majority of the Bank's members are Volksbanken and Raiffeisenbanken, Sparda-Banken (with a share of 69 percent), private individuals, customers, foundations (27 percent) and other companies belonging to the Cooperative Financial Network (4 percent).

With assets totalling EUR 53.5 billion as at 31 December 2025 and 704 employees, Münchener Hypothekbank is categorised as a significant financial institution and is therefore subject to direct supervision by the European Central Bank (ECB).

Münchener Hypothekbank belongs to the Genossenschaftliche FinanzGruppe (Cooperative Financial Network), which comprises 672 Volksbanken, Raiffeisenbanken and affiliated cooperative enterprises, such as DZ BANK, the insurer R+V Versicherung, Union Investment and the building society Bausparkasse Schwäbisch Hall.

The Bank's core areas of business are residential and commercial property financing in Germany and abroad. Hence, among the institutions specialising in property financing, the Bank is one of only a small number that offer private residential property financing as well as large-scale financing for commercial property. Another core area of business is "Capital Markets and Funding". This encompasses refinancing in the money and capital markets and lending on capital markets, including selective business with public-sector customers (municipal financing) and investments in highly liquid bank and government securities. The latter are acquired primarily for the purpose of managing liquidity and the cover pool.

In the residential property financing segment, Münchener Hypothekbank lends to retail customers in Germany via its cooperation partners, including the Volksbanken and Raiffeisenbanken, other cooperative credit institutions and independent financial advisers and brokers. Münchener Hypothekbank also works with PostFinance and Swiss Life in Switzerland and with select brokers in Austria. Cooperation with the Volksbanken and Raiffeisenbanken is managed via Münchener Hypothekbank offices located in Augsburg, Berlin, Cologne, Dresden, Frankfurt am Main, Hamburg, Hanover, Munich, Münster, Nuremberg and Stuttgart.

In the commercial property segment, the Bank chiefly finances residential properties, office buildings, hotels and retail and logistics properties in Germany and abroad. The financing of care home properties was added as a new asset class in the

2025 financial year. The business comprises direct acquisition and syndicated business and, here too, is partly arranged via the Volksbanken and Raiffeisenbanken in Germany. Besides Germany, Münchener Hypothekbank also contracts new business in Austria, Belgium, France, Luxembourg, the Netherlands, Spain and the United Kingdom. The Bank also has some commercial property financing business in the USA, although it is no longer concluding any new business here.

Funding is mainly via Mortgage Pfandbriefe, which are rated Aaa, the highest possible rating, by Moody's. The Bank also issues unsecured bearer bonds on the capital market and raises funds on the money market. The Bank's securities are purchased predominantly by institutional investors such as asset managers and investment funds, pension funds, insurance companies and (central) banks, but also by private investors in some cases.

Münchener Hypothekbank belongs to the institutional protection scheme set up by the National Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken, BVR). It is run by BVR Institutssicherung GmbH, Berlin (BVR-ISG), and is classified as an officially recognised deposit protection system. The Bank is also affiliated with the protection scheme operated by the association Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. (BVR-SE), which consists of the guarantee fund and the guarantee network.



Business strategy and corporate planning

In the financial year just ended, particular attention was paid to the market environment, which remained challenging, as well as geopolitical risks, issues relating to ESG (environmental, social and governance), banking regulation and digitalisation. As momentum in these fields shows no signs of abating, it appears likely that existing structures will be further impacted. Münchener Hypothekbank is continuously monitoring and assessing these developments in light of its business activities.

The fundamental aspects of Münchener Hypothekbank's business activities are laid down in the business and risk strategy. The strategic direction is reviewed at regular intervals and revised where necessary. The Bank remains encouraged by the prospects in its current business areas.

In this regard, Münchener Hypothekbank aims to position itself as a sustainable institution in terms of the value it contributes to the Cooperative Financial Network, its customers and its members. Münchener Hypothekbank views itself here as an integral part of the Cooperative Financial Network. It offers its customers and partner banks financial solutions tailored to their needs. ESG is a fixed part of the Bank's core business and strategy. Münchener Hypothekbank sees digitalisation as an opportunity to enhance the business model on a continuous basis and to create more efficient business processes.

In order to achieve its strategic objectives, the Bank will continue to implement its key priorities in the years ahead. The strategy process, which is compliant with the German Minimum Requirements for Risk Management (Mindestanforderungen an das Risikomanagement, MaRisk), plays a crucial role in this. The annual planning forms an integral part of the strategy process. All earnings and cost components and our risk-bearing capacity are monitored continually or projected on a rolling basis, so the Bank can react promptly and appropriately to fluctuations in earnings or costs.

Planning also includes capital adequacy.



ECONOMIC REPORT

General economic conditions

ECONOMIC DEVELOPMENT

The world economy continued to face geopolitical risks in 2025. Trade disruptions, ongoing uncertainties in global supply chains, conflicts such as the war in Ukraine and tensions between major economic powers slowed economic development, particularly in the second half of the year. For 2025 as a whole, helped by anticipatory effects in the first half of the year, the International Monetary Fund (IMF) expects global economic growth of 3.2 percent, slightly below the previous year's level. The moderate slowdown in global growth led to higher rates of unemployment in many countries. On the other hand, global inflation continued to ease over the course of the year and is likely to have averaged 4.2 percent, although considerable differences are noted between individual countries.

The eurozone recorded economic growth of 1.2 percent in 2025, slightly higher than in the previous year, but still well below the growth rates of the world's two largest economies, the USA and China. On the one hand, the eurozone was affected in particular by comparatively high energy prices and geopolitical conflicts, which depressed production and consumption. On the other hand, tight monetary policy and higher interest rates dampened investment and demand. Furthermore, demographic trends, lower productivity growth and structural challenges in individual member states slowed growth compared with more dynamic regions of the world. The unemployment rate

and the inflation rate, which remained close to the European Central Bank's inflation target throughout the year, remained relatively stable overall.

After two years of recession, the German economy showed the first signs of a moderate recovery in 2025. Gross domestic product grew by around 0.2 percent, but remained subdued owing to structural pressures and the continued weakness of investment activity. Economic growth was supported mainly by increased consumer spending by private households and higher government spending. Exports came under renewed pressure due to higher US tariffs, the appreciation of the euro and strong international competition, particularly from China. Inflation remained on a downward trend, averaging 2.2 percent over the year, which helped to stabilise prices and slightly strengthened the purchasing power of private households. On the labour market, the fragile economic situation was reflected in a moderate increase in the unemployment rate.

FINANCIAL MARKETS

2025 was marked by increased uncertainty on global capital markets. In addition to continuing geopolitical tensions and escalating trade conflicts, the market environment was impacted in particular by monetary policy developments and technological trends, such as the ongoing AI-driven investment cycle. Further pressure came from the USA's announcement of significantly higher import tariffs at the beginning of April 2025, which led to noticeable uncertainty among market participants regarding the economy, inflation and monetary policy direction.

Against the backdrop of higher inflation risks, the Fed paused interest rate cuts for much of the year and only resumed them in autumn 2025, cutting interest rates in three steps of 25 basis points each to a range of 3.5 percent to 3.75 percent. In the eurozone, however, declining inflation rates allowed the European Central Bank (ECB) to ease monetary policy as early as the first half of the year. The deposit rate was reduced in four steps from 3.00 percent to 2.00 percent.

After temporary price falls during the course of the year, stock markets recovered significantly, supported in particular by positive growth expectations in the technology sector. The picture for the euro bond market was mixed. While short-term maturities benefited from monetary policy easing, the announcement of an economic stimulus package, the relaxation of Germany's debt brake and continued high government deficits worldwide led to rising yields in the long-term maturity segment. Yields on ten-year German government bonds rose from 2.37 percent to 2.86 percent over the course of the year.

Overall, these developments led to a steepening of the yield curve. Longer maturities were less in demand from investors and recorded higher yields and spreads, which made for a challenging funding environment, particularly for long-term property financing.



Yields on ten-year German government bonds 2025



Source: Bloomberg

On the foreign exchange market, the US dollar lost significant value against the euro in the course of 2025. This was due in particular to the perceived unpredictability of US economic policy, which was marked by the announcement of high import tariffs and persistently high budget deficits. Positive momentum from the US stock market, particularly as a result of extensive investment in artificial intelligence, was unable to offset this downward trend for any length of time. Starting from a high exchange rate of EUR/USD 1.035 at the beginning of the year, the US dollar lost significant value, particularly during the first six months, ending the year at EUR/USD 1.175.

The Swiss franc showed only minor fluctuations against the euro over the course of the year. Compared with the year's opening rate of EUR/CHF 0.940, the Swiss franc appreciated slightly to EUR/CHF 0.930 by the end of the year. The British pound, on the other hand, declined moderately over the course

of the year, weakening from EUR/GBP 0.827 at the start of the year to EUR/GBP 0.872 by the year's end.

The covered bond market experienced a high level of issuance activity throughout the year. Issuance was slightly above the previous year's level, with a total volume of around EUR 160 billion. Investor demand remained consistently high. As a result, issuance spreads for ten-year Pfandbriefe narrowed considerably over the course of the year, from around +50 basis points above the mid-swap rate at the beginning of the year to around +30 basis points at the end of the year. As in the previous year, the countries with the highest issuance were France and Germany.

PROPERTY AND PROPERTY FINANCING MARKETS

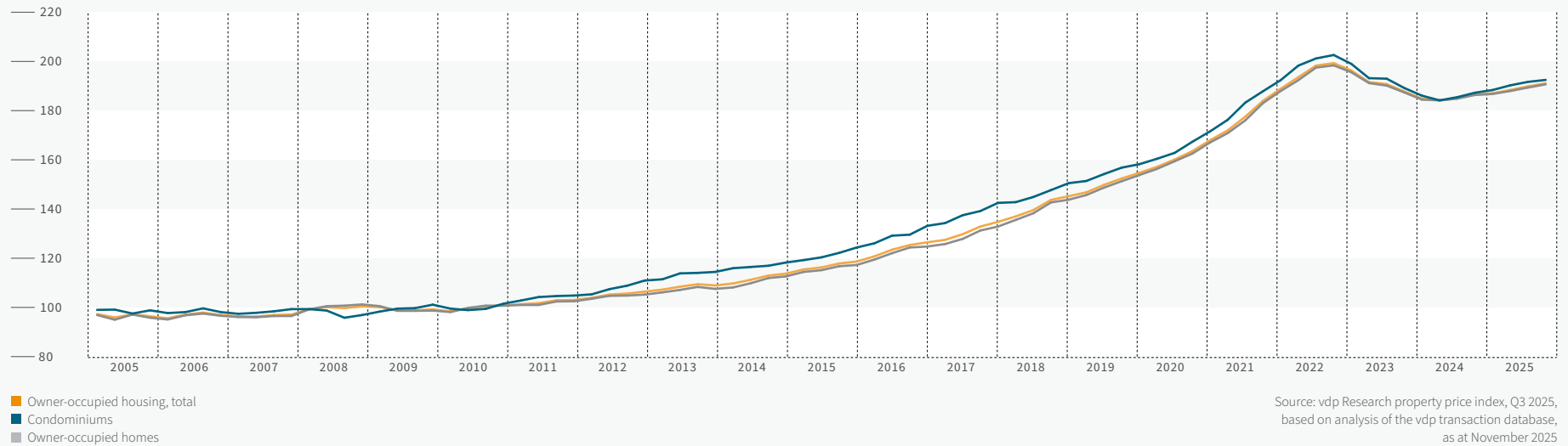
Residential property, Germany

The German housing market was characterised by a tight situation in many towns and districts. This was reflected in rising prices and a sustained increase in rents. According to the property price index of the Association of German Pfandbrief Banks (vdp), residential property prices increased by 3.8 percent in the first nine months of 2025 compared with the same period of the previous year. The price increase was especially pronounced for multi-family homes, which recorded a rise of 5.2 percent. This was due, on the one hand, to continued high demand from institutional investors, leading to slight yield compression. On the other hand, the increase in new lease rents by 3.7 percent in the same period contributed significantly to the price trend. Institutional investors invested around



Trend in prices for owner-occupied housing

INDEX VALUES: 2010 = 100



EUR 10.3 billion in residential property in 2025, almost reaching the previous year's level. The residential asset class remained the most important, with a share of around 30 percent.

The earlier market uncertainty caused by rising interest rates, high construction costs and declining prices eased significantly over the course of the year, leading to a noticeable increase in demand for condominiums and owner-occupied homes. At the same time, demand for owner-occupied homes was boosted by the shortage of rental housing. The continued rise in rents narrowed the gap between the monthly rent burden and financing costs, so that the purchase of residential property was increasingly perceived as both a safeguard against dynamic

rent increases and a financially attractive proposition. As a result of this upturn in demand, prices rose by 2.3 percent for owner-occupied homes and by 2.8 percent for condominiums.

A key factor in the tight market situation was the decline in new housing construction. According to estimates, around 205,000 homes were completed in 2025, a year-on-year decline of nearly 15 percent. This contrasts with annual demand for construction of 300,000 to 320,000 new homes, further exacerbating the shortage of available housing. Especially in metropolitan areas and towns and cities attractive to young people, population numbers continued to grow due to internal migration and immigration, so that demand for housing once

again significantly exceeded supply. Building permits developed positively. In the first eleven months of 2025, the number of approved dwellings increased by 14 percent year on year.

The upturn in demand on the housing market was also reflected on the financing side. According to the Association of German Pfandbrief Banks (vdp), loans for the construction and purchase of residential property totalling around EUR 180 billion were granted in the first nine months of 2025, an increase of 18 percent compared with the same period in 2024. This development underscores the increased willingness of private households to invest and an overall improvement in the assessment of financing conditions and market prospects.



Residential property, international

European residential property markets faced tight market conditions in 2025, mainly due to a shortage of new construction, which contrasted with sustained high demand for housing. In many countries, new construction activity remained unable to meet structural demand, further exacerbating supply bottlenecks. Across Europe, the number of completed dwellings declined once again. Against this backdrop, the upward trend in purchase prices and rents continued. Residential property prices rose by an average of 5.5 percent across Europe in the third quarter of 2025, while residential rents rose by 3.1 percent.

The continuing housing shortage in many European metropolitan regions and the expectation of rising rents made the residential sector significantly more attractive to institutional investors. Residential property became increasingly established as a relatively crisis-resistant asset class offering consistent returns, as it benefits from structurally high demand and stable long-term cash flows. Student accommodation and co-living developed from niche segments into strategically important sub-markets, as they benefit from the structural shortage of living space, increasing urbanisation and high demand from mobile target groups, while at the same time being comparatively less dependent on the economic cycle. Overall, the residential sector accounted for around a quarter of total European property transaction volume. Residential property was consequently the highest-volume asset class, just ahead of office property, which traditionally plays a dominant role in institutional property portfolios.

The Swiss residential property market remained dynamic despite moderate overall economic growth. This trend was largely driven by the Swiss National Bank's expansionary monetary policy. Historically low interest rates both reduced the cost of financing residential property and made property investments more attractive generally. Furthermore, ongoing geopolitical uncertainties had a supportive effect, as Swiss residential property was increasingly perceived as a stable form of investment that will retain its value. Against the backdrop of scarce supply, particularly in urban centres and economically strong regions, solid demand resulted in an average price increase of 2.6 percent for residential property over the course of the year.

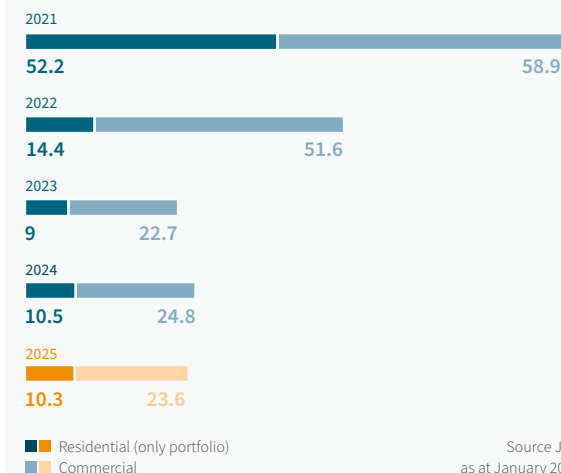
After two years of declining residential property prices and lower transaction numbers, demand for residential property in Austria picked up slightly in 2025. The main factor was the decline in financing costs over the course of the year, which made the purchase of residential property more attractive again. At the same time, the Austrian economy recorded moderate growth after two years of weakness. Prices for single-family homes and condominiums stabilised over the course of the year and showed a moderate upward trend of 1.5 percent nationwide in the second half of the year. However, the supply of residential property remained limited due to declining construction activity and delayed project developments. This particularly affected the rental housing market in the nation's capital Vienna, which is characterised by a structural undersupply coupled with a growing population. As a result, rents there rose by 10 percent in 2025.

Commercial property, Germany

After a good start, the commercial property investment market in Germany lost momentum as the year progressed. This was reflected in a slight decline in transaction volume compared with the previous year. Commercial property with a total volume of

Trend in commercial real estate transaction volumes in Germany

IN EUR BILLION



EUR 23.6 billion was traded. Although the number of transactions increased, the average transaction volume declined, indicating a degree of caution on the part of institutional investors. Instead, buyers increasingly included private investors and family offices. There was no clear focus in terms of asset classes: transaction volumes for retail, logistics and office properties each totalled approximately EUR 6 billion.

Office properties ranked third in a comparison of asset classes. Market activity was largely dominated by small and medium-volume transactions. Nevertheless, transaction volume increased slightly compared with the previous two years, due in particular to certain large-volume deals and a noticeable increase in commitments by foreign investors. Buying interest focused on first-class locations and ESG-compliant properties, where yields have largely stabilised since the middle of the



year. Outside these prime locations, demand remained subdued and the market continued to show the typical characteristics of a buyer's market.

The office rental market also failed to show any sustained momentum. The general absence of an economic tailwind and challenging economic conditions had a dampening effect. Weak macroeconomic growth, greater uncertainty among companies and an increasingly cautious attitude to expansion limited demand for additional office space and slowed market momentum. As a result, space take-up fell just short of the previous year's level. Demand focused on modern, high-quality office space, while new construction activity remained at a low level, further narrowing the supply segment. At the same time, the structural divergence of the market continued. In prime properties and first-class locations, vacancy rates remained low and rents continued to rise, whereas vacancy rates increased in older, less attractive office properties. Owners in this segment came under increasing pressure to adapt, whether through rent concessions, investments in building quality or strategic repositioning of properties.

Retail properties were the commercial asset class with the highest volume in 2025. Helped by a large-volume portfolio sale, several major transactions in top-tier locations and high demand in the retail park segment, transaction volume rose significantly. However, the transformation process in the retail sector is not yet complete. While prime locations, retail parks and local shopping centres with grocery stores as anchor tenants remained stable, weaker locations, traditional shopping streets and smaller shopping centres continued to decline in importance. Space and usage concepts also changed: retailers reduced their floor space, increasingly opted for flexible floor

plans, and combined retail spaces with food and beverage, service, leisure or health offerings. Mixed-use concepts, brand staging and conversions of retail space became more important.

The logistics property market faced considerable challenges in 2025. Economic uncertainties, geopolitical risks and subdued growth in trade and industry made many companies less willing to expand. Both users and investors became more cautious and selective as a result. While the rental market recorded a slight increase compared with the previous year, transaction volume fell to its lowest level since 2016.

Commercial property, international

At European level, growth momentum capable of generating a noticeable upturn in investment activity was absent in 2025. Against a backdrop of macroeconomic uncertainty, cautious lending and investor reticence, commercial investment volume in the first three quarters of 2025 remained largely at the previous year's level. No broad market momentum was observable; instead, market activity was characterised by selective investor behaviour.

Office properties once again occupied the leading position among asset classes and, despite structural challenges, remained the highest-volume segment on the European investment market. The volume of investment in this segment was up on the previous year, due in particular to transactions in core locations and increased demand for high-quality, ESG-compliant properties.

The transaction volume for retail properties rose moderately. However, the positive trend was confined to selected formats and locations, while the segment as a whole continued to undergo structural adjustment processes.

Logistics properties, which were among the fastest-growing asset classes in previous years, ranked second in 2025. Transaction volume in this segment declined compared with the previous year, due in particular to ongoing geopolitical uncertainties and a limited supply of suitable investment properties in core markets.

The UK maintained its leading position within Europe in terms of investment volume. The market was driven primarily by domestic investors. Industrial and logistics properties proved to be the strongest asset class with a rising investment volume. Demand on the user market picked up noticeably, having been depressed in previous years by macroeconomic uncertainties and supply chain adjustments. The asset class of office properties continued to face structural challenges. The concentration of demand on high-quality, ESG-compliant spaces in central locations led to further market segmentation and increased the pressure on secondary markets. Although transaction volume rose slightly compared with 2024, it remained well below historical peaks.

In France, the commercial investment market recorded a slight year-on-year increase in the first nine months of 2025, mainly due to strong demand in the first quarter. From the middle of the year onwards, economic uncertainties and high government debt dampened investor confidence, leading to a noticeable decline in transaction volumes. The industrial and logistics sector in particular experienced a decline in investment activity as a



result of economic, political and geopolitical pressures. The office sector recorded a significant rise in transaction volume due to a number of large-volume transactions in the Greater Paris area, thereby maintaining its leading position among asset classes.

The property investment market in the Netherlands remained largely stable up to and including the third quarter of 2025, supported by improved financing conditions and a moderate increase in willingness to invest coupled with selective investor behaviour. Transaction volume increased moderately, albeit with significant differentiation according to asset class and property quality. Industrial and logistics properties were once again the asset class recording the highest volumes, due in particular to the strategically favourable geographical location of the Netherlands. The office sector showed slight signs of recovery for the first time after several years of subdued demand.

The Spanish economy developed robustly and showed above-average growth compared with other European countries, helped in particular by a strong tourism sector and high consumer spending. The country's economic stability was also reflected in the commercial investment market: hotels and retail properties were the highest-volume asset classes. Office, industrial and logistics properties also benefited from increased investor activity. Overall, the commercial investment market in Spain achieved dynamic growth in 2025 and recovered significantly compared with previous years.

The commercial investment market in the USA staged a moderate recovery in the first nine months of 2025, after the declining transaction volumes and high uncertainty of previous years. Transaction volume increased noticeably year on year, driven by growing investor confidence, a cautiously improved liquidity situation and a gradual convergence of buyers' and sellers' price

expectations. Industrial and logistics properties maintained their position as the asset class with the highest volumes. Office properties recorded the highest growth rates, but remained the most heavily fragmented sector. While high-quality, modern office buildings in central locations recorded stable to positive demand and value growth, older, inefficient properties and those in peripheral locations remained under significant economic pressure, characterised by high vacancy rates, falling valuations and limited investor interest.

Business development

NEW MORTGAGE BUSINESS

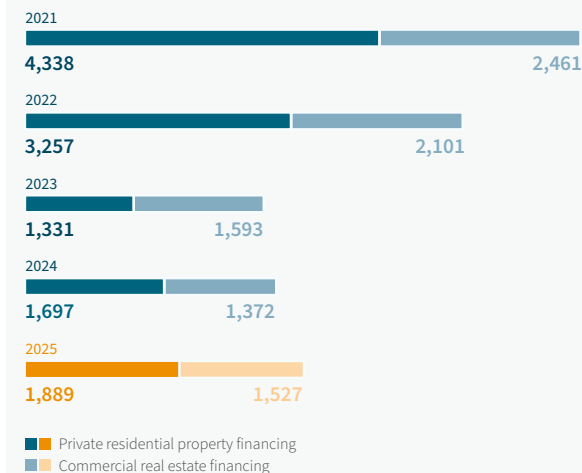
In the year under review, Münchener Hypothekbank committed to new business with a total volume of EUR 3.4 billion, representing a rise of 11 percent. With this result the Bank achieved its targets for the 2025 financial year, even though the market situation in its two core business areas remained challenging.

In private residential property financing, Münchener Hypothekbank had a total commitment volume of EUR 1.9 billion (2024: EUR 1.7 billion) and therefore reached the forecast new business volume (EUR 1.8 billion).

Brokerage business with partner banks in the Cooperative Financial Network faced an intensely competitive environment and – with customers expecting interest rates to fall – strong demand for fixed-rate financing with a term of ten years. Despite this, the Bank was able to expand its new business and at the same time increase the average fixed-interest rate period in this segment. Overall, new business with cooperative banks amounted to around EUR 1 billion (2024: EUR 885 million). The

New mortgage business 2021 to 2025

IN EUR MILLION



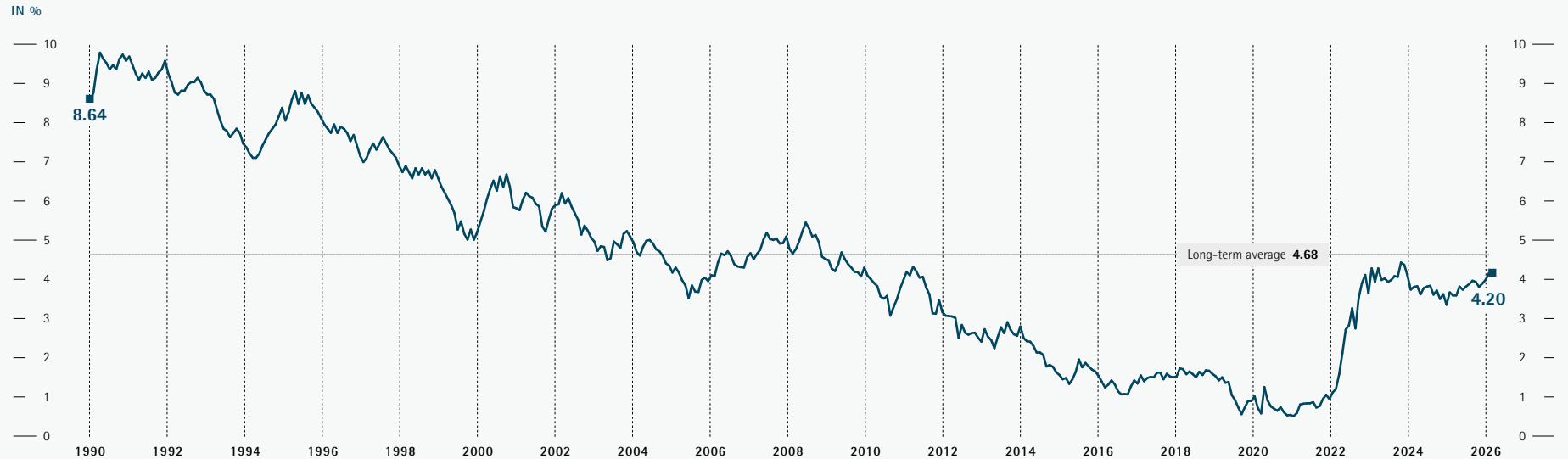
average fixed-interest rate period increased from 13 years to 17 years. The average loan-to-value ratio remained unchanged at 72 percent. Reasons for the increase in business with the Cooperative Financial Network include, in particular, new products and a successful sales campaign focusing on green financing in autumn 2025.

Placement via independent financial service providers declined to EUR 465 million (2024: EUR 554 million), as the environment remained intensely competitive.

New business in Switzerland developed very positively, rising by 72 percent to EUR 431 million (2024: EUR 250 million) and exceeding the forecast by more than 100 percent. Münchener Hypothekbank and its cooperation partners benefited from historically low interest rates, which led to increased demand for financing.



Mortgage rates of Münchener Hypothekbank, ten-year fixed rate



In the commercial property financing segment, Münchener Hypothekbank had a total commitment volume of more than EUR 1.5 billion in the year under review (2024: EUR 1.4 billion). Of this total, EUR 1.2 billion related to commercial properties (2024: EUR 1.0 billion) and around EUR 320 million to residential properties (2024: EUR 350 million). This increase is largely in line with forecasts, but at the same time reflects subdued demand in the form of actual purchase transactions. Consequently, a significant portion of the committed volume was attributable to follow-up financing from the Bank's own loan portfolio, as well as refinancing and redemptions for new customers.

New business was concluded primarily in Germany. Commitment volume amounted to EUR 1.2 billion, exceeding the previous year's result of EUR 1.1 billion. Foreign business reached a volume of EUR 312 million, slightly above the previous year's level of EUR 277 million. Financing was focused on the Netherlands, followed by France, Spain and the UK with almost equal shares. The remaining commitments concerned the financing of properties in Austria and Belgium. Syndicated business abroad also picked up slightly. A total of around EUR 120 million (previous year: EUR 40 million) was committed to syndicated loans, particularly for financing properties in the UK, the Netherlands and France.

The income situation in new commercial business developed satisfactorily. Planned margins were exceeded, particularly in the case of domestic business. The average loan size increased slightly to EUR 29 million (previous year: EUR 28 million).

From a risk perspective, the Bank maintained its financing approach. The focus was on conventional financing at completion, giving due consideration to adequate, sustainable minimum cash flows and market-appropriate locations. The average initial loan-to-value ratio rose from 82 percent to 88 percent. This was also influenced by the first development/repositioning finance arrangements, which Münchener Hypothekbank is supporting as a syndicate member. Higher loan-to-value ratios are inherent to this segment.



PUBLIC AND LIQUID INVESTMENTS

Public and liquid investments mainly serve to manage liquidity, provide collateral and meet regulatory requirements. The adoption of the German Special Fund for Infrastructure and Climate Neutrality (Sondervermögen Infrastruktur und Klimaneutralität) worth EUR 500 billion and easing of the debt brake calculation rules led to higher yields and more attractive spreads for German government bonds, bonds issued by the German federal states (Länder) and covered bonds. Münchener Hypothekbank took advantage of the favourable spread environment to make further investments in high-quality LCR-eligible securities.

New business volume stood at around EUR 1.0 billion in 2025 (previous year: EUR 1.4 billion), in line with our expectations. Taking into account disposals of EUR 0.6 billion, the total portfolio increased to around EUR 6.5 billion (2024: EUR 6.1 billion). Germany accounted for 87 percent of the total portfolio, with the remainder mostly distributed among other European countries. A breakdown by asset class shows that German federal states, municipalities and development banks accounted for 78 percent, covered bonds 10 percent, supranational institutions and European government bonds 9 percent and commercial banks 3 percent.

REFINANCING

The market environment in the year under review was characterised by significant changes and positive momentum for Münchener Hypothekbank's issues on the primary market for covered bonds and uncovered bonds. A significant narrowing of funding spreads was observed, particularly in the second half of the year.

Münchener Hypothekbank's funding volume on the capital market totalled around EUR 3.5 billion in 2025, below the previous year's figure (2024: EUR 4.9 billion). We had forecast a capital market volume of between EUR 2 billion and EUR 3 billion for 2025. The number of new large-volume bonds declined as a result.

The focus of our large-volume funding transactions continued to be on the issuance of Mortgage Pfandbriefe and uncovered bonds in euros and Swiss francs.

With regard to Pfandbrief issues in euros, one Mortgage Pfandbrief in benchmark format was noteworthy. This was issued at the end of February 2025 with a volume of EUR 500 million and a maturity of ten years. Strong investor interest was reflected in the pricing: the issue was announced at 49 basis points above the mid-swap rate, but was issued at a spread of 44 basis points above the mid-swap rate. A tap issue of EUR 250 million was made in the second half of the year, bringing this Pfandbrief to a new total volume of EUR 750 million. The spread was fixed at 40 basis points above the mid-swap rate.

In October 2025, Münchener Hypothekbank achieved great success with the issuance of a green senior non-preferred bond with a volume of EUR 500 million. The bond has a term of approximately 9.5 years. The coupon is 3.375 percent and met with strong interest from investors who specifically invest in this segment. The benchmark format attracted new, particularly international, investors, who accounted for around 50 percent of the final order book. The issue took place in the reporting year against the backdrop of a favourable market environment and serves to refinance senior non-preferred bonds maturing in 2026.

Further funding was raised through private placements.

With regard to bonds in foreign currencies, the focus in 2025, as in previous years, was on issues in Swiss francs. Bonds with a total volume of around CHF 200 million were issued in 2025. The issues took place exclusively on the capital market via syndicated bonds, with a range of maturities and in the product categories of Pfandbriefe and senior non-preferred bonds.

The volume of deposits that were acquired through the Bank's existing sales channels – the Cooperative Financial Network, Raisin and DB-Zinsmarkt – was maintained at a constant level. In addition, a cooperation agreement was concluded with Scalable Capital Bank, whereby fiduciary deposits are transferred to Münchener Hypothekbank. The total volume of deposits acquired increased from EUR 800 million to EUR 1.3 billion as a result.

The portfolio of funding instruments amounted to EUR 48.0 billion as at 31 December 2025. Of this amount, Mortgage Pfandbriefe accounted for 71.2 percent, Public Pfandbriefe 2.3 percent, senior preferred capital market instruments 7.6 percent, senior preferred commercial paper 0.4 percent, senior preferred money market instruments 2.9 percent, senior non-preferred bonds 12.3 percent, repos 1.2 percent and retail deposits 2.1 percent.

By currency, 90.4 percent was denominated in euros, 9.5 percent in Swiss francs and 0.1 percent in US dollars.

The total issuance volume was around EUR 3.5 billion as at 31 December 2025. Of this sum, EUR 1.8 billion related to Mortgage Pfandbriefe, around EUR 0.8 billion to senior preferred instruments and approximately EUR 0.9 billion to senior non-preferred bonds. A small volume of Tier 2 bonds was also issued.



Key financial and non-financial performance indicators

The Bank's management uses the following key financial performance indicators:

- Total new property financing business
- Operating result after loan loss provisions (net income from ordinary business activities)
- Profit retention
- Cost-income ratio (CIR)
- Return on equity (RoE) before tax

The following three sustainability values are used as key non-financial performance indicators:

- CO₂ emission intensity in private property financing
- CO₂ emission intensity in commercial property financing
- Proportion of green financing in the commercial real estate portfolio (until 31 December 2025), from 1 January 2026: Top 5 issuer of green Pfandbriefe

When used as a key non-financial performance indicator for private and commercial property financing, "emission intensity" refers to the amount of greenhouse gas emissions generated per square metre by properties financed by Münchener Hypothekbank. A lower emission intensity means that fewer greenhouse gases are emitted per square metre, which is an indication of a more efficient use of resources and lower environmental impact. It is an important indicator for measuring the progress made in reducing greenhouse gas emissions and achieving the Bank's climate target.

TOTAL NEW PROPERTY FINANCING BUSINESS

In 2025 the Bank made property financing commitments totalling EUR 3.4 billion. In its planning, the Bank had assumed a new business volume of EUR 3.4 billion. The targets were achieved overall. In the domestic retail segment, a target attainment of 94 percent was offset by an above-target result in Swiss retail business. In commercial lending business, target attainment was 100 percent.

OPERATING RESULT AFTER LOAN LOSS PROVISIONS

The operating result after loan loss provisions, i.e. the net income from ordinary business activities (item 15 of the income statement), amounted to EUR 177.8 million, compared with EUR 190.8 million in 2024, representing a drop of 6.8 percent.

At EUR 177.8 million, the Bank exceeded its forecast of EUR 162 million by 9.8 percent. This above-forecast result was mainly attributable to net interest income (calculated by netting items 1 to 4 in the income statement), which exceeded the target by 8.5 percent. In particular, this allowed the Bank to offset loan loss provisions (item 11 of the income statement: "Write-downs and impairment allowances on loans and advances and on specific securities, as well as additions to loan loss provisions"), which at EUR 98.8 million exceeded the target figure of EUR 85 million.

PROFIT RETENTION

Profit retention for the 2025 financial year was EUR 55 million (previous year: EUR 55 million), plus an addition of EUR 2 million to the fund for general banking risks (previous year: EUR 6 million).

In its planning, the Bank had assumed a total addition of just under EUR 51 million. The Bank's goal is to retain at least EUR 50 million per year, including the addition to reserves in accordance with section 340g HGB.

COST-INCOME RATIO (CIR)

The cost-income ratio describes the ratio of administrative expenses to net interest and commission income. Administrative expenses are the sum of income statement item 8 "General administrative expenses" and item 9 "Amortisation/depreciation and impairment allowances on tangible and intangible assets". Net interest and commission income is calculated by netting items 1 to 6 in the income statement.

The cost-income ratio for the 2025 financial year was 38.1 percent, compared with 32.5 percent in the previous year. In its planning, the Bank had assumed a value of around 40 percent. It aims to keep the cost-income ratio permanently under 50 percent.

RETURN ON EQUITY (ROE) BEFORE TAX

Return on equity before tax is calculated as the ratio of income statement item 15 "Net income from ordinary business activities" to balance sheet liability item 9 "Fund for general banking risks" (previous year) plus liability item 10aa "Members' capital contributions" (current year) plus 10b "Revenue reserves" (previous year), plus EUR 5 million "Additional allocation to legal reserve", plus income statement item 19 "Profit carried forward from previous year". The return on equity before tax for the 2025 financial year was 9.2 percent, compared with 10.3 percent in the previous year. In its planning, the Bank had assumed a value of around 9 percent. The Bank aims for an RoE before tax within the strategic target corridor of 8 to 10 percent.



CO₂ EMISSION INTENSITY IN PRIVATE PROPERTY FINANCING

The key objective of Münchener Hypothekbank's business strategy is to integrate sustainability into the Bank's core business. Besides offering green loans for private residential property financing, a cornerstone of this strategic approach is measuring the CO₂ emission intensity of the respective portfolio. For private property financing, the target for 2025 was 54.2 kg CO₂/m². The average CO₂ emission intensity for 2025 as a whole was 56.2 kg CO₂/m². The measures defined in the transition plan are being implemented consistently and developed further.

To improve management of the direct impact of Münchener Hypothekbank's business activities on its decarbonisation efforts, as of 1 January 2026 the Bank will switch to an indicator based on the ratio of new construction to new business. The target for 2026 is 10 percent.

CO₂ EMISSION INTENSITY IN COMMERCIAL PROPERTY FINANCING

Another objective of Münchener Hypothekbank's business strategy is to offer green financing within commercial property financing. To this end, Münchener Hypothekbank offers products (MHB Green Loan Gewerbe, MHB EnergieEffizienzKredit) with the aim of supporting customers in transforming their properties while reducing the CO₂ emission intensity of the commercial portfolio. For commercial property financing, the target for 2025 was 38.6 kg CO₂/m². The average CO₂ emission intensity for 2025 as a whole was 42.5 kg CO₂/m². The measures defined in the transition plan are being implemented consistently and developed further.

To improve management of the direct impact of Münchener Hypothekbank's business activities on its decarbonisation efforts, as of 1 January 2026 the Bank will switch to an indicator based on a measurement of the CO₂ emission intensity of new business. The target for 2026 is 31.3 kg CO₂/m².

TOP 5 ISSUER OF GREEN PFANDBRIEFE (FROM 1 JANUARY 2026), PREVIOUSLY: PROPORTION OF GREEN FINANCING IN COMMERCIAL REAL ESTATE PORTFOLIO

In the 2025 financial year, Münchener Hypothekbank issued a total of eight green bonds, including two green bonds in benchmark format, thereby exceeding its target of one green benchmark bond.

From 1 January 2026, for this indicator the Bank will switch from an absolute number of green issues to a benchmark indicator. The Bank's goal is to achieve a position among the Top 5 issuers in Germany in 2026 in terms of the outstanding nominal volume of green Mortgage Pfandbriefe.

Financial performance, financial position and net assets

FINANCIAL PERFORMANCE

Net interest income¹ decreased by EUR 20.3 million, or 3.8 percent, to EUR 512.2 million, due to lower interest rates and a decline in the portfolio. Münchener Hypothekbank had expected even lower interest rates and had therefore forecast a decline to around EUR 472.0 million.

Commission expenses were just below the previous year's level at EUR 72.8 million, down by EUR 2.8 million or 3.8 percent.

Commission income amounted to EUR 10.0 million, resulting in a net commission expense² of minus EUR 62.8 million, compared with minus EUR 64.3 million the previous year. In our forecast, we assumed a net commission expense of minus EUR 56 million. The difference is mainly due to higher than planned agent commissions.

Net interest and commission income³ amounted to EUR 449.4 million, which corresponds to a decrease of EUR 18.8 million, or 4.0 percent, compared with the previous year.

General administrative expenses rose by EUR 18.7 million to EUR 167.6 million. Personnel expense amounted to EUR 79.4 million, which was EUR 7.2 million higher than in the previous year. As well as the usual pay rises, the necessary expansion of the workforce in the last two years was the main reason for this increase.

Other administrative expenses rose by EUR 11.5 million to EUR 88.2 million. The increase was due to expenses for projects in the regulatory sphere and for the Bank's further strategic development.

Amortisation/depreciation and impairment allowances on tangible and intangible assets rose by EUR 0.3 million year on year to EUR 3.7 million.

Total administrative expenses⁴ amounted to EUR 171.3 million, compared with EUR 152.3 million in the previous year. This

¹ Net interest income is calculated by adding item 1 "Interest income" plus item 3 "Current income" plus item 4 "Income from profit-pooling, profit transfer or partial profit transfer agreements" minus item 2 "Interest expenses" as shown in the income statement.

² Net commission income is calculated by netting income statement item 5 "Commission income" and item 6 "Commission expenses".

³ Net interest and commission income is the sum of net interest income and net commission income/expense.

⁴ Administrative expenses are the sum of income statement item 8 "General administrative expenses" and item 9 "Amortisation/depreciation and impairment allowances on tangible and intangible assets".



was roughly in line with our forecast of EUR 169 million. The cost-income ratio⁵ was 38.1 percent, as against 32.5 percent a year earlier.

The net result of other operating expenses and income amounted to minus EUR 1.3 million.

The operating result before loan loss provisions⁶ decreased by 12.6 percent year on year to EUR 276.7 million.

The item “Write-downs and impairment allowances on loans and advances and on specific securities, as well as additions to loan loss provisions” amounted to minus EUR 98.8 million. The net result of changes in loan loss provisions (including direct write-downs) came to minus EUR 86.1 million (previous year: minus EUR 94.7 million). Ongoing difficulties in the market and the associated decline in property values required loan loss provisions of this magnitude in line with our conservative approach.

In addition, EUR 15 million was added to the collective impairment allowance, which includes the provision for irrevocable loan commitments. These two items therefore total EUR 115 million. The Bank was able to reduce the management adjustment to the collective impairment allowance to EUR 20 million, after EUR 30 million in the previous year.

The item “Write-downs and impairment allowances on participating interests, shares in affiliated undertakings and securities treated as non-current assets” amounted to EUR 0.1 million.

Net income from ordinary business activities totalled EUR 177.8 million.

An allocation of EUR 2 million was made to the fund for general banking risks.

After tax expenses of EUR 69.8 million, net income came to EUR 106.1 million, a year-on-year increase of 0.5 percent.

FINANCIAL POSITION

In terms of liquidity management, Münchener Hypothekbank distinguishes between structural funding and daily liquidity management. Liquidity is at all times managed in consideration of and in compliance with the limits of the internal liquidity risk model, as well as the regulatory liquidity requirements mandated by ILAAP, particularly the LCR and the NSFR.

Structural funding is subject to the risk that debt financing may not be sufficiently available under certain circumstances. Münchener Hypothekbank has a licence to operate as a Pfandbrief bank, which forms the basis for covered funding and thus ensures that liquidity can be obtained at all times. Münchener Hypothekbank continuously issues Pfandbriefe with a variety of terms to investors both within the Cooperative Financial Network and outside it.

The aim of ongoing liquidity management is to ensure the supply of liquidity at all times, including when there are significant and unexpected outflows of liquidity. Münchener Hypothekbank does not offer any liquidity facilities, which means that unexpected outflows can result only from collateral requirements in the case of derivatives. Among other options, the Bank has a large portfolio of HQLAs (high-quality liquid assets) that are available to it at any time for this purpose.

Münchener Hypothekbank’s liquidity situation is more than adequate.

Our Bank was able to meet its payment obligations in due form, on time and in full at all times in the last financial year. The liquidity coverage ratio (LCR) was a minimum of 195 percent and

on average 390 percent in the period under review. The stress indicator was 332 percent as at the reporting date.

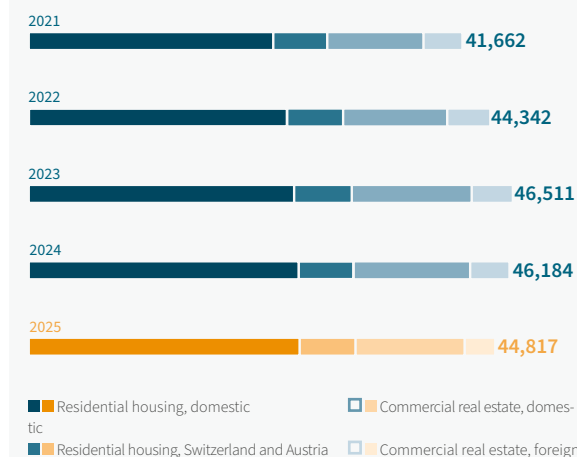
NET ASSETS

Total assets came to EUR 53.5 billion as at the end of 2025, compared with EUR 54.5 billion in the previous year.

During the course of the year, the mortgage loan portfolio decreased by EUR 1.3 billion to EUR 44.8 billion.

The portfolio of private residential property financing in Germany grew by EUR 0.1 billion. Private residential property

Portfolio development 2021 to 2025 IN EUR MILLION



⁵ Ratio of total administrative expenses to net interest and commission income.

⁶ Net result of items 1 to 10 in the income statement.



financing in Switzerland plus commercial property financing declined by a total of EUR 1.4 billion.

The private residential property financing portfolio is structured as follows: domestic – EUR 26.0 billion (previous year: EUR 25.9 billion); foreign – EUR 5.4 billion (previous year: EUR 5.3 billion). In addition to the financing business in Switzerland, this portfolio also includes financing in Austria.

The commercial property financing portfolio totals EUR 13.4 billion (previous year: EUR 15.0 billion). Of this amount, EUR 2.9 billion (previous year: EUR 3.8 billion) is attributable to financing outside Germany. Within this figure, around 40 percent of the portfolio in the USA, which has a volume of EUR 0.5 billion (previous year: EUR 0.9 billion), consists of residential property financing. The decline in the commercial business portfolio is largely the result of strategic planning.

The portfolio of public and liquid investments grew to EUR 6.5 billion, including EUR 5.7 billion in securities and bonds.

At the end of 2025, the net balance of hidden charges and hidden reserves in the securities portfolio amounted to EUR 18 million in hidden reserves (previous year: EUR 104 million in hidden charges).

Following a detailed examination of all bonds, Münchener Hypothekbank has come to the conclusion that there are no permanent impairments. It aims to hold highly rated bonds on the books until maturity. There was no necessity for write-downs to a lower fair value.

At EUR 45.5 billion, the portfolio of long-term funding instruments was around EUR 1 billion below the previous year's level. Mortgage Pfandbriefe accounted for EUR 34.1 billion of this amount, Public Pfandbriefe for EUR 1.1 billion and uncovered bonds for EUR 10.3 billion. The total volume of funding instruments – including money market funds and customer deposits – amounted to EUR 49.7 billion as at 31 December 2025.

The item “Other amounts owed to customers” consists of:

OTHER LIABILITIES TO CUSTOMERS

IN € THOUSAND

	Remaining term < one year	Remaining term > one year	Total
Other liabilities to customers as at 31 December 2025	2,970,162	2,659,902	5,630,064
Registered bonds	46,104	1,693,877	1,739,981
of which institutional investors	44,811	1,494,582	1,539,393
Promissory note loans on the liabilities side	647,090	911,837	1,558,927
of which institutional investors	49,996	521,337	571,333
Other	2,276,968	54,188	2,331,156
of which institutional investors	384,603	15,009	399,612

Members' capital contributions increased by EUR 20.0 million and stood at EUR 1,294.5 million. Regulatory own funds totalled EUR 2,511.2 million (previous year: EUR 2,481.8 million). The rise was mainly the result of a reinvestment in the amount of EUR 57 million.

Common equity Tier 1 capital rose from EUR 1,864 million in the previous year to EUR 1,888.5 million as at 31 December 2025. At the end of 2025, the common equity Tier 1 capital ratio was 21.0 percent (previous year: 16.7 percent), the Tier 1 capital ratio was 23.5 percent (previous year: 18.7 percent) and the total capital ratio was 28.0 percent (previous year: 22.2 percent). We

therefore surpassed our forecast of 24 to 25 percent. The significant increase in capital ratios was mainly due to the reduction in risk-weighted assets, which amounted to EUR 9.0 billion at the end of 2025 (previous year: EUR 11.2 billion). It also results from lower risk weights following the entry into force of the CRR III on 1 January 2025. The introduction of an output floor, gradually increasing from 50 percent in 2025 to 72.5 percent in 2030, to limit the use of internal models had no impact on Münchener Hypothekbank's risk-weighted assets in the year under review. The leverage ratio as at 31 December 2025 was 4.0 percent (previous year: 3.9 percent).



Ratings and general legal conditions

RATINGS

The rating agency Moody's confirmed all of its ratings for Münchener Hypothekbank in 2025.

Moody's remains positive about the fact that Münchener Hypothekbank has a strong reputation on the capital market as an issuer of Pfandbriefe, noting that it has a correspondingly high level of funding capacity, and also acknowledges the firm ties and corresponding support the Bank enjoys within the Cooperative Financial Network.

Current ratings at a glance:




RATING	
Mortgage Pfandbriefe	Aaa
Junior Senior Unsecured	A1
Senior Unsecured	Aa2
Short-term liabilities	Prime-1
Tier 2	Baa1
Long-term deposits	Aa2

The long-term unsecured liabilities are rated by the other two major rating agencies, Standard & Poor's (A+) and Fitch (AA-), on the basis of the combined rating of the Cooperative Financial Network.

Münchener Hypothekbank's sustainability performance is measured using select ratings. The sustainability rating agency ISS ESG gave the Bank a "C+" rating, once again awarding it prime status. The agency Morningstar Sustainalytics awards a risk score based on a scoring system ranging from 0 to 40 points. The lower the risk score, the stronger the sustainability management. At 18.5, Morningstar Sustainalytics continues to give the Bank a low ESG risk score. This now puts the Bank in 16th place in the Thrifts and Mortgages peer group.⁷ In the MSCI ESG ratings assessment, Münchener Hypothekbank received an AA rating (on a scale from AAA to CCC) in the 2025 reporting year.⁸

The development of the sustainability ratings at a glance:

THE DEVELOPMENT OF THE SUSTAINABILITY RATINGS SINCE 2023

	2023	2024	2025
ISS ESG	 C+ (Prime Status)	 C+ (Prime Status)	 C+ (Prime Status)
Sustainalytics	Risk Score 15.3 (low risk)	Risk Score 15.1 (low risk)	Risk Score 18.5 (low risk)
MSCI	AA	AA	AA

GENERAL REGULATORY CONDITIONS

Capital adequacy requirements

For the most part, Münchener Hypothekbank calculates its capital adequacy requirements, the risk-weighted assets, using the internal ratings-based approach (IRBA).

Single Supervisory Mechanism for EU banks

The new rules under Basel III came into effect from 1 January 2025 and also include the gradual introduction of an output floor of 50 percent in 2025, rising to 72.5 percent in 2030, to limit the effects of internal approaches compared with standard approaches. This means that it is mainly banks with low risk weightings for their receivables, such as Münchener Hypothekbank, that will be adversely affected by the changes, partly also as a result of using internal models. The introduction of this floor will negatively impact Münchener Hypothekbank's capital ratios in future due to the increase in risk-weighted assets. The Bank's capital resources and the transition periods mean that the Bank will still be in compliance with the capital ratios under the changed regime. In the context of Münchener Hypothekbank's business model, another significant change is the more detailed differentiation of property financing through allocation to new risk classes such as IPRE ("income-producing real estate" – repayment of loans depends heavily on cash flows generated by the properties that collateralise the exposure) and ADC ("acquisition, construction, development" – exposures in connection with the acquisition, development and construction of properties). Different risk weightings must be applied depending on the categorisation and other criteria.

⁷ Copyright ©2025 Sustainalytics. All rights reserved. This section contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third-party suppliers (Third-Party Data) and are provided for informational purposes only. They constitute neither an endorsement of any product or project nor investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.

⁸ The use by Münchener Hypothekbank of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Münchener Hypothekbank by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



The Bank follows discussions on the publication of new national and international regulations very closely and circulates any new or amended regulations to the responsible departments within the Bank, where they are implemented in various measures and projects. The abundance of additional and amended regulatory requirements imposed by supervisory authorities causes significant costs and poses a considerable challenge for the Bank's human and financial resources.

The ECB conducted the annual Supervisory Review and Evaluation Process (SREP), comprising a very detailed evaluation of the business model, internal governance and capital and liquidity adequacy. Any additional capital and liquidity requirements will be derived from that process. The additional capital adequacy requirement (P2R) imposed within the framework of the SREP amounts to 2.25 percent of total capital from 1 January 2025. No additional requirements were set for liquidity.

Recovery and resolution plan

The recovery plan was updated and the information required for the resolution plan was sent to the resolution authority. There were no significant changes from the previous year.

Executive bodies, committees and employees

EXECUTIVE BODIES AND COMMITTEES

Dr Wolfgang Seel was elected to the Supervisory Board of Münchener Hypothekbank in the year under review. At its constituent meeting, the Supervisory Board elected him as its Deputy Chairman.

Gregor Scheller stepped down from the Supervisory Board when his term ended on 25 April 2025.

PERSONNEL

In the year just ended, human resources work focused on the continuing implementation of the human resources strategy. In view of the challenges on the labour market, the Bank identified the following key areas of action: attracting and retaining executives and employees, intensifying staff and executive development, and the expansion of integrated performance management. Corresponding measures were initiated. In addition, the megatrends of diversity, sustainability and digitalisation were taken into account in implementing the human resources strategy. The Bank had 704 employees⁹ (previous year: 664) on average over the year.

CORPORATE GOVERNANCE STATEMENT PURSUANT TO SECTION 289F HGB¹⁰

The proportion of women in the Bank as a whole came to 47 percent in the year under review. At Board of Management level, the proportion was 0 percent, while the proportion at the first management level below the Board was 11 percent, at the second level 18 percent and at the third level 42 percent. The proportion of women on the Supervisory Board was 33 percent in 2024. For the Supervisory Board, the Bank is aiming for a proportion of women of 33 percent, and for the two management levels below the Board of Management, a proportion of women of 20 percent, with a target quota for the Board of Management of 33 percent. The Supervisory Board's Nomination Committee again addressed the issue of the proportion of women on the Board of Management and Supervisory Board and retained the aforementioned target quotas.

⁹ Number of employees in accordance with section 267(5) of the German Commercial Code (Handelsgesetzbuch, HGB); excludes trainees, employees on parental leave or in early retirement or partial retirement (non-working phase) and employees on leave of absence.

¹⁰ Not part of the annual audit.



RISK, OUTLOOK AND OPPORTUNITIES REPORT

Risk report

The continuous control and monitoring of risks is essential to the management of business development at Münchener Hypothekenbank. Risk management is therefore a high priority in terms of the overall management of the Bank.

The framework governing business activities is laid down in the business and risk strategy. The Board of Management is responsible for this strategy, which is reviewed regularly to ensure its objectives are being met, revised where necessary and discussed with the Supervisory Board at least once a year.

The Supervisory Board's Risk Committee is informed of the Bank's risk profile at least once a quarter and additionally as necessary so that it can exercise its supervisory function. This takes place quarterly based on the overall risk report, which presents a summary view of all of the Bank's risks. Ad hoc issues, such as the creation of higher individual impairment allowances, are discussed and communicated separately.

Risk management is based firstly on the analysis and presentation of existing risks, and secondly on comparing these risks with the available risk coverage potential (risk-bearing capacity). There are also various other relevant analyses that need to be viewed as a whole to enable adequate management of the Bank. Extensive control procedures involving internal, process-dependent monitoring are employed for this purpose. The Internal Audit department, which is independent of all processes, has an additional supervisory role in this respect.

When analysing and presenting the existing risks, a distinction is made between counterparty risks, market price risks, credit spread risks, liquidity risks, migration risks, participation risks, model risks, property risks, reputation risks, funding risks and operational risks. With the exception of liquidity risk, which is covered by the Internal Liquidity Adequacy Assessment Process (ILAAP), these risks are measured from an economic perspective to determine whether they comply with the limit specified for the type of risk. Additional risks such as placement risk, business risk, ESG risk, etc. are each seen as elements of the above risks and are taken into account at the appropriate point in the respective calculations.

COUNTERPARTY RISK

The counterparty risk (credit risk) is of major importance for Münchener Hypothekenbank. The counterparty risk is the risk that a counterparty will fail to meet its payment obligations towards the Bank by paying late or by defaulting completely or in part.

The Credit Manual sets forth the credit approval procedures and process regulations for those units involved in the lending business and the permissible credit products. The business and risk strategy also contains more detailed explanations of the sub-strategies for target customers and target markets, as well as basic specifications for measuring and managing credit risks at individual transaction and portfolio level. Individual limits and limits for the asset classes have been set for all types of lending. Another factor is regional diversification, which is ensured by country limits.



In mortgage business, the Bank ensures that it grants mainly senior loans, predominantly with moderate loan-to-value ratios; in commercial business, limits also apply with regard to the debt service capacity, exit yield, debt service coverage ratio (DSCR) and loan to value (LTV). The current loan-to-value (LTV) ratios break down as follows:

TOTAL PORTFOLIO OF MORTGAGES AND OTHER LOANS ¹

Loan-to-value (Beleihungsauslauf)	31 December 2025		31 December 2024	
	€	Relative	€	Relative
Up to 60%	18,793,062,672	40.6%	18,717,098,428	39.3%
> 60% and ≤ 70%	6,882,329,066	14.9%	7,248,490,421	15.2%
> 70% and ≤ 80%	6,936,805,213	15.0%	7,513,490,561	15.8%
> 80% and ≤ 90%	4,989,221,078	10.8%	5,113,280,314	10.7%
> 90% and ≤ 100%	3,591,825,799	7.8%	3,720,376,216	7.8%
Over 100%	5,151,228,297	11.1%	5,308,243,282	11.1%
Without	640,425	0.0%	1,639,994	0.0%
Total	46,345,112,550	100.0%	47,622,619,217	100.0%

¹ The total portfolio of mortgages and other loans essentially comprises item 3a on the assets side of the balance sheet, plus irrevocable loan commitments under "2. Other liabilities" that are to be disbursed within the next 12 months and loan loss provisions.

TOTAL PORTFOLIO OF MORTGAGES AND OTHER LOANS

Loan-to-value	31 December 2025		31 December 2024	
	€	Relative	€	Relative
Up to 40%	10,009,416,559	21.6%	10,257,775,410	21.5%
> 40% and ≤ 50%	9,045,143,409	19.5%	9,185,082,185	19.3%
> 50% and ≤ 60%	9,866,058,782	21.3%	10,627,972,944	22.3%
> 60% and ≤ 70%	8,813,702,336	19.0%	9,357,744,371	19.6%
> 70% and ≤ 80%	4,074,992,747	8.8%	4,023,221,399	8.4%
> 80%	4,535,325,633	9.8%	4,169,182,913	8.8%
Without	473,084	0.0%	1,639,994	0.0%
Total	46,345,112,550	100.0%	47,622,619,217	100.0%



Münchener Hypothekbank grants loans up to at most the amount of the purchase price and does not finance other costs.

The regional breakdown within Germany and internationally is summarised below:

TOTAL PORTFOLIO OF MORTGAGES AND OTHER LOANS

Region	31 December 2025		31 December 2024	
	€	Relative	€	Relative
Baden-Württemberg	3,946,047,575	8.5%	3,980,625,631	8.4%
Bavaria	8,458,123,968	18.3%	8,693,575,461	18.3%
Berlin	2,830,613,414	6.1%	2,943,428,736	6.2%
Brandenburg	921,945,544	2.0%	915,500,043	1.9%
Bremen	193,515,445	0.4%	192,939,855	0.4%
Hamburg	1,198,078,700	2.6%	1,251,076,103	2.6%
Hesse	3,164,115,558	6.8%	3,417,975,139	7.2%
Mecklenburg-West Pomerania	700,161,924	1.5%	620,061,648	1.3%
Lower Saxony	3,355,204,609	7.2%	3,450,024,523	7.2%
North Rhine-Westphalia	6,106,392,190	13.2%	6,043,787,715	12.7%
Rhineland-Palatinate	1,838,055,917	4.0%	1,860,117,013	3.9%
Saarland	388,248,209	0.8%	402,255,006	0.8%
Saxony	1,557,062,833	3.4%	1,480,243,316	3.1%
Saxony-Anhalt	889,423,996	1.9%	804,112,673	1.7%
Schleswig-Holstein	1,930,983,421	4.2%	1,997,255,977	4.2%
Thuringia	492,523,247	1.1%	494,045,256	1.0%
Total domestic	37,970,496,549	81.9%	38,547,024,094	80.9%
Austria	310,251,551	0.7%	329,480,741	0.7%
France	356,619,640	0.8%	343,400,028	0.7%
United Kingdom	300,743,335	0.6%	418,345,669	0.9%
Spain	531,741,029	1.1%	560,840,851	1.2%
Luxembourg	21,500,000	0.0%	140,712,443	0.3%
Switzerland	5,336,402,925	11.5%	5,244,353,378	11.0%
Netherlands	936,985,618	2.0%	999,627,977	2.1%
Belgium	102,349,638	0.2%	105,585,843	0.2%
USA	478,022,265	1.0%	933,248,194	2.0%
Total foreign	8,374,616,002	18.1%	9,075,595,123	19.1%
Total domestic and foreign	46,345,112,550	100.0%	47,622,619,217	100.0%



Credit risk management starts with the drafting of loan terms and conditions when the target transaction is selected. Regularly reviewed risk cost functions are used for this purpose. Depending on the type and risk level of the transaction, various rating and scoring procedures are used.

In property financing, a broadly diversified portfolio of mainly residential property finance and credit approval processes that have been tried and tested for years are reflected in a portfolio with a manageable credit risk. The difficult situation on the property markets is also affecting the portfolio of Münchener Hypothekbank. In 2025, risks rose predominantly in individual business:

PARAMETER ON CREDIT RISK (TOTAL PORTFOLIO)

IN EUR MILLION

Parameter	31 December 2025	31 December 2024	Change from previous year (%)
Default volume	1,081	824	31%
thereof retail business	258	187	38%
thereof individual business – Germany	345	166	108%
thereof individual business – USA	236	340	-31%
thereof individual business – foreign, excluding USA	242	130	86%
thereof other	0	0	0%
Expected loss	256	284	-10%
thereof retail business	58	43	34%
thereof individual business – Germany	66	45	45%
thereof individual business – USA	48	125	-62%
thereof individual business – foreign, excluding USA	84	71	19%
thereof other	0	0	0%
Unexpected loss	223	178	26%
thereof retail business	40	26	52%
thereof individual business – Germany	107	73	45%
thereof individual business – USA	28	33	-15%
thereof individual business – foreign, excluding USA	48	45	8%
thereof other	0	0	0%
Individual impairment allowance	207	228	-9%
thereof retail business	34	19	81%
thereof individual business – Germany	50	28	79%
thereof individual business – USA	45	120	-63%
thereof individual business – foreign, excluding USA	78	61	27%
thereof other	0	0	0%



Mortgage loans are checked for the need to create an individual impairment allowance based on their rating, any payment arrears and other negative factors. Workout Management carries out more extensive monitoring of individual impairment allowances, especially in non-retail business.

The portfolio distribution broken down by rating category is as follows and also shows that risks rose year on year:

TOTAL PORTFOLIO OF MORTGAGES AND OTHER LOANS

Rating category	31 December 2025		31 December 2024	
	€	Relative	€	Relative
0a to 0b	1,000,675,818	2.2%	982,489,026	2.1%
0c to 0e	7,640,435,079	16.5%	8,754,351,378	18.4%
1a to 1c	20,278,519,191	43.8%	20,114,908,244	42.2%
1d to 2a	10,607,661,576	22.9%	10,552,877,815	22.2%
2b to 2c	3,268,748,793	7.1%	3,379,106,260	7.1%
2d to 2e	1,361,557,920	2.9%	1,608,891,788	3.4%
3a to 3b	781,320,236	1.7%	1,086,224,109	2.3%
3c to 3d	149,391,629	0.3%	157,980,799	0.3%
3e	174,791,175	0.4%	162,027,575	0.3%
4a to 4e	1,081,157,785	2.3%	823,658,177	1.7%
No rating	853,348	0.0%	104,046	0.0%
Total	46,345,112,550	100.0%	47,622,619,217	100.0%



The property types can be broken down as follows:

DISTRIBUTION OF PROPERTY TYPES IN THE PORTFOLIO

Property type	Retail business			Individual business					Other	
	Germany	Switzerland	Austria	Germany	Eurozone	Switzerland	United Kingdom	USA	Germany	Switzerland
Residential home	19,252,245	3,204,829	59,488	38,296	227	2,492	0	0	110	0
Condominium	5,594,795	2,127,885	24,228	35,487	0	1,197	0	0	58	0
Rental housing, multi-family home	2,293,780	0	574	3,853,198	419,446	0	57,430	177,763	0	0
Office	58,013	0	0	4,428,482	842,259	0	186,497	269,468	0	0
Warehouses/logistics properties	4,860	0	0	510,536	523,079	0	0	0	0	0
Commercial building	31,488	0	0	1,419,187	363,492	0	32,753	30,791	0	0
Hotels/restaurants	5,793	0	0	394,935	26,654	0	24,064	0	0	0
Other commercial properties	6,887	0	0	42,346	0	0	0	0	0	0
Without	0	0	0	0	0	0	0	0	0	0
Total	27,247,861	5,332,714	84,291	10,722,468	2,175,157	3,689	300,743	478,022	167	0
NPL	254,116	2,054	1,878	345,191	183,770	0	58,347	235,641	161	0
Individual impairment allowances	33,115	463	648	50,039	36,684	0	41,096	44,552	130	0
Ø LTV	52.9%	56.9%	62.2%	57.6%	51.8%	90.7%	125.1%	89.1%	0.0%	0.0%

Because of the current situation on the office property market in particular, the individual impairment allowances created by the Bank remained at a high level, slightly down on the previous year but appreciably above the long-term average.

The Bank creates a collective impairment allowance as a precaution to cover latent credit risks. In accordance with IDW RS BFA 7, the collective impairment allowance is calculated using an expected credit loss model, with the IFRS 9 methodology being adopted for Stages 1 and 2 and applied to the HGB assessment basis. Taking into account the probability of default, the loss given default and the exposure at default, collective impairment allowances are created for latent default risks for all transactions reported under the balance sheet items “Loans and advances to credit institutions” and “Loans and advances to

customers”, as well as for irrevocable loan commitments. Collective impairment allowances for irrevocable loan commitments are reported in the balance sheet in the form of a provision. All transactions that are not required to be tested for the need to take an individual impairment allowance are assigned to Stage 1 or 2, with the expected 12-month credit loss being calculated for Stage 1 and the lifetime expected credit loss being calculated for Stage 2. As a general rule, transactions are assigned to Stage 1 when they are booked. If a transaction’s risk of default has increased significantly since the time of initial recognition (significance threshold: 200 percent), or if criteria apply for manually changing the stage assignment (30 days in arrears, status “watchlist”, status “forbearance”, status “deferral”), the transaction is assigned to Stage 2 on the reporting date. The relevant point-in-time parameters for calculating loan loss

provisions are determined on the basis of macroeconomic forecasts, which are updated quarterly by Münchener Hypothekbank’s stress testing committee on the basis of external macroeconomic data. The collective impairment allowance is calculated using probability-weighted results from three scenarios: the baseline scenario, at 70 percent; the downside scenario, at 30 percent; and the upside scenario, at 0 percent.



The management then decides whether an adjustment needs to be made to supplement the collective impairment allowance calculated using this standard process. As a general rule, this decision is based on an analysis of a defined catalogue of criteria and a subsequent determination of whether economic, technical or procedural issues prevent the model from accounting for risks in full.

Individual and collective impairment allowances changed as follows in the year under review:

The increase in the collective impairment allowance is mainly attributable to commercial property financing as a result of model adjustments and the rise in transactions assigned to Stage 2. The risks in the German office property sub-portfolio were closely monitored over the course of the year and customer ratings were updated as standard. Half of the German office property sub-portfolio consists of domestic property companies, for which market developments remain uncertain. In view of the uncertainties and the potentially increased risk of default, a management adjustment of EUR 20 million was made for all domestic property companies.

Our public and liquid investments are focused on central and regional governments, public local authorities and Western European banks (covered bonds only). The regional focus is on Germany and Western Europe, respectively. Highly liquid sovereign bonds and other highly rated securities will be needed in order to guarantee compliance with CRR liquidity requirements.

Business relations in derivative business with financial institutions are based on master agreements that allow the netting of receivables from, and liabilities to, the other institution. Collateral agreements exist with all derivative counterparties. Derivative transactions, insofar as they are subject to clearing, are settled via a central counterparty (CCP).

TOTAL LENDING BUSINESS

IN EUR MILLION

	Opening balance	Additions	Reversals	Utilisation	Exchange rate-related and other changes	Closing balance
Individual impairment allowance / Stage 3	227.7	88.5	-13.0	-81.0	-15.3	206.7
	Opening balance / carrying amount ¹	Change +/-		Closing balance ¹ / carrying amount		
Collective impairment allowance	100.0	47,908	15.0		115.0	45,737
thereof Stage 1	23.0	43,838	-1.5		21.5	40,431
thereof Stage 2	47.0	4,070	26.5		73.5	5,306
thereof adjustment	30.0		-10.0		20.0	

¹ Weighted pro-rata for the baseline and downside scenarios for the purpose of calculating the collective impairment allowance.

MARKET PRICE RISK

Market price risks include the risks to the value of positions due to changes in market parameters, including interest rates, volatility and exchange rates. They are quantified as a potential present value loss using a present value model. This distinguishes between interest rate, option and currency risks.

In the case of the interest rate risk, a distinction is made between general and specific interest rate risks. General interest rate risk is the risk that the market value of investments or liabilities that depend on general interest rates will be adversely affected if interest rates change.

Specific interest rate risk, also known as credit spread risk, is likewise included under market price risk. The credit spread is defined as the difference in yield between a risk-free and a risky bond. Spread risks take account of the risk that the spread may change even without any change to the rating. The reasons for a change to yield spreads may include:



- Varying opinions among market participants regarding positions.
- An actual change in the creditworthiness of the issuer not already reflected in its rating.
- Macroeconomic aspects that influence creditworthiness categories.

The risks inherent in options include volatility risk (vega: the risk that the value of a derivative instrument will change due to increasing or decreasing volatility), time risk (theta: the risk that the value of a derivative instrument will change over time), rho risk (the risk of a change in the value of the option if the risk-free interest rate changes) and gamma risk (the risk of a change in the option delta if the price of the underlying asset changes; the option delta describes the change in value of the option due to a change in the price of the underlying asset). Options in capital market business are not contracted for the purposes of speculation. All option positions arise implicitly as a result of borrowers' option rights (e.g. statutory termination rights under section 489 of the German Civil Code (Bürgerliches Gesetzbuch, BGB) or the right to make unscheduled repayments) and are hedged where necessary. These risks are monitored in the daily risk report and are limited.

Currency risk is the risk that the market value of investments or liabilities that depend on exchange rates will be adversely affected due to changes in exchange rates. Foreign currency transactions of Münchener Hypothekbank are hedged to the maximum possible extent against currency risks; only the margins included in interest payments are not hedged.

The share price risk for Münchener Hypothekbank is low and results almost exclusively from participations in companies in the Cooperative Financial Network. In addition, the Bank has invested in a special fund of Union Investment, whose assets are all to be LCR-eligible from the beginning of 2026 (no shares).

Responsibility for calculating risk ratios is transferred to the investment fund company; the results are reviewed for plausibility and then input into the Bank's systems.

In order to manage market price risks, the present value of all Münchener Hypothekbank transactions is determined on a daily basis. All transactions are valued using the Summit IT programme. The interest rate risk is managed on the basis of the BPV vector (Base Point Value), which is calculated daily from the change in present value per maturity band that would occur if the mid-swap curve changed by one basis point. Sensitivities to exchange rates and in relation to rotations in the interest rate curve and changes to the base spread and volatilities are also determined. In addition to the BPV, the daily sensitivities are:

- Exchange rates: all foreign currencies change by minus 10 percent.
- Volatilities: all volatilities increase by 1 percentage point.
- Steepening/flattening: a moderate steepening/flattening of the yield curve is simulated, i.e. at the short end by up to +/-10 basis points, at the long end by up to +/-20 basis points, with rotation around the 5-year grid point.

At Münchener Hypothekbank, market risks are recorded and limited using the value at risk (VaR) parameter. The VaR calculation takes account of both linear and non-linear risks by means of a historic simulation. The impact of extreme movements in risk factors is also measured here and for other types of risks using various stress scenarios. The daily stress scenarios (others are tested with less frequency) are:

- Supervisory requirements:
 - » Six stress tests (parallel shift up/down, steepening/flattening, parallel shift up/down in the short-term segment) are calculated. The worst result is taken into account and limited (SOT – supervisory outlier test).
 - » The stress tests are prescribed by the EBA in Guidelines (EBA/GL/2022/14) and Regulatory Technical Standards (EBA/RTS/2022/10).
- Parallel shifting: the current yield curve is shifted up and down completely by 50 basis points across all currencies at the same time. The worse of the two results is taken into account.
- Parallel shifting – interest rates and volatilities: here as well, the current yield curve is shifted down by 50 basis points across all currencies at the same time. In addition, all volatilities are increased by 20 basis points.
- Historic simulation:
 - » 2008 financial market crisis: changes in interest rates between 12 September 2008 (the last banking day before the collapse of the investment bank Lehman Brothers) and 10 October 2008 are applied to the current level.
 - » Brexit: change in interest rates and exchange rates due to the Brexit referendum on 23 and 24 June 2016.
 - » COVID-19 scenario (worst case): worst case from four scenarios that depict the market data movements within the days/weeks after the start of the COVID-19 pandemic in Germany (5 March 2020).



Income-oriented calculations of interest rate risks consider the change in net interest income (NII) resulting from interest rate changes compared with the baseline scenario.

The development of net income is compared in several management and stress scenarios. The limit in the context of managing interest rate risks in the banking book (IRRBB) is based on the management scenario of a parallel shift of –150 basis points.

In addition to the management scenario, the following stress scenarios are calculated:

- Parallel shifting: the current yield curve is shifted up and down by +/-200 basis points in all currencies.
- Parallel shifting: the current yield curve is shifted down by –250 basis points in all currencies.
- Steeper/flattener: adjustment of the current yield curve in accordance with regulatory requirements as part of the outlier test for the present value perspective.

Although Münchener Hypothekbank is a trading book institution, it has not concluded any trading transactions since 2012.

In order to manage credit spread risks, the present value of asset-side capital market transactions of Münchener Hypothekbank is calculated and the credit spread risks are determined on a daily basis. The credit spread VaR, credit spread sensitivities and various credit spread stress scenarios are calculated in the Summit valuation system. In addition, since 31 December 2024, a credit spread VaR has been calculated each quarter for the total portfolio and limited as part of the ICAAP.

At Münchener Hypothekbank, credit spread risks are recorded and limited using the VaR parameter. The VaR is calculated based on a historic simulation.

The current (daily) credit spread stress scenarios are:

- Parallel shifting: all credit spreads are shifted up and down by 100 basis points. The worse of the two results is taken into account.
- Historic simulation of the collapse of the investment bank Lehman Brothers: the scenario assumes an immediate change in spreads based on the change that was measured in the period from one banking day before the collapse of Lehman Brothers to four weeks after this date.
- Flight to government bonds: this scenario simulates a highly visible risk aversion seen on the markets in the past. The spreads of risky security classes widen, while the spreads of safe sovereign bonds narrow.
- Euro crisis: this scenario replicates the change in spreads during the euro crisis between 1 October 2010 and 8 November 2011. During that period, the spreads of poorly rated sovereign bonds in particular increased sharply.
- Downgrade for Germany: this hypothetical scenario is based on the assumption that the spreads for German government bonds rise to the level of the “PIIGS” countries. These countries were hit particularly hard by the euro crisis and still have much higher credit spreads than Germany. This scenario therefore involves a significant increase in spreads for Germany. This increase is also applied to the portfolio of German states, which constitutes the largest portfolio at Münchener Hypothekbank.

- COVID-19 crisis: this scenario reflects the change in credit spreads in the wake of the COVID-19 crisis between 28 February and 18 March 2020. Spreads increased significantly in all asset classes during this period.

The income-oriented calculations of credit spread risks consider the development of net income in several stress scenarios compared with the baseline scenario and are monitored by an early warning indicator.

The following four stress scenarios are calculated for this purpose:

- Permanent spread widening/narrowing: permanent changes in funding spreads averaging +116/–89 basis points can only gradually be passed through to lending rates.
- Short-term spread widening/narrowing: short-term changes in funding spreads of +22/–19 basis points in year 1 cannot be passed through to lending rates.

The credit spread VaR for the total portfolio amounted to minus EUR 333 million as at 31 December 2025.

LIQUIDITY RISK

Liquidity risk basically comprises the following risks:

- Inability to honour payment obligations on time (liquidity risk in the narrower sense).
- Inability to procure sufficient liquidity on the expected terms when needed (funding risk).
- Inability to close out, extend or settle transactions without incurring a loss due to insufficient market depth or market disruptions (market liquidity risk).



Münchener Hypothekbank distinguishes between short-term solvency measures and medium-term structural liquidity planning.

Short-term solvency measures

The purpose of short-term solvency measures is to ensure that the Bank is able to honour payment obligations in due form, in time and in full on a daily basis, even during stress situations (willingness to pay). All supervisory requirements regarding bank liquidity reserves have been implemented.

Münchener Hypothekbank classes itself as a capital market-oriented institution within the meaning of MaRisk and therefore also fulfils the requirements of BTR 3.2.

MaRisk distinguishes between five different scenarios, which have been implemented accordingly:

- 1) Baseline scenario: corresponds to normal management of the Bank.
- 2) Bank stress: the reputation of the institution deteriorates, for example due to large on-balance-sheet losses.
- 3) Market stress: short-term event affecting one part of the financial market. Examples of this include the terrorist attack on 11 September 2001 and the financial market/sovereign debt crisis.
- 4) Combined stress: simultaneous occurrence of bank and market stress.
- 5) Combined stress without countermeasures: it is assumed that it is no longer possible to obtain any liquidity at all.

According to MaRisk, the Bank must meet the liquidity requirements arising from scenarios 1 to 4 for a minimum of 30 days. Scenario 5 is the worst-case scenario for internal management purposes.

Depending on the scenario, various modelling assumptions have been deduced for all important cash flows, such as draw-downs of loan commitments already made or changes to collateral. In addition, all securities were allocated to various liquidity classes in order to deduce the volume in each scenario that could be sold or placed in a securities repurchase agreement, and in what time frame, in order to generate additional liquidity. In all cases, statutory restrictions, such as the 180-day rule in the German Pfandbrief Act (Pfandbriefgesetz, PfandBG), were met at all times. The result is a day-by-day presentation of available liquidity over a three-year horizon in three currencies (euros, US dollars and Swiss francs). There are no positions in other currencies. Limits are set in the stress scenarios across various horizons as early warning indicators for each scenario.

In addition, the liquidity coverage ratio (LCR) and a forecast in accordance with CRD IV are calculated across all currencies at least once a week.

Medium-term structural liquidity planning

The purpose of structural liquidity planning is to safeguard medium-term liquidity. The legal basis for this is both MaRisk BTR 3 and CRD IV on the net stable funding ratio (NSFR).

Medium-term liquidity management in accordance with MaRisk is based on short-term liquidity management in accordance with MaRisk, i.e. both use the same scenarios and modelling assumptions. In view of the longer observation period, however, additional modelling that is not critical to short-term liquidity management is taken into account, including new business planning and current expenses such as salaries and taxes.

Medium-term liquidity planning has the following liquidity ratios over time as profit or loss components:

- Cumulative overall cash flow requirement;
- Available covered and uncovered funding potential, including planned new business and extensions;
- Other detailed data for planning and management activities.

Liquidity risks are limited via the structural liquidity forecast and stress scenarios, based on available liquidity within a year.

In addition, the NSFR is computed monthly across all currencies in accordance with CRD IV. Forecasts are also created for monitoring purposes.

In order to reduce the funding risk, Münchener Hypothekbank strives to refinance loans with matching maturities where possible. The Bank continuously checks whether its relevant funding sources (especially those within the Cooperative Financial Network) are still available. In order to limit the market liquidity risk in its business with governments and banks, the Bank predominantly acquires ECB-eligible securities that can be used as collateral for ECB open market operations at any time.

To diversify its funding sources, the Bank has built up a modest deposit business. It can now accept deposits from Weltsparen and Deutsche Bank in addition to those from the cooperative banks. A cooperation agreement is also in place with Scalable Capital, which transfers its customers' deposits to Münchener Hypothekbank.



INVESTMENT RISK

This describes the risk of potential losses if the price of investments falls below their carrying amount. It applies to long-term participating interests held by Münchener Hypothekbank for strategic reasons in companies of the Cooperative Financial Network and, to a small extent, positions within its special mixed fund.

OPERATIONAL RISK

Operational risk means the risk of potential losses caused by human error, process or project management weaknesses, technical failures or negative external factors. Human error includes unlawful actions, inappropriate selling practices, unauthorised actions, transactional errors and information and communication risks. Losses that result from reputation risks are also identified and assessed here.

Münchener Hypothekbank minimises its operational risk by using skilled staff, transparent processes, automated standard workflows, written work instructions, IT system function tests, contingency plans and preventive measures. Insurable risks are covered by insurance policies to the normal extent required by banks.

The materiality of all services outsourced by Münchener Hypothekbank in connection with banking transactions and financial services or other standard banking services has been examined in a risk analysis. All outsourcing arrangements and ICT services are monitored in accordance with DORA and ECB regulatory guidelines and included in the risk management process.

MIGRATION RISK

Migration risks describe the risk that borrower ratings may be downgraded, which would reduce the cash reserves of Münchener Hypothekbank. The measures and arrangements described in the section “Counterparty risk” limit migration risks in an analogous manner.

PROPERTY RISK

Property risk means the risk that properties in Münchener Hypothekbank’s own portfolio may lose value. Property risk is negligible for the Bank.

MODEL RISK

Model risk means the risk that the assessment of the risks mentioned in the previous sections may have been too low due to simplistic assumptions/processes, flawed input data or insufficiently valid parameters. Münchener Hypothekbank manages and limits this risk by applying the dual control principle, as well as through independent validation, conservative assumptions and safety buffers that can be applied depending on the type of risk.

RISK-BEARING CAPACITY

The technical concepts and models used to calculate risk-bearing capacity, known as the ICAAP, are continually updated in accordance with supervisory requirements. Münchener Hypothekbank calculates its risk-bearing capacity in accordance with the requirements of the ECB in both the normative and the economic perspective.

Market risks, loan default risks, operational risks, spread risks, migration risks, funding risks, participation risks, property risks, reputation risks and model risks, which include other risks not specifically listed, are considered in the economic perspective. Risks are allocated to risk-coverage potential conservatively, disregarding any diversification effects between different types of risks.

In the economic perspective, market risks decreased significantly in 2025. No significant increase was recorded in the other risk categories. No limit for a specific risk type was exceeded in any scenario or stress test in the year under review. Thus, the Bank maintained its risk-bearing capacity at all times throughout the reporting year in the economic perspective.

In the normative perspective, a multi-year planning horizon is used to verify that the Bank continuously meets all quantitative regulatory and supervisory capital requirements both as part of basic planning as well as under adverse scenarios.

The Bank maintained its risk-bearing capacity at all times throughout the year under review in the normative perspective.

Limit utilisation per risk type in the economic perspective as at 31 December 2025 is presented in the following table. The term “macro stress” refers to the so-called “Macroeconomic Stress Scenario,” which was created by the Bank primarily for the normative ICAAP and includes a severe initial shock followed by a global macroeconomic downturn.

**LIMIT UTILISATION AS AT 31 DECEMBER 2025**
IN EUR MILLION

Risk type	Limit	Standard scenario	Macro stress
Market risks	531	108	98
Credit risks	600	390	586
Operational risks	100	70	70
Spread risks	550	331	108
Migration risks	150	58	95
Investment risks	30	24	24
Property risks	20	11	11
Funding risks	15	10	7
Reputation risks	20	5	5
Model risks and other risks	70	49	49

USE OF FINANCIAL INSTRUMENTS FOR HEDGING PURPOSES

We engage in hedging activities – interest rate and currency derivatives – in order to further reduce our risks and to hedge our business activities. We do not use credit derivatives. Asset swaps are used as micro-hedges in larger individual transactions. Structured underlying transactions, such as callable securities, are hedged accordingly with structured swaps. Exchange rate risks for exposures in foreign currency are hedged primarily by endeavouring to secure funding in matching currencies; any remaining transactions are hedged using (interest rate) cross-currency swaps. At portfolio level, the Bank prefers to use interest rate swaps and swaptions as hedging instruments. Bermuda options on interest rate swaps (swaptions) are used in addition to linear instruments to hedge embedded statutory termination rights or interest rate cap agreements.

ACCOUNTING-RELATED INTERNAL CONTROL AND RISK MANAGEMENT PROCESSES

The accounting-related internal control system is documented in organisational guidelines, process descriptions, accounting manuals and operating instructions. It comprises organisational security measures and ongoing automatic measures and controls that are integrated into work processes. The main controls are segregation of functions, the dual control principle, access restrictions, payment guidelines, the new product and new structure processes and balance confirmations. Non-process-specific audits are conducted primarily by Internal Audit.

The risk management methods described in the risk report provide ongoing qualitative and quantitative information on the financial situation of Münchener Hypothekbank, such as performance development. Aspects of all types of risks are included in this assessment.

At Münchener Hypothekbank, there is close coordination between the risk control and financial reporting units.

The output from the risk management system is used as a basis for multi-year planning calculations, year-end projections and reconciliation procedures for the accounting ratios calculated in the Bank's financial reporting process.

Outlook – opportunities and risks**ECONOMY AND FINANCIAL MARKETS**

In 2026, the world economy is expected to achieve moderate but generally subdued growth, strongly influenced by geopolitical risks. Ongoing conflicts, strategic rivalries between major powers and increasing fragmentation of world trade are putting pressure on investment decisions and global supply chains. Global trade could lose momentum as a result of continuing tariff barriers and trade disputes, with negative effects on export-oriented economies in particular. The United Nations warns that, despite a degree of resilience, the global economic environment remains overshadowed by trade tensions and fiscal pressures. Against this backdrop, economic forecasts are currently subject to considerable uncertainty. According to current estimates, global gross domestic product is expected to grow by between 2.6 and 3.1 percent in 2026, which is below the long-term average.

For the eurozone, the ECB forecasts economic growth of 1.2 percent. This assessment is based on the assumption that the economic recovery will continue gradually as the burdens of high inflation, restrictive monetary policy and external shocks in previous years decrease. The ECB's projections are based on a gradual decline in inflation towards the 2 percent target. The ECB also expects that a robust labour market, rising real wages and investments, including those aimed at promoting green and digital transformation, will have positive effects. Overall, the ECB describes 2026 as a phase of cautious normalisation in which the economy will stabilise but will remain well below long-term growth rates.



Moderate growth is also expected for Germany. According to the Deutsche Bundesbank, public spending, especially on infrastructure and defence, and a rebound in exports are likely to be key drivers of growth. At the same time, global uncertainties, tariff disputes and international competition are putting pressure on exports and the investment climate. Based on current forecasts, gross domestic product is expected to grow by between 0.6 and 1.5 percent in 2026.

The European financial and capital markets are expected to remain stable overall during 2026, but the environment will remain challenging. Inflation has recently stabilised, so that the European Central Bank's monetary policy stance is likely to remain largely unchanged. The high funding requirements of public budgets in the eurozone and structural changes on the investor side, partly as a result of regulatory adjustments for institutional investors, could dampen demand for long-term bonds. Yield curves are therefore expected to show a steepening tendency. This could make long-term financing more expensive and shift demand to shorter maturities.

US financial markets are facing heightened uncertainty. In this environment, the Fed's scope for further interest rate cuts could be limited. There is also a risk of increased volatility in the event of greater political influence on monetary policy decisions. In this case, long-term interest rates are likely to rise and the US dollar to weaken.

On foreign exchange markets, geopolitical risks and increasing diversification of currency reserves by central banks could put additional pressure on the US dollar. The euro could benefit slightly from this if European financial market conditions remain stable. The British pound and the Swiss franc are expected to remain largely stable.

Funding spreads for covered bonds and unsecured bank issues are expected to remain at the low level reached at the end of 2025. They are supported by the solid creditworthiness of European banks and lower private demand for credit compared with government issues. Despite subdued new lending business, issuance volume on the covered bond market is likely to be supported by a high volume of maturities. An issuance volume of around EUR 160 billion in euro benchmark covered bonds is expected for 2026, roughly on a par with the previous year.

PROPERTY MARKETS AND PROPERTY FINANCING MARKETS

Slightly improved conditions for the residential and commercial property markets are emerging in Germany for 2026.

The private residential property market is expected to remain stable or record moderate growth. Despite a slight upturn due to the plan to 'turbocharge' residential construction ('Wohnungsbau-Turbo'), particularly in economically strong metropolitan areas and towns and cities attractive to young people, new construction activity is likely to remain well below actual demand. Pressure on rents and price momentum will consequently remain high, while condominiums and single-family homes will appreciate moderately in value. Rental housing in tight markets could record above-average increases. In addition to demographic factors and urbanisation, demand is also supported by growing interest in sustainable and energy-efficient forms of housing. Furthermore, demand for owner-occupied residential property is rising as tenants favour long-term cost stability and financial planning certainty over rent volatility. For private investors, residential property remains an attractive and low-risk asset class due to stable cash flows, high demand and limited supply. However, regulatory uncertainties, rising construction costs and financing costs continue to pose challenges and could inhibit demand momentum.

These risks also affect the investment market, which residential property will again dominate in 2026. It will continue to benefit from structural factors such as high demand for rental housing, especially in urban centres, the ongoing housing shortage and the defensive character of residential property, which guarantees stable and predictable cash flows. Limited new construction activity exacerbates the shortage of supply and supports long-term value stability. In an uncertain market environment, residential property therefore remains a preferred safe haven for investors and a key feature of institutional property strategies. At the same time, ESG criteria increasingly act as value drivers and risk filters, determining which residential properties remain financeable, marketable and stable in value over the long term and which come under pressure.

The forecast of moderate economic growth also suggests a slight increase in commercial transaction volume, although investors will continue to be very selective. Overall, a highly segmented market is expected in 2026, with location, quality and future-proof usage concepts being decisive factors in terms of delivering a combination of yield and security.

Besides a central location and good transport links, office properties must above all be flexible, sustainable and equipped with modern technology so as to enable hybrid working models. Investment security is further increased by stable leases and creditworthy tenants. Outdated properties with poor transport links and no ESG label, on the other hand, remain unattractive.

Retail properties also present a highly segmented picture. Prime locations in city centres remain in demand thanks to high customer traffic, stable leases and prominent tenants. Future-proof usage concepts are those that allow flexible adaptation to tenants' requirements and retail formats, incorporate food and beverage offerings and leisure facilities, and can be operated



in an energy-efficient and resource-saving manner. Peripheral locations and less frequented shopping centres, on the other hand, remain under pressure as online retail, space reductions and structural changes dampen demand.

After a challenging year in 2025, the investment market for logistics properties will recover slightly in 2026. On the user side, this trend will be driven by e-commerce, the optimisation of global and regional supply chains and structurally growing demand for storage and distribution space. Additional impetus will come from the defence sector, which is demanding high-quality, functional logistics spaces and special-purpose facilities with a particular emphasis on security. On the investor side, modern, high-tech and ESG-compliant properties in convenient locations remain in high demand.

DEVELOPMENT OF BUSINESS AT MÜNCHENER HYPOTHEKENBANK

Münchener Hypothekbank has set a growth target of 12 per cent for new business in the 2026 financial year. This equates to a commitment volume totalling EUR 3.8 billion. The planning assumes a gradual market recovery, as described in the previous chapter, with continuing uncertainties affecting the markets for residential and commercial property.

In private residential property financing, Münchener Hypothekbank is planning new business totalling around EUR 2 billion in Germany, Switzerland and Austria. This is based on the assumption of a slight upturn in the financing

market. Against this backdrop, a moderate increase in brokerage activity by cooperative banks is expected. Competition is likely to remain high in business with independent financial service providers. New business could be given impetus in particular by the further development of digital processes and applications. Business in Switzerland is expected to remain stable, with interest rates expected to remain largely unchanged compared with the year under review. Negative interest rates are likely to continue for short-term liabilities in particular.

In commercial property financing, Münchener Hypothekbank is planning a new business volume of EUR 1.85 billion for 2026. Achievement of this target largely depends on how the transaction market develops. Based on the Bank's current assessment, a gradual and generally modest recovery of the market environment is to be expected, so that the focus will remain on managing the existing portfolio and on asset management activities. In this context, the Bank expects new financing opportunities to emerge. As well as the implementation of risk-appropriate follow-up financing in the Bank's own loan portfolio, financing activities will focus on refinancing in particular. Furthermore, investors' planning certainty regarding interest rates has recently improved. No major fluctuations are currently expected, provided that markets are not subjected to exceptional exogenous influences. Against this backdrop, the Bank is confident that it will be able to achieve both its volume and earnings targets in the 2026 financial year.

The Bank will adopt a cautious stance with regard to liquid investments and business with public-sector customers, in light

of its expectation of a less favourable market environment. For 2026, it expects new investment volume of around EUR 0.2 billion to EUR 0.7 billion.

Münchener Hypothekbank believes that its financial position will remain adequate in 2026, enabling it to meet its payment obligations and comply with regulatory requirements for banks.

Münchener Hypothekbank's overall liquidity requirement on the money and capital markets will total approximately EUR 7.5 billion to EUR 9.0 billion in 2026, of which around EUR 3.5 billion to EUR 5.0 billion is expected to be funded through the capital market. The remaining volume will be raised primarily through the secured and unsecured money market and, to a lesser extent, through deposits.

In 2026, maturities of around EUR 4.3 billion are expected for Mortgage Pfandbriefe, EUR 0.84 billion for senior preferred instruments and EUR 0.80 billion for senior non-preferred bonds. Maturities are expected to decline in the following year to around EUR 3.5 billion for Mortgage Pfandbriefe, EUR 0.18 billion for senior preferred instruments and EUR 0.78 billion for senior non-preferred bonds.

Mortgage Pfandbriefe remain the most important source of funding. For 2026, Münchener Hypothekbank plans to issue a total of around EUR 2.0 billion in benchmark Pfandbriefe, including issues in Swiss francs. These are expected to be spread across two to three issues in euro benchmark format and supplemented by issues in Swiss francs.



Due to an issue being brought forward to 2025, no large-volume senior non-preferred bond is planned for 2026. A corresponding issue is not planned again until 2027.

To support its growth strategy, it may also make sense for Münchener Hypothekbank to further strengthen its subordinated capital (Tier 2 capital) in 2026.

Münchener Hypothekbank is expecting net interest income of EUR 470 million for 2026, assuming that the 6-month Euribor rate settles at around 2 percent. The actual figure may be different if interest rates change.

In its planning, the Bank is forecasting a net commission expense of minus EUR 57 million. This item changes on a one-to-one basis in line with business development in private residential property financing. If this business increases by 10 percent, the net commission expense also rises by around 10 percent. If new business declines, commission expenses will fall accordingly.

Münchener Hypothekbank expects the cost-income ratio to rise to around 44 percent. Besides lower net interest income, an increase in administrative expenses, including project costs, to around EUR 181 million is the reason for this increase compared with 2025.

The Bank expects loan loss provisions to decrease compared with 2025 and is planning for up to EUR 75 million. It assumes that the economic situation in Europe will remain unfavourable, with a problematic property market.

The Bank expects the operating result after loan loss provisions (net income from ordinary business activities) to amount to EUR 157 million, around 12 percent lower than in 2025. Münchener Hypothekbank considers its earnings to be sufficient to ensure a decent return on equity and an adequate allocation to reserves.

No significant capital measures are planned for 2026. The Bank expects the total capital ratio to be between 24 and 25 percent and thus considers it to be adequate.

In the current market environment, Münchener Hypothekbank is confident that it will attain its targets for the 2026 financial year, and it anticipates that net income will come in only slightly below the current level.

With regard to performance indicators, its planning assumes the following figures for 2026:

- Total new property financing business: EUR 3.8 billion
- Operating result after loan loss provisions (net income from ordinary business activities): EUR 157 million
- Profit retention: around EUR 52 million
- Cost-income ratio (CIR): around 44 percent
- Return on equity (RoE) before tax: around 8 percent
- New-build ratio in new private property financing: 10 percent
- CO₂ emission intensity in new commercial property financing: around 31.3 kg CO₂/m²
- Top 5 issuer of green Pfandbriefe

As Münchener Hypothekbank specialises in providing long-term loans, any changes in the environment will not have a significant impact on net interest income for 2026. However, changes in interest rates entail opportunities and risks for the Bank. An increase in interest rates would tend to result in higher net interest income. In accordance with the scenarios described in the section on Market price risk, fluctuations of around plus 4 percent or minus 2 percent in interest income would occur based on the scenarios of a parallel shift of plus 200 basis points or minus 200 basis points.

In all probability, a further rise in interest rates would result in new business being lower than forecast. A drop in interest rates would have the opposite effect. Any changes in new business figures would have only a minor impact on net interest income and our operating result in 2026. On the other hand, changes in retail business impact net commission income. If new business were above forecast in this area, this would lead to a proportionate increase in commission expenses. The reverse would be the case if new business were lower than forecast. The percentage change in new business can thus be applied proportionately to the percentage change in commission income. In view of the current situation on the property markets, the Bank expects loan loss provisions to be in line with its planned figures. Opportunities may arise if the situation on the property markets improves, particularly for commercial properties. This would have a positive impact on loan loss provisions and would thus lead to a better operating result after loan loss provisions. If the market situation were to deteriorate further, particularly for commercial properties, loan loss provisions may have to increase, which would lead to a worse operating result after loan loss provisions.

Overall, the Bank considers the risks outlined here to be acceptable, based on its internal management.



FORWARD-LOOKING STATEMENT DISCLAIMER

This management report contains statements concerning our expectations and forecasts for the future. These forward-looking statements, in particular those regarding Münchener Hypothekbank's business development and earnings performance, are based on planning assumptions and estimates and are subject to risks and uncertainties. Our business is influenced by a large number of factors, most of which are beyond our control. These mainly include economic developments, the state and further development of financial and capital markets in general and our funding conditions in particular, as well as unexpected defaults by our borrowers. Actual results and developments may therefore differ from the assumptions that have been made today. Such statements are therefore valid only at the time this report was prepared.



NON-FINANCIAL STATEMENT¹¹

Münchener Hypothekbank has reported on non-financial aspects and the material economic, environmental and social impacts of its business activities every year since 2012. This non-financial statement for the financial year 2025 was prepared in accordance with sections 340a(1a) and 289b(1) of the German Commercial Code (Handelsgesetzbuch, HGB), as well as with Article 8 of Regulation (EU) 2020/852 (the 'Taxonomy Regulation'). In preparing the non-financial statement, the European Sustainability Reporting Standards (ESRS) of 22 December 2023 were used in part as a framework.

The following components of the non-financial statement were prepared in accordance with the ESRS:

- The chapter on general disclosures (ESRS 2), except for disclosures relating to governance (GOV-1, GOV-2, GOV-3, GOV-4 and GOV-5). The chapter on general disclosures is divided into sections on *Basis for preparation (BP)*, *Strategy, business model and value chain (SBM)* and *Impact, risk and opportunity management (IRO)*
- The chapter on environmental information, with the exception of the disclosures concerning greenhouse gas (GHG) intensities based on net revenue (E1-6 53.-55.), disclosures

concerning carbon credits (E1-7), carbon pricing (E1-8) and anticipated financial effects (E1-9)

- The chapter on social information, with the exception of the disclosures concerning non-employee workers (S1-7), health and safety key figures (S1-14), remuneration figures (S1-16), the affected communities standard (S3), and actions (S4-4) and targets (S4-5) related to consumers and end-users
- The chapter on governance information

In accordance with the results of the double materiality assessment, no reporting was conducted on standards E2-E5 and S2.

The statement covers the head office in Munich, the branch in Berlin and ten regional offices in Germany. Based on the results of a careful materiality assessment, subsidiaries have not been included. Baden-Württembergischer Genossenschaftsverband e.V. (BWGV) was tasked with conducting a limited assurance audit of the non-financial statement.

General disclosures (ESRS 2)

BASIS FOR PREPARATION – BP

General basis for preparation of the sustainability statement¹² (BP-1)

Scope of consolidation

The sustainability statement has been prepared on a consolidated or individual basis.	<input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Individual basis
---------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------

Coverage of the upstream and downstream value chain

The description of the strategy and business model, as well as the value chain, is provided in the disclosures in ESRS 2 SBM-1. The upstream and downstream value chain was considered in the 2025 double materiality assessment and the description of the strategy and business model. The non-financial statement focuses on the immediate upstream and downstream value chain. More details on the methodology of the 2025 double materiality assessment are provided in ESRS 2 IRO-1. The interaction between material impacts, risks and opportunities on the one hand and the value chain on the other is described in ESRS 2 SBM-3.

¹¹ Not part of the annual audit.

¹² The terms 'sustainability statement' and 'non-financial statement' are used interchangeably.



Intellectual property, know-how or results of innovation

The undertaking has used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation.

Yes
 No

Special exemptions

The undertaking made use of the exemption as provided for in Articles 19a(3) and 29a(3) of Directive 2013/34/EU from disclosure of impending developments or matters in the course of negotiation.

Yes
 No

The chapter 'General basis for preparation of the sustainability statement' includes disclosures in accordance with ESRS 2 BP-1 paragraphs 5(a), (c), (d), (e).

Disclosures in relation to specific circumstances (BP-2)

Time horizons

Definitions of medium- or long-term time horizons

The undertaking has deviated from the medium- or long-term time horizons defined in section 6.4 of ESRS 1 for reporting purposes.

Yes
 No

Value chain estimation

The key figures include upstream and/or downstream value chain data estimated using indirect sources.

Yes
 No

The following table summarises the key figures for the upstream and downstream value chain, which were estimated using indirect sources such as sector-average data or other approximate values. The table merely provides an overview of the corresponding disclosure requirements. The sections of the disclosure requirements shown in the table provide a more detailed description of the information, assumptions and contextual details of the individual estimates.

Disclosure requirement	Datapoint
E1-6	Paragraphs 51 and 52: Scope 3 emissions

Sources of estimation and outcome uncertainty

The following table provides an overview of the key figures in which estimates have been used and measurement uncertainties may accordingly exist. The table merely provides an overview of the corresponding disclosure requirements. The respective disclosure requirements provide a more detailed description of the information, assumptions and contextual details of the individual uncertainties and estimates.

Disclosure requirement	Datapoint
E1-5	Information on the total energy consumption of the undertaking related to its own operations
E1-6	Scope 1, 2 and 3 emissions

Incorporation by reference

ENo information has been incorporated by reference.

The chapter 'Disclosures in relation to specific circumstances' includes disclosures in accordance with ESRS 2 BP-2 paragraphs 9(a); 10; 11; 16.



STRATEGY, BUSINESS MODEL AND VALUE CHAIN – SBM

Strategy, business model and value chain (SBM-1)

Significant groups of products and/or services offered and any changes to these during the reporting period

Münchener Hypothekbank is a credit institution specialising in residential property and commercial real estate financing for retail and commercial (corporate and institutional) customers. The Bank funds these assets on capital markets by issuing Pfandbriefe and unsecured bonds, as well as on the money market. Hence, the Bank operates in three core business areas:

- Retail private residential property financing
- Commercial real estate financing
- Capital markets and funding

The focus of the Bank's sustainability activities¹³ is on residential property and commercial real estate financing (see ESRS 2 SBM-3). Münchener Hypothekbank's business model provides for a mutually reinforcing cycle linking green lending with green funding in accordance with the Green Funding Framework¹⁴ (see ESRS E1-2).

In its **retail business**, Münchener Hypothekbank grants loans to retail customers in Germany, Switzerland and Austria for residential property financing through its business partners, which include cooperative partner banks as well as independent financial advisers and brokers.

Münchener Hypothekbank has developed sustainability loans for its **retail customers** that include environmental and/or social aspects. Since 2015, the Bank has been promoting energy-efficient construction with its **green loans** in Germany, which are ESG-certified by the ISS and support the construction and acquisition of energy-efficient, privately used residential properties with an annual maximum primary energy demand of 55 kWh/m² by offering a reduced interest rate. This is verified by means of an energy certificate or a certificate of compliance with KfW standards for energy-efficient construction. Münchener Hypothekbank also offers KfW loans to promote the acquisition, new construction, conversion or renovation of buildings for energy efficiency purposes.

The **family loan**, created especially for families, is aimed at couples or single parents with at least one child and a net household income under EUR 60,000 and offers favourable conditions with an interest rebate. The family loan is also ESG-certified by the ISS and can be combined with the green loan. In addition, Münchener Hypothekbank offers the **67+ loan** for homeowners aged 67 and older, providing them with additional financial freedom even in their later years. Through this loan, Münchener Hypothekbank actively helps to give older people easier access to capital, which is often restricted for this age group.

In **commercial real estate financing**, the Bank chiefly finances blocks of flats, office buildings, hotels and retail and logistics properties in Germany and abroad. Münchener Hypothekbank conducts its business in this segment primarily in Germany directly with professional (commercial and institutional) property

investors. Additional channels comprise the brokerage business of cooperative banks and other brokers, as well as the syndicated business. For financing of commercial real estate, Münchener Hypothekbank increasingly places importance on properties that have received a recognised sustainability certificate, such as DGNB, BREEAM, LEED or HQE, in one of the relevant certification body's top categories.¹⁵

Münchener Hypothekbank has expanded its range of sustainable products to respond to the demand for climate-friendly financing and the need for energy-efficient renovations in commercial real estate financing. The aim is to help customers transform their properties while also reducing the CO₂ emission intensity of the commercial portfolio.

For amounts in excess of EUR 10 million, the **MHB Green Loan Commercial** is a loan for the purchase or follow-up financing of highly energy-efficient commercial property. It meets defined Green Loan criteria that are based on the Bank's Green Funding Framework and aimed at existing buildings. To meet the criteria, a property must be among the top 15 percent of the national building stock with regard to energy efficiency.

¹³ Münchener Hypothekbank defines sustainability as balancing environmental, social and economic factors with the aim of value creation that is responsible in the long term. The Bank considers sustainability to be a core guiding principle of its activities. ESG (environmental, social, governance) criteria provide the operational framework for systematically monitoring, assessing and managing these aspects and the associated risks and benefits.

¹⁴ The Green Funding Framework of Münchener Hypothekbank defines sustainable or green (re)financing products. It was published in September 2025 based on the previously applicable Green Bond Framework of Münchener Hypothekbank.

¹⁵ See *Impact Reporting*



For amounts in excess of EUR 10 million, the **MHB EnergyEfficiencyLoan** also offers a financing solution for the energy-efficient modernisation of existing buildings. In particular, it encourages measures to address insulation, technology and the building envelope. The product supports gradual energy-efficiency improvement and can contribute to reducing the CO₂ intensity of the portfolio.

Some of the commercial properties financed by the Bank also meet **social needs**, such as senior living facilities (assisted living) or student accommodation, since both of these contribute to the creation of social infrastructure. Münchener Hypothekbank concluded the care facility strategic initiative in September 2025, laying the foundation for establishing care facilities as an integral part of its financing business in future and making a sustainable contribution to social infrastructure. Münchener Hypothekbank also finances housing associations and municipal housing companies, thereby making a contribution towards meeting the demand for residential housing.

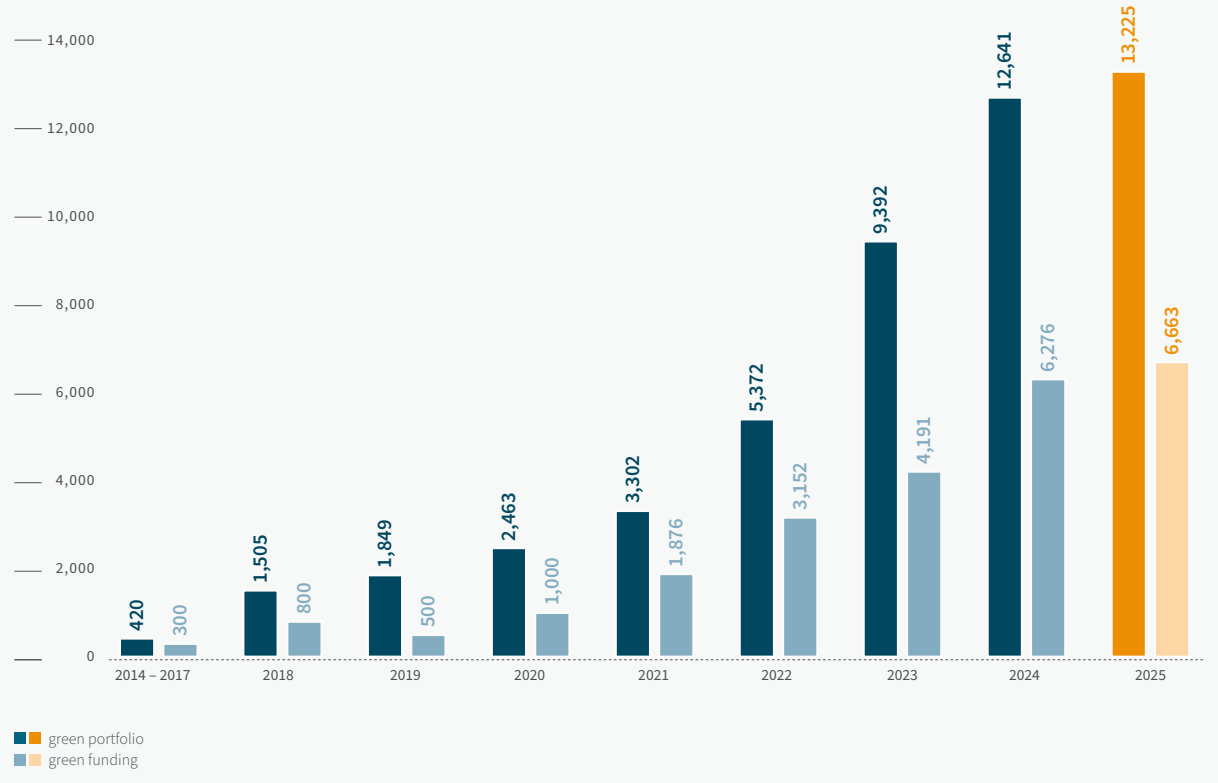
In the **capital markets and funding** business, Münchener Hypothekbank offers its customers covered bonds – in the form of mortgage Pfandbriefe – and unsecured bonds on the liabilities side (funding). Its portfolio includes a range of green capital and money market products that Münchener Hypothekbank can draw on to fund green loans. These include Green Pfandbriefe in accordance with the minimum standards of the Association of German Pfandbrief Banks (Verband deutscher Pfandbriefbanken, vdp), green senior preferred and non-preferred bonds, green Tier 2, green commercial paper, green term deposits and the Green Fixed Term Deposit. As at 31 December 2025, the total outstanding volume of green products on the liabilities side was EUR 6.7 billion, offset on the assets side by assets totalling EUR 13.2 billion which comply with the ICMA Green Bond Principles and, in the case of Green Pfandbriefe, the vdp minimum standards for Green Pfandbriefe. Since 1 January 2021,

the energy demand of new buildings in Germany and the EU needs to be at least 10 percent lower than the Nearly Zero Energy Buildings (NZEB) requirements. Existing buildings up to 31 December 2020 qualify for the green portfolio if they have an energy-efficiency rating of A or better, or if they are among the top 15 percent of the most energy-efficient buildings regionally or nationally, or if they achieve a reduction in energy consumption of at least 30 percent. Residential properties in the portfolio may

qualify for energy-efficient building or renovation through KfW programmes; commercial properties need to obtain a sustainability certificate from an established provider in a top category.

Since the first Green Pfandbrief was issued in 2014, both the green portfolio (assets) and green funding (liabilities) show clear growth (see Figure).

Performance of the green portfolio and green funding IN EUR MILLION





Since 2021, Münchener Hypothekbank has held a licence from the Association of German Pfandbrief Banks (vdp) to use the word mark 'Green Pfandbrief'.¹⁶

As at the balance sheet date of 31 December 2025, Münchener Hypothekbank has EUR 3.835 billion in Green Pfandbriefe outstanding.

The Green Fixed Term Deposit product is allocated to Taxonomy-eligible assets in the green portfolio. Comparing the assets and liabilities side shows a surplus of available green assets of EUR 6.6 billion, which can be used for further green funding products.

Distribution by property type: The breakdown of the green portfolio by property types is as follows: EUR 8,607.81 million residential property, EUR 3,050.20 million office property, EUR 834.78 million retail, EUR 542.18 million logistics, EUR 119.09 million hotels and EUR 70.85 million other.

Distribution by country: Green assets are focused in Germany with EUR 11,258.41 million; other countries include Switzerland with EUR 787.96 million, the Netherlands with EUR 528.44 million, Spain with EUR 240.98 million, Austria with EUR 73.38 million, France with EUR 176.84 million, the United Kingdom with EUR 68.11 million and the USA with EUR 90.81 million.

Green maturity structure: Most green assets have a long term to maturity. EUR 4,011.57 million fall due within a maturity range from 0 to < 3 years, EUR 1,929.38 million in the range ≥ 3 years and < 5 years, EUR 1,218.32 million in the range ≥ 5 years and < 7 years, EUR 1,114.15 million in the range ≥ 7 years and < 10 years and EUR 4,951.49 million in the range > 10 years.

Suitability criteria: In a breakdown of properties by green suitability criteria, the large majority meet the 'Top 15 percent' criterion (EUR 10,672.95 million), followed by sustainability certificates (EUR 1,373.95 million), EPC A (EUR 810.02 million), NZEB-10% (EUR 359.15 million) and co-financing via KfW programmes for energy-efficient building or renovation (EUR 8.84 million).

BEARER BONDS

WKN	ISIN	Issued	Maturity	Volume (in EUR m)	Coupon
MHB30J	DE000MHB30J1	14 April 2022	14 February 2030	1,000.0	1.25%
MHB35J	DE000MHB35J0	15 June 2023	14 August 2030	750.0	3.00%
MHB484	DE000MHB4842	14 July 2023	14 July 2033	25.0	Floater
MHB37J	DE000MHB37J6	23 November 2023	23 November 2028	750.0	3.25%
MHB38J	DE000MHB38J4	01 February 2024	01 February 2034	750.0	3.00%
MHB40J	DE000MHB40J0	31 October 2024	03 February 2031	500.0	2.625%

REGISTERED BONDS

Type	Issued	Maturity	Volume (in EUR m)	Coupon
15NC5 Registered Mortgage Pfandbrief	23 September 2022	23 September 2037	10.0	3.42%
Registered Mortgage Pfandbrief	23 March 2023	23 March 2038	50.0	3.14%

Allocation reporting:

The mortgage portfolio of Münchener Hypothekbank has a total volume of EUR 44.8 billion, of which EUR 13.22 billion meets the green portfolio requirements of the Green Funding Framework and thus the vdp minimum standards. Within the green portfolio, EUR 7.93 billion is EU Taxonomy-eligible and EUR 6.34 billion EU Taxonomy-aligned. The green portfolio (assets side) is composed as follows:

ASSETS SIDE (AS AT 31 DECEMBER 2025)

Cover pool residential	6,653.7	EUR million
Residential not in cover pool	887.6	EUR million
Cover pool commercial	3,688.4	EUR million
Commercial not in cover pool	1,995.2	EUR million

LIABILITIES SIDE (31 DECEMBER 2025)

Green Tier 2	123.5	EUR million
Green Pfandbriefe	3,835.0	EUR million
Green senior preferred bonds	649.0	EUR million
Green Senior Non-Preferred Bonds	2,036.7	EUR million
Green CP & Green Term Deposits	5.0	EUR million
Green Fixed Term Deposits	13.4	EUR million

¹⁶ vdp Minimum standards for use of the wordmarks 'Green Pfandbrief' / 'Grüner Pfandbrief' (for Mortgage Pfandbriefe), valid from 1 January 2025



Sustainability certificates: The breakdown of sustainability certificates in the portfolio is as follows: BREEAM EUR 278.39 million Very Good and EUR 102.83 million Excellent; BREEAM NL EUR 29.5 million Very Good, EUR 54.5 million Excellent; DGNB EUR 325.25 million Gold and EUR 71.43 million Platinum; LEED EUR 354.65 million Gold and EUR 68.25 million Platinum; and HQE EUR 89.15 million Exceptionnel.

Significant markets and/or customer groups served and any changes to these during the reporting period

In its **retail business**, Münchener Hypothekbank provided property financing to retail customers in its core market of Germany as well as in Switzerland and Austria. The target group for green loans is customers who are building or buying new properties, or renovating existing ones in Germany, and who value sustainability, environmental protection and energy efficiency, and who want to reduce energy costs. The family loan is aimed at middle-income families for financing their own home, and the 67+ loan at people aged 67 and older.

Münchener Hypothekbank provides **commercial real estate financing** in Germany (its core market), France, the United Kingdom, Spain, the Netherlands, Belgium, Luxembourg and Austria. New business is no longer being concluded in the USA. The Bank's customers include funds, private, institutional and public investors, real estate investment trusts (REITs), family offices and housing companies. In the portion of its commercial real estate financing business that is classified as sustainable, the Bank does not grant loans to natural persons or legal entities that generate an appreciable proportion of their revenue in controversial sectors, such as fossil energy.

Münchener Hypothekbank raises funds primarily through capital markets (**funding**). Funding is also acquired on the money market. The investors in the funding products are banks of the German Cooperative Financial Group, (syndicate) banks, insurance companies, pension schemes and funds, central banks, sovereign wealth funds and multilateral institutions, as well as private customers. German institutional investors, followed by central banks, are the most important investor group in terms of the total volume invested in Münchener Hypothekbank. The majority of Münchener Hypothekbank's investors are based in Germany and its neighbouring European countries. Funding products are also sold in the rest of Europe, Asia, the Middle East and Africa. Selling restrictions and conditions apply to certain markets.

The sustainable funding products on offer appeal to a broad range of investors. Their reasons for investing in sustainable products range from ethical goals, such as contributing to climate change mitigation, to economic considerations that include meeting regulatory requirements and better liquidity on the secondary market.

Head count of employees by geographical areas

All 799 staff members¹⁷ of Münchener Hypothekbank are employed in Germany.

Material products and services subject to market prohibitions

None of the products and services offered by Münchener Hypothekbank are currently subject to prohibitions.

Sustainability goals in relation to products, services, customer categories, geographical areas and relationships with stakeholders

Münchener Hypothekbank considers itself to have a responsibility in its lending to promote economic activities that support sustainable development (in particular SDG 11: Sustainable Cities and Communities and SDG 13: Climate Action) and contribute to achieving the goals of the Paris Agreement. At the same time, the Bank strives to analyse the impacts of ESG issues – especially climate change – on its business and risk management in a timely manner, so that it can respond effectively.

Through its business model, the Bank aims to make an active contribution to promoting climate action, adapting to climate change and creating future-proof residential and commercial spaces. The business model takes a long-term view and is based on responsible, risk-conscious property financing.

In its own business operations, the Bank also takes numerous measures to conserve resources and provide attractive workplaces.

This sustainability approach is linked to clear sustainability targets:

1. Climate change mitigation in business and own operations
2. Creating attractive workplaces

¹⁷ The term 'staff members' is used synonymously with 'employees'. The number of employees is stated as at the reporting date of 31 December 2025, in contrast to the approach under section 267(5) HGB, and comprises all employees, including working students and interns, in accordance with ESRS requirements. Further information on how the number of employees is calculated is provided in S1-6 paragraph 50(d).



Münchener Hypothekbank takes a structured approach to climate change mitigation and sustainable corporate development in its business and own operations. The targets the Bank has set itself are managed through the transition plan, which defines decarbonisation pathways for the loan portfolio, the capital market lending business of the capital markets and funding segment, and its own operations. The key targets in 2025 were the reduction of GHG intensity in the retail and commercial portfolios and at least one green issue (funding). For the financial year 2026, the aim in the retail segment is to reduce the emission intensity of private property financing in line with the defined reduction pathway; this objective will be managed with the KPI 'Proportion of new builds in new business'. Similarly, in the commercial segment the aim is to reduce the emission intensity of commercial real estate financing along a defined reduction pathway, managed with the KPI 'Emission intensity in new business.' For the capital markets and funding segment, the objective is to place among the Top 5 issuers of outstanding green Pfandbriefe (see chapter 2.3 of the management report). In the capital markets lending business, the Bank pursues sustainable investments in consideration of human rights¹⁸, the rule of law and ESG minimum standards, with the regional focus on Germany and other countries in Western Europe.

The transition plan is regularly updated and includes concrete actions and a management and reporting model. The Strategy & Finance Board regularly monitors the targets defined in the transition plan.

In addition, Münchener Hypothekbank creates an attractive working environment by ensuring a respectful corporate culture and fair remuneration, as well as health and social benefits. The staffing and turnover rate is one of the metrics used to measure achievement of this target. The topic of sustainability is

integrated into various sub-strategies, in particular in the environmental and HR strategies, as well as the digital and IT strategy. In 2025, the sustainability measures defined in the aforementioned processes were systematically incorporated into a separate sustainability roadmap. Progress on implementing all of the measures is reviewed and documented on a quarterly basis.

Assessment of current significant products and/or services, and significant markets and customer groups, in relation to sustainability-related goals

Currently, the most significant products in relation to sustainability-related goals are Münchener Hypothekbank's Green Loan on the asset side and the Green Pfandbrief in accordance with vdp minimum standards on the liabilities side. The sustainable products the Bank offers are the basis for achieving its defined sustainability-related goals and will contribute to the sustainable transformation of the property industry. They are specifically designed to meet the needs of customers and their financing requirements, for example, to allow them to carry out energy-efficient renovations. The financing products thus not only help to achieve the Bank's sustainability-related goals, but also enable customers and investors to implement their sustainable projects and achieve their sustainability-related goals. In recent years, the proportion of products in the Bank's portfolio classified as sustainable has steadily increased.

In addition, green debt securities/promissory note bonds totaling approximately EUR 0.6 billion were issued. On the funding side, the Green Fixed Term Deposit for retail customers was developed in 2025.

Strategic elements that relate to or have an impact on sustainability matters

The business strategy determines the strategic actions taken by Münchener Hypothekbank. Sustainability and ESG are topics that affect all parts of the Bank, which is why, in 2025, the sustainability strategy was integrated into the business strategy.

The strategic direction on sustainability matters is based on the double materiality assessment and resulting positive and negative impacts, risks and opportunities with regard to various sustainability topics (see ESRS 2 SBM-3).

Based on the results of the double materiality assessment, Münchener Hypothekbank has defined four key action areas:

- Climate change mitigation and adaptation
- Own employees
- External stakeholders
- Corporate culture

A full description of the extent to which the material sustainability topics are linked to the business strategy is provided in the disclosures in ESRS 2 SBM-3.

The topic of sustainability at Münchener Hypothekbank falls under the organisational purview of the Chief Risk Officer (CRO). The sustainability and ESG risk managers in the Non-Financial Risk Management department (under the responsibility of the CRO) actively support and implement sustainability-related developments, issues and decisions. The **sustainability team**, which was newly established in 2025, facilitates collaboration

¹⁸ With regard to our own investments, the Bank does not invest in countries that, according to the Democracy Index and Freedom House Index, violate human and civil rights. The Freedom House Index, which rates access to political rights and civil liberties, is published annually by the non-governmental organisation Freedom House. The Democracy Index of The Economist magazine measures the quality of democracy of countries around the world.



with departments on sustainability-related issues. The team consists of sustainability managers from the Non-Financial Risk department, ESG officers from the departments and the environment team, which supports the implementation of the environmental management system. The sustainability team links strategic management with operational implementation, anchors sustainability in all of the Bank's processes and ensures practical coordination with business areas and departments.

Description of the gathering, development and securing of inputs, outputs and outcomes in terms of benefits to stakeholders as well as the upstream and downstream value chain

The upstream value chain includes the funding of loans, as well as suppliers and service providers for the Bank's own operations.¹⁹

The funding of loans takes place through capital and money markets, with the largest proportion being raised by issuing mortgage Pfandbriefe on capital markets (see ESRS 2 SBM-1). Strategically, the Bank strives to achieve the greatest possible diversification of its funding sources to keep its dependence on capital markets, counterparties or intermediaries to a minimum. Münchener Hypothekbank's funding mix is regularly published in investor presentations on the Bank's website.

The Bank works with service providers and suppliers primarily in the IT and facility management areas. The relevant departments also procure services as required. IT Procurement Management, for example, purchases products such as hardware

and software, while Facility Management purchases services such as building security and cleaning services. Individual activities (other than IT or facility management) are outsourced to external companies. Specific procurement processes, guidelines and requirements have been defined for all types of procurement to ensure, amongst other things, compliance with the law, ethical conduct, fair working conditions, anti-corruption, prevention of money laundering, human rights, environmental protection and occupational health and safety.

The immediate downstream value chain is determined by the core business, which is primarily the financing of residential property and commercial real estate. Through the Bank granting loans, its customers gain access to the capital they require for property projects. In the context of sustainable transformation, the banking industry, including Münchener Hypothekbank, has a central role to play in providing liquidity for the acquisition of energy-efficient buildings and for energy-efficient renovations.

The main actors in the downstream value chain are the customers in property financing and business partners who act as intermediaries in the value chain by brokering financing. In Germany, these include Volksbanken, Raiffeisenbanken and other cooperative credit institutions, as well as independent financial advisors and investment sales brokers in private property financing. Münchener Hypothekbank also works with PostFinance and Swiss Life in Switzerland and with select brokers in Austria.

Münchener Hypothekbank also makes investments on the capital markets to manage liquidity and the cover pool for issued Pfandbriefe, as well as to manage regulatory ratios.

The skilled trade and construction industries indirectly represent part of Münchener Hypothekbank's downstream value chain, although the Bank has no business relationship with these businesses.

Further details on the most significant products, customer segments and distribution channels in Münchener Hypothekbank's core business are provided in ESRS 2 SBM-1.

The chapter 'Strategy, business model and value chain' includes disclosures in accordance with ESRS 2 SBM-1 paragraph 40(a), (e), (f), (g); 42(a), (b), (c).

¹⁹ The expression 'own operations' is used synonymously with 'operating business activities of the Bank'.



Interests and views of stakeholders (SBM-2)

Stakeholder engagement, including the company's key stakeholders, whether engagement with them occurs and for which categories of stakeholders, and how it is organised

Münchener Hypothekenbank's stakeholder groups²⁰ are specified below and categorised as users of sustainability information or affected stakeholders in accordance with the requirements of the ESRS 1 standard, chapter 3.1.

Stakeholder group	Examples / number	ESRS 1 stakeholder category	Engagement and dialogue formats
Members	54,859	Users Affected stakeholders	Election of representatives, regular communication, presentations for institutional members
Supervisory Board	Members of the Supervisory Board	Users Affected stakeholders	Regular information as part of the Supervisory Board meeting
Supervisory authorities	ECB, BaFin, Deutsche Bundesbank, EBA	Users	MHB ECB office as the central point of contact for communication with the supervisory authority, continuous dialogue, ad hoc inspections by the joint supervisory team
Rating agencies	ISS ESG, Sustainalytics, MSCI, Moody's, Ethifinance	Users	Provision of information, monitoring of rating reports, receiving rating assessments
Investors (excluding members)	Purchasers of funding and equity products	Users Affected stakeholders	Investor presentations several times a year, email communication, allocation and impact reporting, presence at trade shows/conferences, sustainability magazine
Business partners (excluding members)	Cooperative partner banks, investment sales brokers, investment banks, suppliers, service providers	Users	Events and working groups, Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG)/Code of Conduct questionnaires, meetings with cooperative advisory board, involvement in double materiality assessment
Associations	National Association of German Cooperative Banks (BVR), regional cooperative associations, vdp, ECBC, German Association for Environmental Management and Sustainability (VfU)	Users	Regular knowledge sharing, discussion of current issues
Employees	Own employees	Users Affected stakeholders	Employee meetings, feedback and discussions of objectives, employee surveys, information stands, training, intranet and employee magazine, 2025 sustainability day
Employees of external service providers	Distribution partners, suppliers, other service providers	Affected stakeholders	Involvement in LkSG and Code of Conduct processes, training and dialogue during projects
Customers	Retail, commercial and institutional customers	Users Affected stakeholders	Contact via portal, telephone, post, email, use of customer surveys
Affected communities	Tenants, users of financed properties	Affected stakeholders	Consideration during project planning and financing, indirect dialogue about sustainability measures

²⁰ The term 'stakeholder' is used synonymously with 'interested party'.



The purpose of stakeholder engagement

As a cooperative bank, Münchener Hypothekbank has a particular responsibility towards customers, members and society. The aim of any cooperative is to provide economic benefits and support for its members, and this principle is set out in the Münchener Hypothekbank Articles of Association. Cooperative principles represent the core principles guiding the Bank's economic activities (see SBM-3).

One of Münchener Hypothekbank's main objectives is to continuously improve its property financing services. In order to achieve this, the Bank not only needs to be efficient and flexible, but also has to be able to respond to changing markets and the needs of its stakeholders. To maintain its ability to convince stakeholders of the added value of Münchener Hypothekbank as an independent institution in the future, it is of the utmost importance that it actively develops and fosters diverse levels of relationships. This is primarily dependent upon Münchener Hypothekbank's ability to offer financial products that meet the needs and requirements of its stakeholders. Hence, Münchener Hypothekbank relies on maintaining close relationships and on regular communication with its stakeholders.

Taking into account the outcome of stakeholder engagement

The responsible departments receive and carefully review the wishes and interests of stakeholders that have been identified. These reviews help determine whether measures to optimise internal activities and processes are required. In order to evaluate and implement these measures, the employees work closely and efficiently with all relevant departments, ensuring that cross-functional and non-hierarchical cooperation occurs.

Investors expect a high degree of transparency, especially with regard to ESG issues, which can give rise to wide-ranging questions at investor meetings. The topics raised are addressed internally, the availability of the data is checked and an assessment is made as to whether greater transparency can be provided in accordance with the wishes of the investors, taking into account any legal restrictions, such as the protection of sensitive customer data.

Taking into account the interests and views of key stakeholders as they relate to the business strategy

In accordance with the IRO-1 disclosure requirement, the perspectives and interests of stakeholders were always taken into account in the double materiality assessment when identifying material impacts, risks and opportunities (IROs). This ensures that the associated guidelines, measures and objectives are drawn up in accordance with the (sustainability-related) interests of the stakeholders.

The integration of the material IROs from the core business into the business strategy (see ESRS 2 SBM-3) enables the Bank to take relevant stakeholder interests into account in determining its strategic direction. The Supervisory Board is included in the strategy process as part of its monitoring and advisory function. This makes it easier to systematically integrate the results into the annual strategy process and to identify any adjustments that may be necessary to strategic guidelines and initiatives.

Disclosures of any amendments to the business strategy to address the interests and views of stakeholders

In order to pursue its objectives and implement its business strategy, the Bank has set strategic guidelines. This strategic framework establishes general guidelines and ensures that the Bank's activities and decisions are all mutually consistent. The core interests of various stakeholder groups are embedded in the guidelines. For example, the guidelines require that the allocation and structure of capital must always be managed in the interests of the **members**. **Employees** should be supported in an environment of trust and reliability.

The Bank has developed strategic guidelines to strengthen and expand its position as an indispensable partner of the **cooperative banks**. One of the aims is to actively develop and maintain the wide variety of relationships that exist within the German Cooperative Financial Network.

Münchener Hypothekbank will continue to secure returns for its **investors** in the extended capital markets and funding business, while carefully assessing and monitoring the risks involved.

The interests of the Bank's customers are at the centre of its strategic focus in all areas and activities. Münchener Hypothekbank is committed to supporting its **customers** and addressing their concerns as a strong partner.



Despite the current EU initiatives aimed at reducing bureaucracy in sustainability reporting (Omnibus), the European Banking Authority still views sustainability as a key component of risk management. ESG risks can have a significant impact on an institution's financial stability and long-term resilience, so the ECB and EBA are increasingly urging banks to ensure that these risks are thoroughly integrated into their business model, capital planning and liquidity management. The EBA Guidelines on the management of ESG risks (to be implemented from 11 January 2026) and Guidelines on environmental scenario analysis (to be applied from 1 January 2027) further clarify the Authority's expectations. Münchener Hypothekbank is addressing these developments and considers ESG risks in its risk management in accordance with the requirements.

Further planned steps and timeline

The environment surrounding sustainability and ESG in general is undergoing a transformation, and various social, economic and regulatory drivers ensure that the topic remains of considerable importance. Nevertheless, it is increasingly at odds with other structural and political developments, in particular the economic situation in Germany and Europe, as well as the growing geopolitical uncertainty.

Identifying the resulting opportunities and risks at an early stage and systematically managing them as part of a strategic approach is crucial for banks. To achieve this, Münchener Hypothekbank takes steps such as performing an annual analysis of its business environment (see ESRS 2 SBM-3 E1), and by consistently integrating ESG risks in its lending decisions. The Bank will continue to build on this approach in the future.

Expected changes in the relationship with stakeholders

Münchener Hypothekbank will strengthen its dialogue with stakeholders in the area of sustainability/ESG with the aim of integrating their interests into the further development and improvement of its sustainable product portfolio. This dialogue will continue to gain in importance in the coming years, especially in light of the results of the Omnibus negotiations. Surveys show that, in spite of the expected deregulation of sustainability reporting for investors in particular, sustainability remains very important to both customers and employees.^{21,22} The aim is to continue to focus on meeting both product requirements and the need for information and transparency in the area of sustainability.

The further development of the sustainable product portfolio and the measures and targets specified for it is, in some cases, informed by direct customer cooperation, for example, by customers supplying energy data for financed properties. Customers are specifically requested to provide (real) data. Customers and investors should also be provided with the best possible information about the features and benefits of (new) green products.

The Bank intends to remain actively involved in associations that address ESG issues, such as the development of uniform criteria and standards for the evaluation of sustainable products.

Münchener Hypothekbank is also increasingly engaging with its employees in connection with sustainability and ESG issues. Specifically, employees in sales are receiving more training on sustainable products and ESG regulatory requirements to improve the service and advice they are able to offer.

Informing the administrative, management and supervisory bodies about the views and interests of stakeholders

Regular dialogue with stakeholders takes place in the formats described in section 45(a). Key findings from these conversations are systematically forwarded to the Board of Management. As a first step, the sustainability and ESG risk managers provide information to the Chief Risk Officer, who is responsible for sustainability and ESG risk management. The topic is then brought to either the Risk Management Board or the Strategy and Finance Board, where resolutions are adopted by the entire Board of Management.

The Supervisory Board receives regular updates on key developments in the Bank in the report by the Board of Management. In December 2025, the Audit Committee received sustainability reporting training, which was also attended by the Board of Management. Heads of other departments are informed of the latest sustainability and ESG developments each month through the ESG committee.

The chapter 'Interests and views of stakeholders' includes disclosures in accordance with ESRS 2 SBM-2 paragraph 45(a), (b), (c), (d).

²¹ Morgan Stanley Institute for Sustainable Investing. (2025). Sustainable Signals: Corporates 2025. Available at https://www.morganstanley.com/assets/pdfs/MS_Institute_for_Sustainable_Investing_Sustainable_Signals_Corporate_report_2025.pdf

²² Workiva Inc. (2025). 2025 Executive Benchmark Survey on Integrated Reporting. Available at 2025 Executive Benchmark on Integrated Reporting | Workiva



Engaging with own workforce and with consumers and end-users in the strategy and business model (SBM-2 S1 / S4)

Related disclosures are provided in ESRS SBM-2.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Description of the material impacts, risks and opportunities from the materiality assessment and their influence on the business model and the value chain
The following tables list all the IROs that were identified as material in the 2025 Double Materiality Assessment.

MATERIAL IROS IN THE UPSTREAM VALUE CHAIN

Business area	Overview of material impacts, risks and opportunities	IRO dimension	Expected time horizon	Extent of impact / justification of materiality
Climate change and energy (E1)				
Capital markets and funding	Investments in government/bank bonds and municipal financing	Negative impact	Short/medium and long term	In the case of government and bank bonds and municipal financing, it is not usually clear whether the funds are used for green measures.
Capital markets and funding	Investments in green government/municipal bonds and bank bonds	Positive impact	Short/medium and long term	Green securities issued by governments or municipal authorities are designed specifically to finance green projects, such as expanding renewable energies or other climate protection measures.
Capital markets and funding	Increased potential to issue green funding products	Opportunity	Short/medium and long term	On the liabilities side, the possibility of expanding green funding, especially by issuing Green Pfandbriefe, offers an opportunity for increased sales of climate-friendly products in the lending business.
Climate change adaptation (E1)				
Capital markets and funding	Transition risks	Risk	Short/medium and long term	Transition risks are short-term, event-related risks in connection with the transition to a more sustainable economy. They may cause market turbulence such as greater fluctuations in interest rates, exchange rates or credit spreads and thus lead to falls in the price of fixed-rate bonds as well as increased uncertainty and volatility in the financial markets.
Management of relationships with suppliers including payment practices (G1)				
Own operations	Fairness and transparency in procurement	Positive impact	Short/medium and long term	The Bank's procurement guidelines provide transparency regarding expectations, requirements and the basis for decision-making, while clearly defined and standardised bid solicitation, tendering, selection and contract approval processes ensure that contracts are awarded through a fair and traceable process.
Own operations	Resilience of the supply chain through long-term contractual relationships	Opportunity	Short/medium and long term	A trusting and respectful approach to service providers in the downstream value chain allows the Bank to build strong ties with suppliers while also reducing costs, e.g. with lower transaction costs for tenders, negotiations and contract conclusion.
Own operations	Risks due to decentralised procurement measures	Risk	Short/medium and long term	The lack of centralised procurement standards increases costs and effort, leads to inconsistent processes and hinders the realisation of synergies.



MATERIAL IROS IN OWN OPERATIONS

Business area	Overview of material impacts, risks and opportunities	IRO dimension	Expected time horizon	Extent of impact / justification of materiality
Climate change & energy (E1)				
Own operations	CO ₂ emissions in own operations	Negative impact	Short/medium term	In the operation of its portfolio properties, rented properties and vehicle fleet, Münchener Hypothekbank consumes energy and emits CO ₂ .
Own operations	Reputational gain by introducing the environmental management system	Opportunity	Short/medium term	The initiative leads to a better ESG rating and an improved image as an employer.
Climate change adaptation (E1)				
Own operations	Operational risk from physical climate risks	Risk	Long term	Physical climate risks may result in building damage at MHB's head office in Munich or the leased regional offices. The IT infrastructure/building systems may be affected.
Own operations	Operational risk from transition climate risks	Risk	Short/medium and long term	Outdated technical systems and low energy efficiency in the Bank's own holdings may lead to pressure to renovate, risk losses of value and increase ongoing ancillary costs. At the same time, the process risk in the property service may increase due to additional regulatory and documentation requirements.
Own operations	Adaptation of buildings to climate change	Positive impact	Short/medium term	Central control of the blinds improves thermal comfort, increases heat protection, especially during more frequently occurring periods of hot weather, and reduces climate-related stresses on buildings and users through the use of customised technical solutions.
Attracting, developing and retaining staff (S1)				
Own operations	Health care offerings	Positive impact	Short/medium term	MHB boosts employees' physical and mental health by offering counselling for psychological pressures and specific risks, such as for pregnant employees, and with new support offerings such as the confidential 'meinEAP' counselling service. Health and sports offerings are also available through the PFIF! programme, as well as fitness and club membership allowances and the company bicycle scheme.
Own operations	Better employee performance through flexible working models and skills development	Opportunity	Short/medium term	MHB promotes attractive working conditions through flexible working models, work-from-home options and specific support for families. It also invests heavily in its employees' skills through internal and external training programmes, management development, a wide range of in-person and online training offerings, and by providing financial support and allocating the time necessary to participate in long-term training and development activities.
Own operations	Measures to support and recruit new talent	Opportunity	Short/medium term	MHB secures young talent and managers through part-time internships, trainee programmes, a dual study programme and support measures aimed at increasing employee loyalty. These topics are also systematically integrated into the HR Strategy, strengthening the Bank's position as an attractive employer, attracting new talent and lowering recruitment costs.



MATERIAL IROS IN OWN OPERATIONS

Business area	Overview of material impacts, risks and opportunities	IRO dimension	Expected time horizon	Extent of impact / justification of materiality
Diversity & equal opportunities (S1)				
Own operations	Low proportion of women in management positions	Negative impact	Short/medium term	The low and, in some cases, declining proportion of women in senior management positions at MHB presents risks for diversity and the Bank's capacity for innovation, as well as its image and reputation.
Own operations	Promotion of diversity in the Bank	Positive impact	Short/medium term	MHB promotes diversity and inclusion by integrating these topics as main fields of action in the HR Strategy and with a complementary Diversity Policy, which ensures a working environment that offers equal opportunities and is free from discrimination. Language courses aid integration and support the diversity of the workforce, which includes employees from more than 25 countries. Furthermore, MHB has set itself specific targets for the proportion of women on the Board of Management, on the Supervisory Board and in management positions and has put in place the Female Empowerment Programme to achieve these objectives.
Own operations	Increased business success through diverse teams	Opportunity	Short/medium term	Purposefully promoting the diversity of teams in terms of characteristics such as gender, age, educational background and geographical origin allows MHB to extend its skills base and benefit from different perspectives. This enhances teams' performance, encourages more creative and effective solutions and thus boosts MHB's competitiveness and long-term stability.
Own operations	Potential costs due to stricter equality and pay transparency legislation	Risk	Short/medium term	Stricter equality and pay transparency legislation, as well as high implementation costs, may give rise to risks such as employee dissatisfaction and have a negative effect on employer branding and on MHB's competitive position, since its competitors have a strong focus on diversity and work-life balance.
Business conduct (G1)				
Own operations	Potentially inadequate implementation of internal guidelines and codes	Risk	Short/medium term	Inadequate implementation of internal codes and guidelines, in particular the Code of Conduct and the Values, Leadership and Cooperation guideline, may impact ESG ratings and thus affect investor decisions, and may increase risks due to the delayed implementation of ESG and compliance requirements.
Corporate culture (G1)				
Own operations	Lack of investment in information security and cyber security	Risk	Short/medium and long term	Digital transformation, increasing volumes of data and external services increase risks such as cyber attacks, data breaches, financial losses and reputational damage.
Own operations	Strengthening the corporate culture based on cooperative principles	Opportunity	Short/medium term	Strengthening the Bank's corporate culture based on cooperative principles by incorporating ethical, sustainable principles enhances the Bank's reputation and attractiveness as an employer, makes it easier to attract and retain qualified employees and reduces long-term personnel and recruitment costs.
Corruption & bribery (G1)				
Own operations	Compliance risks	Risk	Short/medium term	For the Bank, there is a risk of failure to fully comply with legal and regulatory requirements concerning corruption and bribery. Violations may lead to criminal liability of employees, fines, legal costs and reputational damage.



MATERIAL IROS IN THE DOWNSTREAM VALUE CHAIN

Business area	Overview of material impacts, risks and opportunities	IRO dimension	Expected time horizon	Extent of impact / justification of materiality
Climate change and energy (E1)				
Core business	Property financing as a business activity in a sector with high CO ₂ emissions	Negative impact	Short/medium term	Stricter regulatory requirements and increasing social pressure may lead to greater risks and potential losses in the value of financed properties. This may lead to higher default risks, lower collateral values and reputational and earnings risks for the Bank in the long term.
Core business	Carbon savings through green loans and financing of green renovation measures	Positive impact	Short/medium term	Granting green loans and financing green renovation measures reduces CO ₂ emissions compared to conventional financing.
Core business	ESG-related property requirements increase the demand for financing and offer potential	Opportunity	Short/medium term	Stricter ESG-related requirements for properties increase the need for investment and financing for renovations and new buildings. This creates additional business opportunities and long-term earnings potential for the Bank.
Climate change adaptation (E1)				
Core business	Risk aversion in relation to modernisation measures	Risk	Short/medium term	Retail customers are often uncertain about modernisation measures, suitable technology and the expected operating costs. High costs for assessment, conversion or renovation can increase payment defaults or discourage modernisation measures.
Rights and concerns of affected populations (S3)				
Core business	Additional business from social impact investing in the property sector	Opportunity	Short/medium and long term	Expanding the range of financing to include care facilities (target value: EUR 50 million) opens up the opportunity to contribute to providing additional residential housing with a social benefit.
Core business	Providing liquidity to create additional residential housing	Positive impact	Short/medium term	In commercial property financing, liquidity is provided for both the construction of new residential spaces and the renovation of existing spaces.
Consumer protection (S4)				
Core business	Responsible marketing	Positive impact	Short/medium term	Responsible marketing and avoidance of greenwashing minimise risks and reputational damage, take target customer groups and the financial situation into consideration and promote awareness of sustainability.
Core business	Data protection and consumer protection	Risk	Short/medium term	Data protection and equal treatment laws require comprehensive reviews of systems, processes and lending, which can lead to delays, increased compliance costs and legal and reputational risks. At the same time, the competition has positioned itself strongly in terms of governance and data protection standards.
Core business	Greenwashing	Risk	Short/medium term	Greenwashing risks may arise in the form of insufficient data quality or inadequate knowledge among (sales) employees in particular. Potential losses of trust or reputation have a direct impact on the capital markets business in the form of costs arising from rating downgrades, for example.



Effect and connection of material impacts on the business model and strategy, including any changes made as part of the actions

Currently, the material IROs in relation to **climate change** have the greatest influence on the business model and business strategy of Münchener Hypothekbank. According to the EU Energy Performance of Buildings Directive (EPBD), all buildings in the EU should be emission-free by 2050, and new buildings from 2030. All countries relevant to Münchener Hypothekbank's real estate portfolio are signatories to the Paris Agreement on climate change and support the 1.5-degree target. Achieving this target requires emission savings, which can be achieved in the property financing business through a combination of improved energy efficiency, the use of non-fossil heating systems (e.g. heat pumps, district heating), and the continued decarbonisation of the electricity mix. The overarching goal of reducing greenhouse gas emission in the buildings sector addresses these levers in the political and legal context.

Identifying the resulting opportunities and risks at an early stage and managing them as part of a strategic approach is crucial for Münchener Hypothekbank. For the Bank, particular opportunities are created by the demand for financing for energy-efficient renovations and new buildings, which open up long-term earnings potential. Risks lie in increasing regulatory requirements, social pressure due to the expectations of customers, investors and the public, and customer uncertainty regarding modernisation measures, which could cause losses of value, higher probability of default and reputational damage.

The material climate-related impacts in the core business of Münchener Hypothekbank, such as CO₂ emissions and carbon savings, are managed primarily through the transition plan. In addition, the material climate-related impacts in the Bank's own operations, including CO₂ emissions and carbon savings, are managed in a similar way through the transition plan. The key elements of the transition plan are integrated into the business strategy from 2025 onwards.

The opportunities and risks in the area of **human resources** are treated as an interdisciplinary issue at Münchener Hypothekbank, which represents an integral part of the business strategy and extends to all business areas. This is an essential element in ensuring that the Bank remains successful in its core business areas in the future. Münchener Hypothekbank is facing the challenge of addressing the shortage of skilled labour. This applies to all areas, in particular IT, commercial real estate financing and specialised skills in regulatory matters.

To meet these challenges and opportunities, the Bank has developed a human resources strategy, which was updated in 2025 and focuses on securing the required workforce in terms of quality and quantity. This includes the continued development of the corporate and management culture to meet future challenges. The megatrends of digitalisation, sustainability and diversity are being appropriately integrated into the human resources work of the Bank.

With regard to the sustainability issue of the **rights and concerns of affected populations**, Münchener Hypothekbank's commercial real estate financing makes an important contribution to meeting the demand for residential housing by providing liquidity to residential construction companies. Among Münchener

Hypothekbank's customers are members of the Federal Association of German Housing and Real Estate Companies (*Bundesverband deutscher Wohnungs- und Immobilienunternehmen e.V.*, GdW), who are committed to providing good, safe and affordable housing. Furthermore, some of the properties financed by the Bank have tangible social benefits, such as senior living facilities (assisted living) or student accommodation, since financing such properties contributes to creating social infrastructure. Münchener Hypothekbank concluded the care facility strategic initiative in September 2025, laying the foundation for establishing care facilities as an integral part of its financing business in future and making a sustainable contribution to social infrastructure.

Consumer protection plays a crucial role in all activities of Münchener Hypothekbank. In order to build trusting, reliable and long-term customer relationships, the Bank places importance on responsible marketing. These principles are also enshrined in the Bank's Code of Conduct. Strict compliance with the principles of responsible marketing makes a positive contribution to consumer protection.

Current financial effects from material risks and opportunities on financial position, earnings and cash flows

During the year under review, Münchener Hypothekbank did not identify any significant current risks and opportunities that had a demonstrable material impact on its financial position, financial performance or cash flow in the reporting year. No adjustments were made to the carrying values that were solely attributable to ESG risks, and no such information is currently available for the next reporting year.



Resilience of the strategy and business model

Münchener Hypothekbank's resilience to ESG risks is reviewed in various assessments. In the 2025 reporting year, a business environment assessment was once again carried out to monitor climate-related and environmental risks in the core business (see ESRS 2 SBM-3 E1). The results of this assessment form the basis of a risk materiality assessment to evaluate relevant ESG risks for the portfolio (see ESRS 2 IRO-1 E1). The business environment assessment and the risk materiality assessment allow Münchener Hypothekbank to identify and systematically evaluate potential physical risks (e.g. flooding) and transition risks (e.g. CO₂ price, renovation obligations) in the property financing business at an early stage. Scenario analyses are carried out to investigate these risks in order to identify the impacts on risk types such as credit risk or strategic risk. The risks and actions identified are taken into account in the risk and business strategy, increasing the Bank's resilience to climate-related changes.

ESG risks are also investigated as part of the annual scenario-based risk assessment including the ICT risk scenario analyses for business continuity management. As part of the Bank's overall performance and risk management processes, integrated risk management (IRM) and third-party risk management (TPRM) safeguard the Bank's resilience to environmental, social and geopolitical developments in line with risk appetite, using scenarios, tests and appropriate key figures. Material risks in the Bank's own operations are linked with the ICT risk scenario analyses and the scenario-based operational risk assessment; potential threats are systematically identified, analysed and assessed as part of this process.

The methodology integrates the threats in the IT-Grundschutz Compendium, which have up until now been used in business continuity management (BCM). The measures align with the DORA strategy of Münchener Hypothekbank, ensuring a robust and resilient system environment, as well as the stability of IT even in exceptional circumstances.

Physical and transition (climate) risks for buildings and IT infrastructure are considered in the ICT risk scenario analyses and incorporated into the regular risk assessment of outsourced activities. The TPRM creates transparency about critical services and external partners with regard to relevant sustainability and risk aspects.

BCM scenarios and tests address physical climate risks, shortage of energy, climate-related disruptions and geopolitical tensions in order to safeguard operational continuity. Social risks, the material personnel risk of the departure of experienced employees, and governance and compliance risks are also included in the corresponding risk and ICT scenarios.

The chapter 'Material impacts, risks and opportunities and their interaction with strategy and business model' includes disclosures in accordance with ESRS 2 SBM-3 paragraph 48(a), (b), (c), (d), (f).

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3 E1)

Scope, implementation and results of the resilience analysis of the strategy and business model in relation to climate change

In 2025, to assess the resilience of the business strategy and business model, Münchener Hypothekbank once again carried out a business environment assessment in accordance with

the expectations set out in the ECB Guide on climate-related and environmental risks. The aim was to identify relevant ESG phenomena across different time horizons (short, medium and long term) and five environmental factors: competition, technological change, macroeconomic developments, social and demographic change and regulatory framework.

The assessment covered the lending business and the funding side. A total of 74 phenomena from all ESG areas were identified which could have impacts for the Bank in the future. The phenomena are based on current observations and expected developments, and were categorised in advance into five different environmental factors (macroeconomic change, social changes, regulatory framework conditions, competition, technological developments). The Network for Greening the Financial System (NGFS) framework, including the three climate scenarios 'Current Policies', 'Below 2°C' and 'Delayed Transition', was used to ensure a consistent description of the phenomena.

Internal experts estimated the earliest possible onset of the phenomena (short, medium and long term) and evaluated them based on the probabilities of occurrence and the potential severity of the impacts. This was used to derive a relevance value on a scale from 0 to 5. Phenomena with a relevance level of 3 or higher were classified as key phenomena. Targeted follow-up measures were then defined in agreement with the affected departments in order to respond appropriately to these risks.

The 2025 business environment assessment shows that, in the future, the Bank may be affected by macroeconomic challenges such as recession and increasing interest rates, social changes such as risk aversion, shortage of skilled labour and unemployment, and tougher regulatory requirements in the property sector. At the same time, competitive pressure may increase, especially in the areas of sustainability, governance, data protection and employer attractiveness.



Overall, the business environment assessment reveals that various phenomena in the form of climate-related and environmental risks could change the Bank's business environment in the short term. The results of the business environment assessment provide the basis for implementing the risk materiality assessment (see ESRS 2 IRO-1 E1), the double materiality assessment (see ESRS 2 IRO-1) and for further developing the business strategy.

The chapter 'Material impacts, risks and opportunities and their interaction with strategy and business model' includes disclosures in accordance with ESRS 2 SBM-3 E1 paragraph 19(a), (b), (c).

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3 S1)

Connection between the actual and potential impacts on the Bank's own workforce and the strategy and business model, as well as the relationship between the material risks and opportunities associated with the Bank's own workforce and the strategy and business model

The report content is provided in the disclosures in ESRS 2 SBM-3.

Description of the types of employees and non-employee workers affected by material impacts

The employees of Münchener Hypothekenbank include salaried employees with either permanent or temporary employment contracts, working students, dual study programme students, interns and trainees. External staff, such as the employees of consulting firms, count among the non-employee workers of the Bank. They are not significantly affected by the material impacts relating to personnel identified in the materiality assessment.

Material negative impacts, both widespread or systemic negative impacts and individual incidents with negative impacts

Women are currently under-represented in the top two levels of management due to both structural and individual factors. At the systemic level, it is evident that structural conditions and historical developments in the industry have impeded gender equality in management positions. Münchener Hypothekenbank is aware of its responsibility and has taken appropriate measures to actively address this issue. These include targeted programmes to promote female employees (see ESRS S1-4 (Female Empowerment Programme)) and flexible working models that enable a better work-life balance, for example.

Positive material impacts on own workforce

The identified positive material impacts can be attributed to the health care offerings for employees, fair remuneration and measures to promote diversity at Münchener Hypothekenbank. All employees benefit from these conditions and programmes, including trainees, interns, dual study programme students and

working students. The increased focus of HR policy on diversity means that specific groups benefit from the positive measures. The planned increase in the proportion of women in management positions is aimed at female employees, while employees who do not speak German are offered support in the form of language courses. The Bank covers the cost of the language courses.

Material risks and opportunities for the undertaking in relation to its own workforce

The success of Münchener Hypothekenbank is based on the knowledge, commitment and skills of its employees, which directly influence the performance and stability of business processes. **Opportunities** are created through targeted skills development, flexible working models and a diverse hiring policy in particular. These measures increase the loyalty of existing employees, enhance the attractiveness of the Bank to new talent, and allow vacancies to be filled more efficiently, leading to stable service quality and greater capacity for innovation. **Risks** arise primarily due to the departure of existing employees, especially given the skills shortage in key areas such as IT, commercial real estate financing and regulatory compliance. Loss of expertise can affect the quality of advice, the management of risk positions, and the implementation of regulatory requirements. Through a combination of the current HR strategy, skills development, diversity measures and flexible working models, the Bank is addressing these dependencies to safeguard the long-term resilience of the company.

**Effects of transition plans to reduce negative environmental impacts on own workforce**

The materiality assessment did not identify any material impacts on Münchener Hypothekbank's workforce arising from transition plans to reduce negative environmental impacts and promote environmentally friendly, climate-neutral activities.

The measures adopted by Münchener Hypothekbank to reduce CO₂ emissions are in line with international agreements and can have a positive impact on employees. In 2025, all employees of Münchener Hypothekbank completed extensive training on the environmental management system. They gained in-depth knowledge of how sustainable, environmentally focused actions can effectively reduce environmental impact. This knowledge will allow them to make responsible and considered decisions both in the office and in operational and service-related processes. Furthermore, the skills they have gained can also be applied outside the work environment.

Operations at significant risk of incidents of forced or compulsory labour and child labour, indicating the type of operation and the countries or geographical areas

Münchener Hypothekbank operates as an employer exclusively in Germany and complies with the regulations and standards that apply to working conditions.

Description of the types of workers and their vulnerability to negative impacts

The materiality assessment in accordance with ESRS 2 IRO-1 did not identify any people or groups of employees who are at greater risk from negative impacts.

Disclosure of material risks and opportunities for specific groups of people in own workforce

The main risks and opportunities arising under the 'Diversity & Equal Opportunity' sustainability topic relate to specific groups within the workforce. These include female employees or employees whose first language is not German, for example.

The chapter 'Material impacts, risks and opportunities and their interaction with strategy and business model' includes disclosures in accordance with ESRS 2 SBM-3 S1 paragraph 13; 14(a), (b), (c), (d), (e), (f), (g); 15; 16.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3 S3)**Connection of the impacts on affected communities with the strategy and business model**

The report content is provided in the disclosures in ESRS 2 SBM-3.

Description of the types of communities affected

The affected communities, the tenants of residential properties, are included in the category under 9(a) ('Communities along the undertaking's value chain').

Description of the activities that result in material positive impacts and the types of communities that are, or could be, positively affected

The relevant stakeholder group of 'affected communities' is made up of tenants of commercial residential properties. In this regard, Münchener Hypothekbank only enters into contractual relationships with the housing associations to which the Bank provides funds for the construction or management of residential properties. Although Münchener Hypothekbank has no direct contractual relationship with tenants, it benefits this stakeholder group by facilitating the provision of (additional) residential housing through its financing. The financing of senior living property projects creates social infrastructure with assisted living and care services for older people, while student accommodation meets the needs of students and allows for communal living.

The chapter 'Material impacts, risks and opportunities and their interaction with strategy and business model' includes disclosures in accordance with ESRS 2 SBM-3 S3 paragraph 8(a), 9(a), (c).



Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3 S4)

Connection between material impacts and business strategy

The report content is provided in the disclosures in ESRS 2 SBM-3.

Description of the types of consumers and/or end-users affected by material impacts

The consumers are retail customers or natural persons in the business of private residential property financing. The customers of Münchener Hypothekbank depend on the protection of their personal data (in accordance with category ii) and accurate product information (in accordance with category iii).

Description of the activities that result in positive impacts and the type of consumers and/or end-users affected

Compliance with the provisions of the Responsible Marketing guidelines for private residential property financing supports the positive impact (see ESRS S4-1).

The chapter 'Material impacts, risks and opportunities and their interaction with strategy and business model' includes disclosures in accordance with ESRS 2 SBM-3 S4 paragraph 9(a), 10(a), (c).

IMPACT, RISK AND OPPORTUNITY MANAGEMENT (IRO)

Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

Overview of the process to identify, assess, prioritise and monitor impacts, risks and opportunities

The following methodology was used to perform the double materiality assessment:

First, a long list of sustainability topics to be evaluated was compiled, taking into account all sub-topics according to ESRS 1 AR 16.

The impacts, risks and opportunities were determined for each sustainability topic. Sub-subtopics were taken into account as part of the overarching sustainability topics. The following sources were considered:

- Business strategy
- Functional strategies (e.g. human resources strategy)
- Management report, including non-financial statement
- Business environment assessment
- Disclosure report
- Risk inventory and risk materiality assessment
- Market information and trends
- Opinions of experts from departments
- External databases (e.g. UNEP FI, ENCORE)

The long list was then reduced to a short list with the assistance of the relevant departments and finalised. Representatives from all relevant departments were involved in the process, so the entire value chain (upstream, downstream and internal) was considered. This covered all activities and business areas, as well as Münchener Hypothekbank's own operations.

For the previous year's (2024) double materiality assessment, voluntary interviews were carried out with external experts and stakeholders, including representatives from VfU, Branicks Group, the Wuppertal Institute or KfW, as well as the Chair of the Supervisory Board and a VR bank as cooperative shareholders. The results of the expert interviews were used to validate and expand upon internal results. Münchener Hypothekbank engages in regular dialogue with external stakeholders via forums and associations (especially the vdp and VfU) and regular discussion with market colleagues, e.g. through participation in workshops. No significant new findings were identified in the course of the 2025 double materiality assessment so Münchener Hypothekbank decided not to conduct any additional expert interviews in 2025.

Based on the criteria set out in ESRS 1 3.4 Impact materiality and ESRS 1 3.5 Financial materiality, the short-listed IROs were assessed on a four-point scale in terms of their materiality. The short, medium and long-term time horizons (in accordance with ESRS 1 section 6.4) were assessed separately for each IRO. The financial materiality threshold was selected in accordance with the threshold of the ad hoc reporting requirement to the Supervisory Board (\geq EUR 3 million).



If an IRO was assessed to be material, then the corresponding sustainability topic was also considered material. A distinction was also made between core business, capital markets and funding and own operations, because the IROs in these two areas can differ within a sustainability topic. Throughout the entire process, the consistency of the content with the results of other assessments, such as the risk inventory or the business environment assessment, was ensured. Transferability to existing methods was also assured when the methodology was defined. All stakeholders involved were included in the acceptance process for the results. The methodology and the results of the materiality assessment were also presented to the Board of Management. From now on, the results of the double materiality assessment will be continuously taken into account in the strategy process, which ensures that the material IROs are considered in the (further) development of strategic guidelines and initiatives (see ESRS 2 SBM-3).

The chapter 'Description of the process to identify and assess material impacts, risks and opportunities' includes disclosures in accordance with ESRS 2 IRO-1 paragraph 53(a), (b), (c), (d), (e), (f), (g).

Description of the processes to identify and assess material climate-related impacts, risks and opportunities (IRO-1 E1)

Description of the process to identify and assess the material climate-related impacts, risks, and opportunities and the climate-related scenario analysis to identify material risks

The Bank's implementation of ESG risk management ensures that all ESG risks are identified and managed. Climate and environmental risks are not a separate risk type, but have an impact on the existing risk types (e.g. credit risk) in the risk inventory.

However, a separate assessment is necessary to determine the impacts. A materiality assessment of climate-related and environmental risks was carried out for this purpose (hereinafter referred to as the 'risk materiality assessment'). The overarching double materiality assessment relies on the results of this assessment (see ESRS 2 IRO-1).

Climate-related and environmental risks were assessed for each risk type using the following methodology: The risk materiality assessment is an institution-specific evaluation that takes into account the Bank's business model, business environment and risk profile. The assessments took into account the political environment and past and future developments in terms of physical and transition risks. The risk materiality assessment was carried out in two steps, referred to below as Stage I and Stage II.

In Stage I, the relevant risk drivers (e.g. CO₂ emissions) were initially evaluated in terms of the transmission channels (e.g. change in the value of the secured asset) in order to determine the extent to which the various risk types are affected by climate and environmental risks (relevance assessment). This assessment is based as far as possible on quantitative evaluations. Alternatively, or as a supplement to this, an assessment is undertaken based on qualitative evaluations by experts from various departments of the Bank, including the ESG risk manager. In the process, different time horizons are considered: short- and medium-term effects and long-term changes are assessed for each risk driver and risk type.

An assessment for each physical risk driver (e.g. flooding) in the credit risk was conducted during Stage I, based on site-specific risk data for the secured assets. In the case of the transition risk driver CO₂ emissions, asset-specific energy efficiency was taken into account in Stage I. The following methods were used:

- K.A.R.L. – the portfolio's exposure to physical risks was analysed using data provided by Köln Assekuranz (K.A.R.L.).
- CO₂ calculator – the Bank uses a CO₂ calculator it developed according to the PCAF standard (a standard for measuring GHG emissions of portfolios from the Partnership for Carbon Accounting Financials) to determine the CO₂ emissions in its portfolio and for the assessment of the transition risk driver CO₂ emissions. This CO₂ calculator makes use of actual energy efficiency data and, where this is not available, estimated data.

In Stage II of the risk materiality assessment, a detailed risk-type-specific assessment was carried out using scenarios. Its aim is to derive quantitative statements regarding materiality by quantifying the potential impact of climate-related and environmental risks in euros.

The results of Stage I provided the starting point for Stage II, in which the relevant identified risk drivers were analysed in more detail using scenarios. At least two scenarios were derived for each type of risk identified as relevant in the context of climate change and the environment. In Stage II, a distinction was also made between the short-to-medium term and the long term. The macroeconomic scenarios of the Network for Greening the Financial System (NGFS) are used to better assess the impacts in the various time horizons.

In relation to credit risk, an expected loss was determined in the various scenarios as part of the quantification of climate and environmental risks. Specifically, physical risks were taken into account by adjusting the loss given default rates and transition risks by adjusting the probabilities of default and the default simulations (x largest borrowers). Alongside the statistical, data-based process, an expert elicitation approach was used for all



other types of risk relevant in the context of climate change and the environment (e.g. reputational risk and operational risk). This is a formal, structured procedure for translating expert knowledge into quantitative results and figures.

In 2025, the materiality assessment for ESG risks identified material climate risks in operational risk and in credit and reputational risk. Many of these risks already have short or medium-term materiality. In the assessment of social risks, the Bank identified materiality in the legal risk/compliance risk type as a sub-category of operational risk. The relevant risk drivers here are employee protection, consumer protection and data protection. The governance risk driver risk management was likewise identified as relevant in legal risk/compliance risk. No material social or governance risks were identified for other risk types.

The chapter 'Description of the processes to identify and assess material climate-related impacts, risks and opportunities' includes disclosures in accordance with ESRS 2 IRO-1 E1 paragraph 20; 21.

Process to identify material impacts, risks, and opportunities (IRO-1 E2-E5)

The general process according to ESRS 2 IRO-1 is used to determine materiality for all environmental issues. The following specialist knowledge is taken into account when identifying and reviewing relevant impacts, risks and opportunities:

IRO-1 E2 (11(a)–(b); Pollution): ENCORE, UNEP FI

IRO-1 E3 (8(a)–(b); Water and marine resources): ENCORE, UNEP FI

IRO-1 E4 (17–19; Biodiversity and ecosystems): ENCORE, WWF Biodiversity Risk Filter

IRO-1 E5 (11; Circular economy): Yale Environmental Performance Index – Waste Recovery Rate

The double materiality assessment showed that environmental topics E2 to E5 are not material for Münchener Hypothekbank.

Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1 G1)

Disclosure of relevant criteria in the process to identify material impacts, risks, and opportunities in business conduct, including location, activity, sector and structure of the transaction

The materiality assessment for the topic of governance was conducted in line with the general approach (see ESRS 2 IRO-1).

The chapter 'Description of the processes to identify and assess material climate-related impacts, risks and opportunities' includes disclosures in accordance with ESRS 2 IRO-1 G1 paragraph 6.

Disclosure requirements in ESRS covered by the undertaking's sustainability statement (IRO-2)

Explanation of how the material information was determined and the materiality criteria implemented

The disclosures relating to paragraph 56 (List of disclosure requirements) and the datapoints according to ESRS 2 Appendix B are provided in the Annex.

Münchener Hypothekbank has used the 'Flowchart for determining disclosures to be included under ESRS' (pursuant to ESRS 1 Appendix E) to determine the relevant disclosure requirements and information. This is based on the results of the double materiality assessment. ESRS 1 section 3.2 'Material matters and materiality of information' has been implemented by not disclosing information (datapoints or disclosure requirements) that are not relevant to the Münchener Hypothekbank's business model and the identified impacts, risks and opportunities.

The chapter 'Disclosure requirements in ESRS covered by the undertaking's sustainability statement' includes disclosures in accordance with ESRS 2 IRO-2 paragraph 59.



Environmental information

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION)

Regulatory principles

The Taxonomy Regulation (Regulation (EU) 2020/852) aims to encourage sustainable development initiatives in Europe's finance industry in the sense of the EU Green Deal and to contribute to the achievement of the Paris climate targets. The Taxonomy Regulation is intended to help channel the flow of finance to sustainable economic activities and establish uniform criteria for their evaluation. Reporting requirements are defined in Article 8 of the Taxonomy Regulation and in the Disclosures Delegated Act (EU) 2021/2178 (DDA 2021) and are to be implemented in line with the gradual introduction of Taxonomy alignment. The technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation are set out in the Climate Delegated Act (EU) 2021/2139. Further economic activities were added in Delegated Regulation (EU) 2023/2485 and Delegated Regulation (EU) 2022/1214. Delegated Regulation (EU) 2023/2486 (Environmental Delegated Act) also amended and supplemented DDA 2021 and defined the technical screening criteria for economic activities in relation to environmental objectives 3 to 6.

The Taxonomy Regulation defines criteria for environmentally sustainable economic activities in relation to the following environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

The Taxonomy Regulation applies to both non-financial and financial undertakings that are subject to the disclosure requirements of the Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD) or its predecessor, the Non-Financial Reporting Directive (EU) 2014/95. As at the end of 2025, the CSRD had not been transposed into German law.

On 4 July 2025, the EU Commission adopted Delegated Regulation C(2025) 4568 final. It was published in the EU Official Journal on 8 January 2026 (Delegated Regulation (EU) 2026/73) and has been in force since 28 January 2026. The simplifications set out in the Regulation apply for financial years starting on or after 1 January 2026; voluntary early application is possible from 1 January 2025. Münchener Hypothekbank is not making use of this option.

The approach of Münchener Hypothekbank

Münchener Hypothekbank's reporting for the 2025 financial year is in accordance with the original DDA 2021. For EU Taxonomy reporting, the Bank discloses the templates in accordance with Annex VI of DDA 2021, which contain additional key figures besides the Green Asset Ratio (Main KPI). In addition, qualitative information must be reported in accordance with Annex XI of DDA 2021.

According to the original DDA 2021, reporting template 6 – KPI on 'fees and commissions income' and reporting template 7 – KPI 'Trading book portfolio' would have to be reported for the first time as of 31 December 2025. Delegated Regulation (EU) 2026/73 defers reporting of these two KPIs for two years. Münchener Hypothekbank has decided not to report these two KPIs for 2025, since they are currently not material for the Bank and the effort required to calculate them would be disproportionate. This approach is in line with the Draft Commission Notice of the EU Commission of 17 December 2025 on the interpretation and implementation of the Delegated Act on the EU Taxonomy.²³

²³ Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation, as amended by the Omnibus Delegated Act, on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (fourth notice) (FAQ 3 of 17 December 2025)



The assessment of an economic activity for Taxonomy alignment comprises the following three tests:

- **Substantial contribution:** The financed economic activity must make a substantial contribution to at least one of the environmental objectives.
- **Do no significant harm (DNSH):** Significant harm to another environmental objective must be ruled out.
- **Minimum safeguards:** The financed economic activity must meet minimum safeguards. These include respect for human rights, fair taxation and the avoidance of corruption and bribery, for example.

Besides the disclosure of Taxonomy-aligned economic activities for the environmental objectives of climate change mitigation and adaptation, Taxonomy alignment was also assessed in terms of the other four environmental objectives for the reporting year 2025. This process showed that economic activities can be assigned to environmental objectives 1 Substantial contribution to climate change mitigation and 2 Climate change adaptation, with only environmental objective 1 being reported. Environmental objectives 3 to 6 are not relevant to the Bank's core business.

Due to the lack of clarity that still exists in some areas of the legislation implementing the Taxonomy Regulation and the related delegated acts, the calculation of the KPIs is based on several fundamental assumptions. Existing definitions and reporting items from financial reporting (FINREP) or other regulations are used wherever possible. The FINREP (gross) carrying amounts as at the reporting date of 31 December 2025 are the basis for calculating the KPIs for both the numerator and the denominator.

As in the previous year, the following items in particular are included in the numerator of the GAR:

- Commercial real estate financing for undertakings subject to CSRD requirements and property companies (specialised lending)
- Securities on the asset side issued by undertakings subject to CSRD requirements
- Counterparties outside the EEA

For the 2025 reporting year, the CSRD requirement is determined on the basis of the thresholds for the size of an undertaking (number of employees in combination with turnover or total assets) and the country of domicile of the counterparties (EU), regardless of whether the CSRD is transposed into national law. The majority of counterparties currently subject to CSRD requirements in the portfolio of Münchener Hypothekenbank are credit institutions.

Procedure for identifying Taxonomy-eligible economic activities

An economic activity is Taxonomy-eligible if it is described in the delegated acts adopted pursuant to the Taxonomy Regulation. This is true regardless of whether the economic activity fulfils all the technical screening criteria set out in these delegated acts (see Article 1(5) of DDA 2021 and Article 8 of the Taxonomy Regulation (EU) 2020/852).

Business activities with a purpose that cannot be clearly assigned to an economic activity are therefore not Taxonomy-eligible. If business activities contribute to multiple environmental objectives, they must be assigned to the most relevant environmental objective. The lending process at Münchener Hypothekenbank (mandatory submission of documents focusing on energy efficiency, etc.) emphasises the substantive and

economic aspects of environmental objective 1. Loans were therefore assigned to the first environmental objective (climate change mitigation).

The relevant counterparties are households, undertakings subject to CSRD requirements (financial and non-financial undertakings), local authorities and property companies (specialised lending).

Households

One of Münchener Hypothekenbank's core business areas is lending to households. The household group is analysed on the basis of FINREP data. In accordance with the Disclosures Delegated Act, the following transactions from Münchener Hypothekenbank's loan portfolio are taken into account:

- Loans collateralised by residential immovable property
- Loans granted for building renovation purposes

Against this background, Münchener Hypothekenbank has identified the following Taxonomy-eligible economic activities:

- Economic activity 7.1: Construction of new buildings
- Economic activity 7.2: Renovation of existing buildings
- Economic activity 7.7: Acquisition and ownership of buildings

Economic activity 7.7: Acquisition and ownership of buildings is of central importance for identifying Taxonomy-aligned economic activities.



Review of further counterparties with reference to Taxonomy-eligible economic activities

In commercial real estate financing, the Bank also grants a large proportion of the loans to property companies (specialised lending) and to companies not subject to CSRD requirements. This specialised lending is Taxonomy-eligible. Münchener Hypothekbank has not currently granted any loans to regional or local authorities with a binding designated purpose, so these are not taken into account.

Procedure for identifying Taxonomy-aligned economic activities

An economic activity qualifies as Taxonomy-aligned if it meets the requirements set out in Article 3 of the Taxonomy Regulation (see Article 1(2) of the Delegated Regulation in relation to Article 8 of the Taxonomy Regulation). This includes compliance with the technical screening criteria referred to in Article 3(d).

The assessment focuses on economic activity 7.7 (Acquisition and ownership of buildings).

The substantial contribution made by property loans to environmental objective 1 is examined on the basis of the technical screening criteria of the Climate Delegated Act.

Transactions are predominantly assessed on the basis of their substantial contribution to economic activity 7.7 Acquisition and ownership of buildings if they finance a property that was completed by 31 December 2020 at the latest. If an energy performance certificate exists with an energy efficiency class of at least A, the transaction is deemed to be Taxonomy-aligned. If no energy performance certificate exists, or if an energy efficiency

class of at least A is not achieved, a transaction can still be Taxonomy-aligned if it is among the top 15 percent of the national or regional building stock. This is assessed using thresholds based on the Drees & Sommer study²⁴ for properties in Germany and a study commissioned by IAZI for properties in Switzerland.

In addition to energy efficiency classes and maximum values for primary energy demand and final energy consumption, the Drees & Sommer study also names compliance with the minimum requirements of EnEV 2009 (expressed in primary energy demand) as a criterion. The information 'constructed in accordance with EnEV (German Energy Saving Ordinance) 2009' would generally have to be taken from an energy performance certificate. However, many of the properties in Münchener Hypothekbank's portfolio do not have an energy performance certificate. Münchener Hypothekbank uses the year of construction to draw conclusions on compliance with the minimum requirements of the EnEV. This approach is based on the assumption that buildings are usually completed within three years of the planning application. An internal analysis confirms that, with a safety margin of four years between the EnEV and completion, the likelihood of incorrect categorisation is very low and it is therefore acceptable to assume that buildings constructed from 2013 onwards comply with EnEV 2009.

Use of the construction year does not conflict with EU FAQ No 151,²⁵ which clarifies that the year of construction is not suitable for proving that a building belongs to the top 15 percent and that this must be demonstrated by a corresponding study. Münchener Hypothekbank uses the year of construction as evidence of compliance with EnEV 2009; in accordance with the methodology of Drees & Sommer, buildings are determined to belong to the top 15 percent if they comply with the requirements of EnEV 2009.

According to the Climate Delegated Act, transactions that finance a property built in 2021 or later are assessed on the basis of the substantial contribution of economic activity 7.1 Construction of new buildings. The primary energy demand of these properties must be at least 10 percent below the requirements for nearly zero-energy buildings. The current NZEB standard according to the German Building Energy Act (Gebäudeenergiegesetz, GEG) is applied and verified by the energy performance certificate.

In the second step of the Taxonomy alignment assessment, the Do No Significant Harm (DNSH) criteria must be met in accordance with the Climate Delegated Act for economic activities that contribute to environmental objective 1. As a general rule, to evaluate the DNSH criteria, it is necessary to perform a climate risk and vulnerability assessment. Köln Assekuranz (K.A.R.L.) performed this assessment for Münchener Hypothekbank using an assessment tool.

The third step of the Taxonomy alignment assessment for alignment with minimum safeguards is not applicable for households.²⁶

In the Bank's commercial business, proven tools such as the Know Your Customer process, Negative News Screening and ESG scores are used for the assessment of minimum safeguards. The country in which counterparties are domiciled is also checked to determine whether they are already subject to legal constraints that require them to comply with the minimum safeguards. Furthermore, Münchener Hypothekbank has defined its expectations of employees, business partners

²⁴ Drees & Sommer SE; vdpResearch. (2025). Top 15% Benchmarking for German Real Estate – Acquisition and Ownership of Buildings. Version: June 2025. Studies_Top-15_-Benchmarking_fuer_deutsche_Immobilien_English_20250805.pdf

²⁵ See EU FAQ No 151 (Commission Notice) of 20 October 2023

²⁶ Final Report on Minimum Safeguards from the Sustainable Finance Platform p. 11: Final Report on Minimum Safeguards



and service providers in a Policy on Human Rights and Diversity. In the event that Münchener Hypothekbank becomes aware of any indication that a potential commercial business partner has violated human rights, it may, after investigating the matter, decline to do business with that party. Furthermore, the exclusion of sanctioned customers is assured by established processes, which are set out in the Bank's Code of Conduct (see ESRS S1-1 and G1-1).

The assessment of non-earmarked transactions (securities on the asset side issued by undertakings subject to CSRD requirements) is based on the Taxonomy ratios published by the issuers for the previous financial year. Due to the low number of counterparties subject to CSRD requirements, no external data provider was engaged and the rates were recorded manually.

As at 31 December 2025, Münchener Hypothekbank has not entered into any transactions for specific purposes with local and regional authorities. German federal states are treated in the same way as countries.²⁷

The Taxonomy-aligned loans identified in this way are included in the calculation of the Green Asset Ratio (GAR), which amounts to 13.76 percent (turnover and CapEx) for 2025.

Key figures and templates

Münchener Hypothekbank's Taxonomy-eligible and Taxonomy-aligned transactions are presented below using the framework of the templates in Annex VI of the Disclosures Delegated Act (EU) 2021/2178.

Template 0

Summary of the KPIs to be disclosed by credit institutions in accordance with Article 8 of the Taxonomy Regulation; includes the Green Asset Ratio (GAR) as the central KPI plus additional KPIs.

Münchener Hypothekbank takes into account the securities of issuers subject to CSRD requirements whose KPIs are included in the Green Asset Ratio of Münchener Hypothekbank. Consequently, Münchener Hypothekbank reports a slightly different Green Asset Ratio for flow (columns b and c) after CapEx and turnover of counterparties. Only an absolute value of the taxonomy-aligned assets (EUR 6,643.57 million in the portfolio and EUR 154.59 million in flow) is shown, without distinguishing CapEx from turnover of counterparties (column a). The GAR portfolio is 13.76 percent (turnover and CapEx); the GAR flow is 2.79 percent (turnover and CapEx). The lower value for GAR flow compared to GAR portfolio results from three main causes. Firstly, buildings constructed in or after 2021 are subject to stricter quality requirements. They are required to have a primary energy demand at least 10 percent below the threshold for nearly zero-energy buildings and an energy performance certificate must be submitted. Furthermore, in the retail business, the Bank often receives the necessary energy performance certificates only after a delay when the loans are disbursed. In addition, new business in 2025 predominately consisted of properties constructed in or before 2012. If there is no energy performance certificate available for these proper-

ties at the time of reporting, Taxonomy alignment due to allocation to the top 15 percent cannot be determined based on energy performance figures or the year of construction.

Compared to the previous year's GAR (14.31 percent), the GAR fell slightly (-0.55 percent) as at 31 December 2025. This results from, amongst other things, the redemption of large-volume, Taxonomy-aligned commercial loans and a lower level of Taxonomy alignment in new business.

No comparison is possible with 31 December 2023 due to an adjusted methodology (see 2024 non-financial statement).

The KPIs in columns d to f report the economic activities included in the GAR (d), those excluded from the numerator (e) and those excluded from the denominator (f), which are measured by the total assets. The calculation shows coverage of 77.19 percent for the GAR portfolio and 60.70 percent for the GAR flow.

The KPIs relating to off-balance-sheet exposures (financial guarantees, assets under management) amount to 0 percent, as Münchener Hypothekbank has not conducted any such business.

²⁷ IDW FAQ of 1 December 2023, section 3.2.2.3, p. 59 ff.

**TEMPLATE 0: SUMMARY OF KPIS TO BE DISCLOSED BY CREDIT INSTITUTIONS UNDER ARTICLE 8 TAXONOMY REGULATION**

		Total environmentally sustainable assets	KPI ³	KPI ⁴	% coverage (over total assets) ⁵	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	6,643.57	13.76	13.76	77.19	13.11	9.70
		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIS	GAR (flow)	154.59	2.79	2.79	60.70	27.49	11.81
	Trading book ¹						
	Financial guarantees						
	Assets under management						
	Fees and commissions income ²						

¹ For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

² Fees and commissions income from services other than lending and AuM

Institutions shall disclose forward-looking information for this KPI, including information in terms of targets, together with relevant explanations on the methodology applied.

³ based on the Turnover KPI of the counterparty

⁴ based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

⁵ % of assets covered by the KPI over banks' total assets

Note 1: Across the reporting templates: cells shaded in light blue should not be reported.

Note 2: Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIS shall only apply starting 2026. The inclusion of SMEs in these KPIS will only apply subject to a positive result of an impact assessment.

**Template 1**

The assets for the calculation of GAR (total GAR assets) and the transactions excluded from GAR. The exposures are broken down by counterparty or product type. Münchener Hypothekbank's economic activities are assigned to environmental objective 1 (climate change mitigation), as Münchener Hypothekbank sees this as its main contribution. The analysis of Münchener Hypothekbank's business activities has not yet revealed any activities that specifically address environmental objective 2 (climate change adaptation). In the assessment of securities from issuers subject to CSRD requirements, a small amount of Taxonomy-eligible business is attributable to environmental objective 2.

Template 1: » See Appendix

Template 2

Information on transactions in sectors covered by the Taxonomy based on NACE codes of the counterparty's central business.

Template 2: » See Appendix

Template 3

Taxonomy-aligned portfolio business in relation to the assets covered by the denominator from Template 1.²⁸

Template 3: » See Appendix

Template 4

Taxonomy-aligned new business from the reporting year 2025 in relation to the flow to the assets covered by the denominator in the reporting year 2025. Although the template provides for Taxonomy-eligible business in the denominator, the prevailing opinion supports using the flow to the assets covered in the denominator instead due to better comparability with the GAR portfolio (cf. Template 3). Despite the reference to the net flow in the template, based on the European Commission's FAQ,²⁹ the new business arises from the actual new business in 2025, without taking into account any partial payments of transactions existing as at the previous year's reporting date.

Template 4: » See Appendix

Template 5

Information on off-balance-sheet exposures (financial guarantees, assets under management). As Münchener Hypothekbank has no such pertinent business, the template is disclosed without values.

Template 5: » See Appendix

Template 6 und 7:

Not disclosed » *See approach of Münchener Hypothekbank*

Münchener Hypothekbank's nuclear energy and fossil gas transactions are presented below using the framework of the templates in Annex XII of the Disclosures Delegated Act (EU) 2021/2178.

Template 1 (nuclear energy and fossil gas)

There are five further templates for disclosures relating to economic activities within the meaning of Regulation 2022/1214 (nuclear energy and fossil gas). The activities financed in relation to nuclear energy and fossil gas must be disclosed in Template 1. As at 31 December 2025, Münchener Hypothekbank's portfolio did not include any transactions tied to the use of nuclear energy or fossil gas.

In assessing the non-earmarked securities on the assets side, Münchener Hypothekbank uses the templates on nuclear energy and fossil gas published by the issuers subject to CSRD requirements for the previous financial year. Based on the rates recorded in those templates, a 'Yes' is filled in on Template 1 for activities 4.28, 4.29, 4.30 and 4.31, and the relevant figures and rates are disclosed in Templates 2–5.

Template 1 (nuclear energy and fossil gas): » See Appendix

Template 2 (nuclear energy and fossil gas)

In Template 2, the amounts and ratios of the Taxonomy-aligned economic activities in relation to the denominator of the total GAR assets for environmental objectives 1 and 2 are disclosed on the basis of the turnover and CapEx ratios used for the portfolio and flow.

Template 2 (nuclear energy and fossil gas): » See Appendix

²⁸ Within the template, line-by-line offset against the gross carrying values of the respective items from column a of Template 1

²⁹ Question 65, COMMISSION NOTICE on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice), 3 November 2025



Template 3 (nuclear energy and fossil gas)

In Template 3, the amounts and ratios of the Taxonomy-aligned economic activities in relation to the numerator of the total GAR assets for environmental objectives 1 and 2 are disclosed on the basis of the turnover and CapEx ratios used for the portfolio and flow.

Template 3 (nuclear energy and fossil gas): » See Appendix

Template 4 (nuclear energy and fossil gas)

In Template 4, the amounts and ratios of the Taxonomy-eligible but not Taxonomy-aligned economic activities in relation to the denominator of the total GAR assets for environmental objectives 1 and 2 are disclosed on the basis of the turnover and CapEx ratios used for the portfolio and flow.

Template 4 (nuclear energy and fossil gas): » See Appendix

Template 5 (economic activities that are not Taxonomy-eligible)

Template 5 provides information on economic activities in the areas of nuclear energy and fossil gas that are not Taxonomy-eligible and discloses the denominator of the total GAR assets for environmental objectives 1 and 2 based on the turnover and CapEx ratios used for the portfolio and the flow.

Template 5 (nuclear energy and fossil gas): » See Appendix

Outlook

In its business strategy, Münchener Hypothekenbank has set itself the objective of promoting climate-friendly property financing and offering products for building renovation. The decarbonisation pathways that the Bank has defined itself, as well as the associated transition plan, support this aim and form part of the business strategy. To facilitate the implementation of these objectives, the Bank is constantly working to improve its data management. For example, improved data availability should make it possible to include renovations in the assessment of Taxonomy alignment in future. New processes are continuously being introduced to improve the dataset. In new business, the quality of data on the energy efficiency of financed properties continues to improve, as the submission of an energy performance certificate is mandatory for all customers in order to obtain a loan. As of the reporting year 2024, the documents required for the Taxonomy assessment in commercial transactions are now obtained from customers prior to the conclusion of a loan agreement. The application of Delegated Regulation (EU) 2026/73 for the financial year 2026 is being reviewed.

CLIMATE CHANGE (E1)

Transition plan³⁰ for climate change mitigation (E1-1)

Explanation of the compatibility of the undertaking's targets with the Paris Agreement

Loan portfolio:

In its transition plan, Münchener Hypothekenbank has defined GHG emission reduction targets, or decarbonisation pathway values. These decarbonisation pathway values are aimed at supporting the goal of the Paris Agreement to limit global warming to 1.5°C. The exact pathway values are provided in ESRS E1-4 and are based on the following key assumptions and parameters:

- **Alignment with the 1.5-degree target:**
Münchener Hypothekenbank aligns the decarbonisation pathway values for its loan portfolio with the science-based 1.5-degree pathway of the Carbon Risk Real Estate Monitor (CRREM).
- **Portfolio simulation:** A model for the loan portfolio was implemented to develop realistic industry-specific decarbonisation pathway values for the Bank's retail and individual business. The model simulates the possible development of GHG emission intensity up to 2050 based on current statistical surveys, external studies, internal expert assessments and legal requirements. This process involves forecasting and taking into account relevant internal factors (e.g. new business development) and external factors (e.g. the heating mix), together with their impact on GHG intensity.

³⁰ The term 'transition plan' is used synonymously with the term 'transitional plan'.



- **Decarbonisation pathways:** The simulation creates decarbonisation pathways and compares them with the CRREM reduction pathways. This ensures that the decarbonisation pathway values are aligned with the 1.5-degree target of the Paris Agreement.
- **Specific measures:** Münchener Hypothekbank has defined appropriate measures to achieve the decarbonisation pathway values (see ESRS E1-3).
- **Integration into the business strategy:** The decarbonisation pathway values for the loan portfolio are part of the business strategy. They are supported by a management, reporting and governance model that is regularly reviewed and adjusted as needed.

Capital markets and funding:

In the capital markets and funding business segment, only the lending business is considered in the GHG calculation. Positions in the asset classes of banks, government bonds, municipal loans, funds and investments are managed along the planned net-zero pathways up to 2050, taking into account the decarbonisation targets and GHG emissions of the issuers. In this regard, Münchener Hypothekbank is guided by the methodological requirements of the Partnership for Carbon Accounting Financials.³¹

All the countries of the European Union, including the issuers of government bonds, are subject to the European Climate Law, which requires net zero emissions by 2050 (Regulation (EU) 2021/1119). These binding requirements create a regulatory framework which supports the decarbonisation pathway of the portfolio.

Own operations:

Münchener Hypothekbank has set itself the target of achieving net zero for its own operations by 2050. The pathway of the Science Based Targets Initiative (SBTi), which is integrated into the tool of the German Association for Environmental Management and Sustainability (VfU) in financial institutions, is used as a source of guidance.

Identified decarbonisation levers and planned measures

Concrete decarbonisation levers were defined in the transition plan adopted in 2024 in order to achieve the decarbonisation pathway values. Due to the nature of Münchener Hypothekbank's business, the decarbonisation of the loan portfolio is highly dependent on passive decarbonisation levers, the development of which the Bank cannot directly influence. In particular, these include the decarbonisation of the national and European electricity mix, the transformation of the heating mix, and regulatory requirements to reduce the energy consumption of buildings, for example through efficiency requirements as part of the EPBD.

During 2025, the plan was updated in line with the latest developments, and the corresponding decarbonisation levers were also revised. The updated measures will come into effect when the final version of the revised transition plan is published in the second quarter of 2026. The levers and measures defined in the version published in December 2024 continued to apply for the 2025 financial year. In May 2025, two measures were amended with immediate effect by a resolution of the Board of Management:

- The measure 'Further development of the green loan product range' (Active decarbonisation lever: Promoting and managing climate-friendly financing – Measure 1 – retail business) was integrated into the measure 'Active management/Monitoring of the portfolio through product portfolio condition adjustments in terms of energy efficiency and GHG intensity' (same decarbonisation lever – Measure 2 – retail business).
- The measure 'Evaluation of non-financial aspects in the lending process by means of ESG scores and risk management through allocations' (Active decarbonisation lever – Promoting and managing climate-friendly financing – Measure 3 – retail business) was renamed 'Development of ESG reporting to manage new and existing business'.

The identified decarbonisation levers and corresponding planned measures differ for the loan portfolio, capital markets and funding, as well as for the Bank's own operations. A detailed description of the measures is provided in ESRS E1-3.

Qualitative assessment of the potential locked-in GHG emissions associated with assets and products

Locked-in GHG emissions in the loan portfolio:

Locked-in GHG emissions refer to emissions caused by financing and investment activities (Scope 3.15), since they represent the Bank's main assets and products.

³¹ PCAF (2022). The Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Second Edition.



Loan portfolio

The assessment of whether locked-in GHG emissions in Münchener Hypothekbank's loan portfolio are to be classified as material is based on the contractually agreed loan terms (not the fixed-interest period).

In this regard, no material component of the loan portfolio has currently been identified that could have a significant negative impact on the achievement of the decarbonisation pathway values.

At present, the identified locked-in GHG emissions are not expected to jeopardise the achievement of the decarbonisation pathway values due to the following factors:

- **Net zero targets for new buildings**

The stricter requirements of the EPBD and the GEG set higher efficiency standards and will ensure emission-free new buildings from 2030. The requirements support the long-term reduction of GHG emissions in Münchener Hypothekbank's loan portfolio.

- **Improvement of existing buildings**

The legal requirements and incentives for energy efficiency of the European Union and Germany are intended to make the building stock climate-neutral by 2050 and 2045, respectively, and significantly reduce the energy consumption of existing buildings.

- **Legal requirements and political initiatives**

National and European climate legislation has been introduced to promote the decarbonisation of the property sector. The German Climate Change Act aims to reduce greenhouse gas emissions by at least 65 percent of 1990 levels by 2030 and to achieve carbon neutrality by 2045.

EU and national legislation aimed at achieving climate neutrality by 2050/2045 will contribute to reaching this goal, but does not fully guarantee this. Not all greenhouse gas sources – for example, private vehicles or property owners – are regulated directly, and changes to legislation are still possible. These uncertainties are outside Münchener Hypothekbank's control, although it can influence the level of its own GHG emissions.

Capital markets and funding

In the capital markets and funding business segment, locked-in GHG emissions do not play a significant role in the capital markets business. In connection with funding, there are no locked-in GHG emissions, since the issuing of bonds is not relevant to the Bank's greenhouse gas balance.

Disclosures on whether or not the undertaking is excluded from the EU Paris-aligned benchmarks

Münchener Hypothekbank is not excluded from the EU Paris-aligned benchmarks in terms of Article 12(1) points (d) to (g) of Delegated Regulation (EU) 2020/1818 (Benchmark Regulation).

Explanation of how the transition plan is embedded in the overall business strategy and financial planning

In 2025, the decarbonisation pathways for the loan portfolio, divided into retail and individual business, were integrated into the business strategy. For concrete decarbonisation levers and measures, the business strategy refers to the transition plan. In parallel with this, the level of integration with the financial planning was increased through the systematic consideration of financial and business planning in the calculation of the decarbonisation pathway. No adverse effects on financial planning are currently expected in the capital market lending business of the capital markets and funding segment. Adjustments will be made if necessary.

Information on the approval by the administrative, management and supervisory bodies

The transition plan was adopted by a resolution of the Board of Management on 19 December 2024 and presented to the Supervisory Board during the Supervisory Board meeting on 25 March 2025.

Explanation of the progress in implementing the transition plan

The transition plan was prepared for the first time for 2025. Adjustments to the allocation and formulation of measures were approved by a resolution of the Board of Management on 13 June 2025. The transition plan for 2026 will be adopted in the second quarter of 2026.

The chapter 'Transition plan for climate change mitigation' includes disclosures in accordance with ESRS E1-1 paragraph 16(a), (b), (d), (g), (h), (i), (j).

Policies related to climate change mitigation and adaptation (E1-2)

Loan portfolio



POLICY – BUSINESS STRATEGY

Contents, objectives and monitoring process

The business strategy determines the strategic actions taken by Münchener Hypothekbank. Sustainability and ESG are topics that affect all parts of the Bank, which is why, in 2025, the sustainability strategy was integrated into the business strategy. Münchener Hypothekbank considers itself to have a responsibility in its lending to promote economic activities that support sustainable development and contribute to achieving the goals of the Paris Agreement. At the same time, the Bank considers the impact of ESG issues – especially climate change – on its business and its risk management.

The strategic direction in respect of sustainability is based on the positive and negative impacts identified by the double materiality assessment and the associated risks and opportunities for the Bank. In 2025, significant impacts, risks and opportunities were identified in the following topical areas: E1 Climate change, S1 Own workforce, S3 Affected communities, S4 Consumers and end-users and G1 Business conduct.

Four main fields of action can be derived from the results of the double materiality assessment:

- Climate change mitigation and adaptation
- Own employees
- External stakeholders
- Corporate culture

A mission statement has been formulated based on the fields of action, which describes the Bank's view of its role with regard to sustainability.

Through its business model, the Bank wishes to make an active contribution to promoting climate action, adapting to climate change and creating future-proof residential and commercial premises. The business model takes a long-term view and is based on responsible, risk-conscious property financing.

In its own business operations, the Bank also takes numerous measures to conserve resources and provide attractive workplaces.

This sustainability approach is tied to clear objectives:

1. Climate change mitigation in business and own operations
2. Creating attractive workplaces

Each field of action is backed up by specific measures that have been defined within different formats and processes (transition plan, business environment assessment, risk materiality assessment). Progress on these measures is tracked each quarter in a sustainability roadmap, with the results provided to the ESG Committee and the Board of Management on a quarterly basis.

Scope of application	The business strategy determines the strategic actions taken by Münchener Hypothekbank.
Responsible organisational level	The Board of Management is ultimately responsible for ensuring compliance with the business strategy. Operational responsibility lies with the Corporate Development department; the Non-Financial Risk Management department is responsible for integrating non-financial risks. The implementation of the associated measures and objectives is the responsibility of the respective departments.
Consideration of stakeholders' interests	The business strategy's orientation towards sustainability is based on a double materiality assessment carried out in 2025, which was developed in cooperation with various stakeholders.
Availability of the policy to stakeholders	Employees can view the business strategy in the Bank's written rules. The Supervisory Board discusses the business strategy at its meeting in summer. All members of the Supervisory Board can view the business strategy via the committee portal.
(a) Climate change mitigation	x
(b) Climate change adaptation	x
(c) Energy efficiency	x
(d) Renewable energy deployment	
(e) Other	



POLICY – RISK STRATEGY

Contents, objectives and monitoring process

The risk strategy sets out the risk policy and describes how the risks incurred are managed. The initial situation, objectives and measures for dealing with these risks are derived from the business strategy and the main business activities.

The aim of the risk strategy is to establish a strategic framework for risk management and to promote risk awareness among all employees as part of the corporate culture and risk culture. The Bank's risk-bearing capacity and liquidity are to be assured in the long term by means of risk strategy guidelines.

ESG risks must not be regarded as a separate risk type, but rather as having an impact on the existing risk types in the risk inventory. Nevertheless, a separate consideration of ESG risks is ensured by analysing them for each risk type. At present, climate risks represent the most significant category of ESG risk for the Bank and are subdivided into transition and physical risks.

Climate risks are reviewed as part of a comprehensive analysis for **credit risk**, among other risks. In the first step, an assessment of the relevance of each risk driver is carried out. Based on these results, scenario analyses are carried out for the risk drivers identified as relevant in order to determine their materiality.

The results of the analysis and the corresponding measures are incorporated into the risk strategy and are taken into account in all risk-related decisions.

The risk strategy is regularly reviewed and adjusted. It is reviewed at least once a year regarding the achievement of objectives and effectiveness, and if necessary, updated and submitted to the Supervisory Board for their attention.

The assessment of climate risks is subject to an update at least once a year, with associated reporting as part of ESG risk reporting.

Scope of application

The risk strategy applies to the entire Bank.

Responsible organisational level

The Board of Management has overall responsibility for the risk strategy. At the operational level, the risk strategy, including the updating process, is managed by the Risk Controlling department. The Non-Financial Risk Management department is responsible for integrating and updating non-financial risks.

Availability of the policy to stakeholders

The risk strategy is available to employees on the intranet. In accordance with the Capital Requirements Regulation (CRR), the contents of the risk strategy are also published in the disclosure report on the website. The Supervisory Board discusses the risk strategy at its meeting in summer. All members of the Supervisory Board can view the risk strategy via the committee portal.

(a) Climate change mitigation

x

(b) Climate change adaptation

x

(c) Energy efficiency

(d) Renewable energy deployment

(e) Other

**POLICY – GREEN FUNDING FRAMEWORK**

Contents, objectives and monitoring process	<p>In order to ensure that its green funding meets international standards, Münchener Hypothekenbank has a Green Funding Framework in place, which is in line with the latest ICMA Green Bond Principles and the vdp minimum standards for Green Pfandbriefe.</p> <p>The framework creates the basis and the conditions for sustainability to be anchored in the core business of the Bank in the form of a closed-loop mechanism, whereby green property financing is provided on the assets side, which in turn is sustainably funded on the liabilities side.</p> <p>The Green Funding Framework thus defines the conditions for the specification of green assets. All green funding products are used as part of green lending in private property financing and for green commercial loans.</p> <p>Münchener Hypothekenbank's Green Funding Framework considers and reports on the following components of the ICMA Green Bond Principles: (1) use of the issue proceeds, (2) project evaluation and selection, (3) management of the proceeds, (4) reporting and (5) external review.</p> <p>The Bank's Green Funding Framework has been independently reviewed in a second party opinion provided by Ethifinance, which confirmed compliance with the ICMA Green Bond Principles and the vdp minimum standards.</p>
Scope of application	The Green Funding Framework encompasses the green money and capital market portfolio as well as deposit products of Münchener Hypothekenbank and is aimed primarily at investors.
Responsible organisational level	The Board of Management is ultimately responsible for ensuring compliance with the Green Funding Framework. The current Green Funding Framework was created in collaboration with the Treasury and Non-Financial Risk Management departments.
Reference to third-party standards or initiatives	The framework was created in accordance with the ICMA Green Bond Principles and the vdp minimum standards.
Availability of the policy to stakeholders	The <i>Green Funding Framework</i> is publicly available on the Münchener Hypothekenbank website.
(a) Climate change mitigation	x
(b) Climate change adaptation	
(c) Energy efficiency	x
(d) Renewable energy deployment	
(e) Other	

**POLICY – LOAN MANUAL (INCLUDING ASSOCIATED PROCESS INSTRUCTIONS)**

Contents, objectives and monitoring process	<p>The Bank's Loan Manual sets out the authorities and procedural rules for the departments involved in the loan portfolio, their responsibilities and the loan products. The Loan Manual specifies the organisational structure responsible for internal risk management as well as the relevant processes and responsibilities with regard to credit risks. It draws on organisational guidelines, process descriptions, manuals and rating-specific instructions.</p> <p>The purpose of the Loan Manual is to define standardised guidelines and procedures for granting loans and managing risk.</p> <p>The Loan Manual contains organisational safeguards, ongoing automatic measures and controls that are integrated into the workflow.</p> <p>These include the separation of functions, the dual control principle, access restrictions, payment guidelines, a new product process and balance confirmations.</p> <p>The guidelines in the Loan Manual support Münchener Hypothekenbank's ESG risk management. Physical and transition (climate change) risks must be taken into account when determining the value of the financed properties in valuations and valuation updates in accordance with the provisions of the Loan Manual. These risks are also taken into account in the creditworthiness check for new business, with relevant KPIs being identified through the ESG scoring process of the Bank for each loan decision.</p> <p>Obtaining and recording energy-related property data from loan applicants is mandatory for new business. Process instructions have been drawn up to obtain and record energy efficiency data and certificates and to determine the ESG score; compliance with these instructions is mandatory for employees in the front and back office.</p> <p>The guidelines for ESG risk management set out in the Loan Manual are designed to limit the risk of default and impairment of collateralised properties in the portfolio that can arise from physical and transition climate risks.</p>
Scope of application	The scope of application includes the loan portfolio of Münchener Hypothekenbank.
Responsible organisational level	The Board of Management is ultimately responsible for ensuring compliance with the Loan Manual. At the operational level, responsibility for updating and developing the Loan Manual is decentralised and is managed by the front and back office. The Non-Financial Risk Management department is responsible for sustainability criteria and ESG risk management.
Availability of the policy to stakeholders	The Loan Manual is available to employees on the intranet.
(a) Climate change mitigation	x
(b) Climate change adaptation	x
(c) Energy efficiency	x
(d) Renewable energy deployment	
(e) Other	



Capital markets and funding

The business strategy, the risk strategy, the loan manual and the Green Funding Framework (see ESRS E1-2 Loan portfolio) apply to the capital markets and funding business segment.

Own operations

The business strategy provides the central framework for policies to manage significant climate mitigation and adaptation measures in the Bank's own operations. Details of the contents, objectives, monitoring process, scope and responsibilities in

connection with the business strategy can be found in ESRS E1-2 Loan portfolio. Significant climate mitigation and adaptation measures in the Bank's own operations are also managed via the Environmental Policy and Business Trip guideline.

POLICY – ENVIRONMENTAL POLICY GUIDELINES

Contents, objectives and monitoring process	The environmental policy of Münchener Hypothekbank includes clear obligations to comply with all relevant environmental laws and regulatory requirements, including the EU climate Taxonomy. The main objectives are to use efficiency measures and green energy to reduce direct and indirect CO ₂ emissions and to minimise the consumption of resources including energy, water and paper. The policy is implemented and monitored using an environmental management system in accordance with ISO 14001, which is continuously refined through regular external audits, training and management reviews. Employee awareness of environmentally conscious behaviour is also raised through training and information campaigns.
Scope of application	The guideline applies to all employees of Münchener Hypothekbank.
Responsible organisational level	The Board of Management is ultimately responsible for compliance with the requirements for ISO 14001 certification. At the operational level, the IMS-FM department is responsible.
Availability of the policy to stakeholders	The <i>Environmental Policy</i> is publicly available on the Münchener Hypothekbank website. More information on the environmental management system is available to employees on the intranet.
(a) Climate change mitigation	x
(b) Climate change adaptation	x
(c) Energy efficiency	x
(d) Renewable energy deployment	x
(e) Other	

POLICY – BUSINESS TRIP GUIDELINE

Contents, objectives and monitoring process	The Business Trip guideline sets out the principles applicable to business trips. The managers responsible must review the purpose and usefulness of business trips, and they must be replaced by telephone or video conferencing whenever possible. The review must take into account the requirements of the specific tasks to be performed by the employees. If the responsible manager is uncertain about the necessity of a business trip, the responsible member of the Board of Management can be consulted regarding the decision if necessary. The guideline is intended to help reduce CO ₂ emissions and costs arising from business trips.
Scope of application	The guideline applies to all employees of Münchener Hypothekbank.
Responsible organisational level	The Board of Management is ultimately responsible for ensuring that the guideline is implemented. At the operational level, the management of the relevant department is responsible.
Availability of the policy to stakeholders	The guideline is available to employees on the intranet.
(a) Climate change mitigation	x
(b) Climate change adaptation	
(c) Energy efficiency	x
(d) Renewable energy deployment	
(e) Other	



The chapter 'Policies related to climate change mitigation and adaptation' includes disclosures in accordance with ESRS E1-2.

Actions and resources in relation to climate change policies (E1-3)

Key actions with decarbonisation levers and description of the outcomes in accordance with ESRS 2 MDR-A

Münchener Hypothekbank has defined specific decarbonisation levers and corresponding measures in order to achieve the decarbonisation pathway values. These decarbonisation levers and measures are outlined below, as defined in the applicable

transition plan for the 2025 financial year (approved in December 2024). The progress of the measures defined in the transition plan to meet the decarbonisation pathway values was monitored quarterly via the sustainability roadmap and regularly presented to the ESG Committee and the Board of Management.

Loan portfolio

DECARBONISATION LEVER – INCREASING THE RATE OF MODERNISATION AND RENOVATION

Description of the decarbonisation lever	The renovation rate indicates the percentage of properties in the portfolio for which extensive renovation work has been carried out and the Bank has been notified. To define the target values, internal expert assessments, external studies and historical portfolio data were taken into account.
Description of measures	<p>Retail business: Measure 1: Introducing products that enable/favour building renovation, have a positive impact on GHG intensity and focus on new business. Measure 2: Targeted engagement with customers with GHG-intensive properties in the existing portfolio by the Sales department (investment sales brokers and cooperative banks) to increase/place renovation products in line with demands. Measure 3: Expanded offering and use of current KfW funding programmes in combination with financing by MHB.</p> <p>Commercial business: Measure 1: Standardisation and further development of green financing products for climate-friendly renovation measures. Measure 2: Targeted engagement with customers with GHG-intensive properties in the existing portfolio to increase/place renovation products in line with demands.</p>
Current status and progress in 2025	<p>Retail business: In 2025, Münchener Hypothekbank revised the modernisation loan (MHB WohnRaum) and capital raising loan (MHB FreiRaum) to finance modernisation, upgrading and renovation measures. Conversations with customers with GHG-intensive properties are gradually taking place as part of ongoing business relationship management.</p> <p>Commercial business: A Green Loan Commercial in accordance with GFF standards was introduced in 2025. This was followed by the EnergyEfficiencyLoan, introduced in summer 2025 to finance measures to improve energy efficiency, primarily for existing buildings (e.g. facade insulation, window replacement, building service renewal). Conversations with customers are taking place as part of ongoing business relationship management.</p>
Scope	The measures were defined transnationally and across sectors for the loan portfolio in the business areas of commercial and retail business of Münchener Hypothekbank.
Time horizon	Implementation of the measures was initiated in 2025. The operationalisation and development of all measures is planned in the short to medium term. The measures are continuously monitored and, if necessary, optimised so that the objectives can be achieved.



DECARBONISATION LEVER – PROMOTING AND MANAGING CLIMATE-FRIENDLY FINANCING

Description of the decarbonisation lever	Green new business is defined in the product portfolio as the financing of properties that meet specific energy efficiency requirements. The defined energy limits differ depending on the business area and are adjusted in line with Münchener Hypothekbank's decarbonisation pathways for reducing GHG intensity. For example, properties in retail banking with energy efficiency classes A and A+ (up to 55 kWh/m ² annual primary energy demand) and the Green Loan financing product are currently defined as green.
Description of measures	<p>Retail business: Measure 1: Managing the portfolio through measures such as adjusting the conditions and differentiating prices in the conventional product range in terms of energy efficiency and GHG intensity, for example in relation to energy sources. Measure 2: Developing ESG reporting to manage new and existing business.</p> <p>Commercial business: Measure 1: Launch of the Green Loan Commercial product. Measure 2: ESG score as a control mechanism. Measure 3: Future monitoring of GHG intensity in the portfolio for new and existing business, taking into account the MHB decarbonisation pathways, and active management in the event of deviations from the intended pathway. Measure 4: Exclusion of (particularly) energy-inefficient properties from financing under the commercial residential property initiative. Measure 5: Expansion of business activities in the area of development financing in the direction of providing targeted financing and support for climate-friendly construction of new properties.</p>
Current status and progress in 2025	<p>Retail business: In the retail business, a monitoring tool has been developed for the quarterly monitoring of GHG intensity in new business, and progress has been made on adjusting conditions, e.g. by implementing a CO₂ price (managing transition risks) or implementing an ESG score price (managing ESG risks).</p> <p>Commercial business: In the commercial business, the new Green Loan Commercial product (see ESRS 2 SBM-1) was successfully launched, the ESG score system was further developed and employees received training as part of the subsequent recording of ESG scores. Energy-inefficient properties were also excluded from financing under the commercial residential property initiative, and business activities in climate-friendly development financing were expanded to support new building projects specifically.</p>
Scope	The measures were defined transnationally and across sectors for the loan portfolio in the business areas of commercial and retail business of Münchener Hypothekbank.
Time horizon	Implementation of the first measures was initiated in 2024 and continued in 2025. The operationalisation and development of all measures is planned in the short to medium term. The measures are continuously monitored and, if necessary, optimised so that the objectives can be achieved.



Capital markets and funding

DECARBONISATION LEVER – INTEGRATION OF CLIMATE-RELATED CRITERIA INTO PROCESSES

Description of the decarbonisation lever	The objective is to continuously reduce GHG emissions by reducing bonds that are particularly emission-intensive. The extension of the limit process and active portfolio monitoring are based on the corresponding decarbonisation pathways of Münchener Hypothekbank.
Description of measures	Measure 1: Extension of the limit process for new investments and the ongoing creditworthiness analysis on an individual counterparty basis to include quantitative and qualitative factors related to GHG emissions. Qualitative considerations include compliance with the Paris Agreement, corporate commitments, transition plans and issuers' net-zero targets. Quantitative factors include the intensity of emissions over time and in comparison to the Bank's own portfolio. The assessment is carried out at the individual counterparty level and at the overall portfolio level. Measure 2: Active monitoring of investments in the portfolio through quarterly portfolio reviews in terms of the development of the issuers' decarbonisation. If the actual figures deviate by more than 10 percent from the GHG reduction pathway for the overall portfolio, suitable measures are considered.
Current status and progress in 2025	GHG aspects have been integrated into the limit process for reviewing new investments and the ongoing creditworthiness analysis on an individual counterparty basis, and active portfolio monitoring is being performed.
Scope	Capital market lending business of the capital markets and funding segment
Time horizon	These measures were implemented in 2025. Optimisation of the approach is reviewed as required to ensure target achievement.

Own operations

DECARBONISATION LEVER – REDUCTION OF BUILDING EMISSIONS

Description of the decarbonisation lever	Building emissions include the head office in Munich, leased space and leased regional offices, as well as space and buildings owned by the Bank and rented out.
Description of measures	Measure 1: Reducing electricity consumption at the head office through steps such as converting the building management system, including new software, installing high-efficiency pumps, optimising the air conditioning units at the head office, training employees, setting all technical heating, ventilation and air conditioning units to energy-saving mode, converting the lighting to light-emitting diode (LED) technology and installing a lighting control system at the head office. Measure 2: Reducing heat consumption at the head office through steps such as converting the building management system, including new software, installing high-efficiency pumps, optimising the air conditioning units at the head office and training employees. Measure 3: Changing the electricity mix for various leased spaces and regional offices. Measure 4: Changing the electricity mix for the common areas of rented buildings.
Current status and progress in 2025	Heat consumption at the head office has been reduced, and the electricity mix for the regional offices has been changed to green electricity. There are also plans to move the regional office in Hamburg to a more energy-efficient building, or at least to reduce the space.
Scope	Building emissions include the head office in Munich, leased space/regional offices, as well as buildings owned by the Bank and rented out.
Time horizon	Implementation of the first measures was initiated in 2024 and continued in 2025. The operationalisation and development of all measures is planned in the short to medium term. The measures are continuously monitored and, if necessary, optimised so that the objectives can be achieved.

**DECARBONISATION LEVER – REDUCTION OF EMISSIONS IN IT AND RESOURCE MANAGEMENT**

Description of the decarbonisation lever	This includes purchased IT products as part of office equipment and external server services (data centres).
Description of measures	Measure 1: The digitalisation of processes through steps such as introducing electronic files for commercial real estate financing and capital markets business and, in future, rolling out electronic files for other business areas, introducing qualified electronic signatures and expanding the 'Meine MHB' portal to include an electronic mailbox with self-service for customers and members. The digitalisation of these processes is expected to reduce paper procurement (2023: 1.5 million sheets of paper per year) until the 2030 target is met (procurement of only 800,000 sheets of paper per year). Measure 2: Achieving GHG neutrality for the data centres used in cooperation with external service providers.
Current status and progress in 2025	The digitalisation of processes, such as introducing electronic files or electronic signatures, is under way, and explicit efforts are being made to achieve greenhouse gas neutrality for the data centre.
Scope	This decarbonisation lever refers to activities in the Bank's own operations.
Time horizon	Implementation of the first measures was initiated in 2024 and continued in 2025. The operationalisation and development of all measures is planned in the short to medium term. The measures continue to be monitored and, if necessary, optimised so that the targets can be achieved.

DECARBONISATION LEVER – REDUCTION OF MOBILITY EMISSIONS

Description of the decarbonisation lever	Mobility emissions include the Bank's vehicle fleet, employee mobility (business trips and commuting) and the upstream supply chain.
Description of measures	Measure 1: Bonus programme for lower-emissions vehicles in the fleet. Measure 2: A digital first approach for non-customer-related travel. Measure 3: Electrification of the delivery vehicle in the upstream supply chain by the service provider for transporting files.
Scope	This decarbonisation lever refers to activities in the Bank's own operations.
Current status and progress in 2025	The Car Policy was adjusted on schedule in 2025. The bonus programme for lower-emission vehicles is intended to reduce the average GHG emissions of the fleet. The impact will be seen gradually as new orders are placed and will extend throughout the entire leasing period for the vehicles.
Time horizon	Measure 1 was implemented successfully in 2025. The changes to the Car Policy will make a noticeable difference in the coming years. The introduction of the new travel cost tool will allow the CO ₂ emissions of business trips to be recorded and evaluated more precisely in future. This will enable ongoing monitoring and, if necessary, optimisation of the measures to better achieve the targets.

The chapter 'Actions and resources in relation to climate change policies' includes disclosures in accordance with ESRS E1-3 paragraph 29(a), (b), (c).

Targets related to climate change mitigation and adaptation (E1-4)**Minimum disclosure requirements on GHG emission reduction targets (MDR-T)**

Münchener Hypothekenbank defined greenhouse gas emissions reduction targets (decarbonisation pathway values) for the first time in the transition plan adopted in December 2024,

thereby more concretely operationalising its alignment with the Paris Agreement on climate change (1.5-degree target). The transition plan includes the loan portfolio, the capital markets lending business and the Bank's own business operations. The decarbonisation pathway values for the loan portfolio were revised in 2025. The defined decarbonisation pathway values are in line with the objectives of the business strategy. Specific decarbonisation levers and measures are set out in ESRS E1-3.



Loan portfolio

Model change: The decarbonisation model for the loan portfolio was extensively revised in 2025 to take account of the latest developments and standards. This means that the latest available emissions factor for electricity in Germany is now used, and the calculation logic uses a weighted average of the financed space in accordance with the requirements of the Partnership for Carbon Accounting Financials (PCAF). Data availability has also improved compared to the previous year, so the use of proxies has been reduced and energy performance certificate data has increasingly been used. As a result of adjustments to the methodology, earlier values are not directly comparable with the results of the updated model.

Target values: Münchener Hypothekbank has defined decarbonisation pathways for its loan portfolio, which are aligned with the 1.5-degree pathway of the CRREM standard. The decarbonisation pathways include all relevant sub-portfolios in the retail and individual business. New financing and the portfolio are regularly evaluated with respect to their contribution to decarbonisation.

Methods, guidelines and assumptions: To determine the decarbonisation pathways, a portfolio simulation was developed based on the status quo (31 December 2024), which shows possible decarbonisation pathways up to 2050. It uses internal data, the Bank's own GHG calculations and assumptions by the departments, as well as multi-year planning, assumptions about new and existing buildings and the level of renovation of existing properties. Four external factors are also taken into account: the EPBD, the proportion of renewable energy in the electricity mix, the heating technology mix, and the energy performance certificate requirements under the GEG.

Alignment with the strategy's targets: The decarbonisation pathways of the loan portfolio are an integral part of the transition plan and the business strategy.

Monitoring mechanisms: The Strategy & Finance Board provides the Board of Management with quarterly updates on the achievement of decarbonisation pathway values, and the Supervisory Board receives biannual updates. Ongoing evaluation of new financing and a regular review of the existing portfolio are also performed.

Capital markets and funding

Objective: Decarbonisation pathways have been defined for the capital markets lending business up to 2050. These apply to banks, government bonds, municipal loans, funds and investments and are based on counterparties' published climate targets and emission pathways.

Methods, guidelines and assumptions: No standardised reduction pathways exist for these asset classes, so decarbonisation pathways are simulated as linear net-zero pathways up to 2050 based on the published GHG emissions and climate targets of counterparties. A static portfolio is assumed. Government bonds are subject to the EU Climate Law, the actual impact of which depends on the implementation in the member states. The targets are calculated in accordance with the requirements of the PCAF.

Alignment with the strategy's targets: The decarbonisation pathways for capital markets and funding are part of the transition plan and in line with the business strategy.

Monitoring mechanisms: The Board of Management is updated on a quarterly basis by the Strategy & Finance Board.

Own operations

Objective: Münchener Hypothekbank aims to achieve net zero in its own business operations by 2050. Specific measures and a management model have been defined for central emission sources such as buildings, travel and mobility.

Methods, guidelines and assumptions: The basis is provided by the CSRD-compliant VfU tool, which is based on the Greenhouse Gas Protocol and uses SBTi-oriented pathways. Emission factors are taken from the ecoinvent LCA database, supplier data or official UK GHG factors.

Alignment with the strategy's targets: The decarbonisation pathways for the Bank's own operations are part of the climate strategy and transition plan and are in line with the business strategy.

Monitoring mechanisms: The targets and measures are reviewed at least once a year as part of the environmental management system and submitted to the Board of Management.

Engagement with stakeholders

The interests and responsibilities of all relevant internal and external stakeholders were taken into account when defining the decarbonisation pathways and the transition plan, in order to comply with regulatory requirements, integrate ESG criteria and safeguard the Bank's strategic position. The Board of Management, the Supervisory Board and the departments actively participated in the implementation and management, while external stakeholders such as customers, investors and supervisory authorities were involved through information and review processes.



Targets set to manage material climate-related impacts, risks and opportunities

The GHG reduction targets contribute to IRO number 1 Financing activities with high CO₂ emissions/intensities and high energy consumption (negative impact).

GHG emission reduction targets

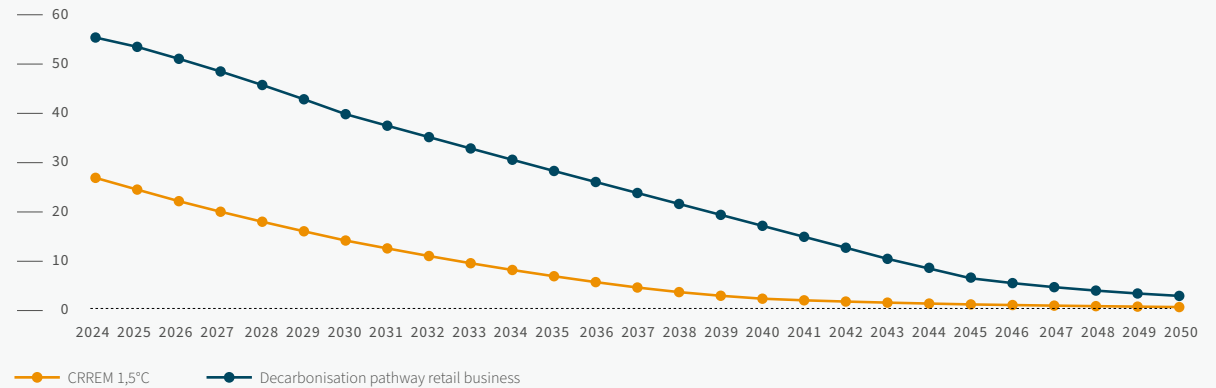
As part of its transition plan, Münchener Hypothekbank has set itself emission reduction targets, or decarbonisation pathway values, for various business areas. These areas include the loan portfolio – subdivided into the retail and individual business – as well as capital markets and funding and the Bank’s own operations.

The main area in which the Bank can influence decarbonisation is the loan portfolio. Regular monitoring has therefore been established for this business area, and decarbonisation pathway values were used as non-financial performance indicators.

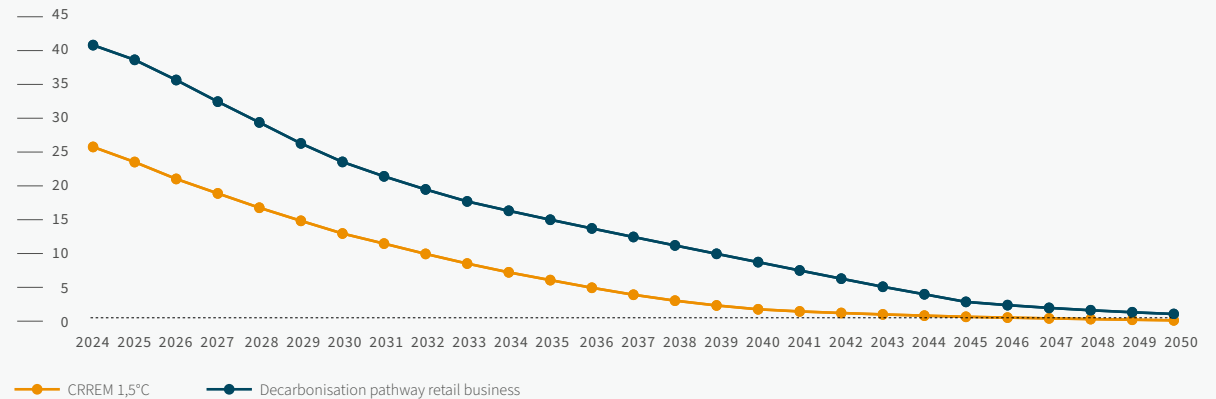
The decarbonisation pathways in the capital markets and funding business segment will be recalculated in the second quarter of 2026. Emission trends in this area depend heavily on emissions reductions by issuers; therefore, other than regular monitoring, no active management of decarbonisation targets is performed beyond the existing investment criteria. The emissions contributed by the Bank’s own operations are low compared to the Bank’s total greenhouse gas balance. In view of the criteria of materiality and influenceability, only decarbonisation pathway values for the loan portfolio are presented below.

	Base year	Base value (kgCO ₂ e/m ² a)	2030 target (kgCO ₂ e/m ² a)	2050 target (kgCO ₂ e/m ² a)
Private property financing – CO ₂ emission intensity for Scope 3.15	2024	54.55	39.13	2.56
Commercial real estate financing – CO ₂ emission intensity for Scope 3.15	2024	40.84	23.64	1.24

Private property financing decarbonisation pathway in kgCO₂e/m²



Commercial real estate financing decarbonisation pathway in kgCO₂e/m²





When defining decarbonisation pathway values for the loan portfolio (Scope 3.15) as at 31 December 2025, Scope 1 and Scope 2 emissions of borrowers were taken into account.

Decarbonisation levers

The decarbonisation levers and measures defined for the Bank's own operations are described in chapter E1-3, paragraph 29(a).

The chapter 'Targets related to climate change mitigation and adaptation' includes disclosures in accordance with ESRS E1-4 paragraph 32; 33; 34(a), (b), (c), (d), (f).

Energy consumption and mix (E1-5)

Disclosure of the total energy consumption from fossil, nuclear and renewable sources related to own operations

The information was calculated for the year 2025 (as at the reporting date of 31 December 2025). Due to an adjustment of the underlying data, individual values from 2024 were recalculated.

Energy consumption and mix	2024	2025
a. Total energy consumption from fossil sources (MWh)	4,598	3,608
b. Total energy consumption from nuclear sources (MWh)	0	0
c. Total energy consumption from renewable sources (MWh)	1,084	936
i. Fuel consumption from renewable sources, including biomass (as well as industrial and municipal waste of biological origin), biofuels, biogas, hydrogen from renewable sources, etc.	0	0
ii. Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	1,084	936
iii. Consumption of self-generated non-fuel renewable energy	0	0
Total energy consumption (MWh)	5,682	4,544

Diesel and petrol consumption was recorded in litres and converted into kWh using the VfU tool based on their energy content (1 litre petrol = 8.6 kWh, 1 litre diesel = 9.9 kWh). No distinction was made between private and business use of the fleet, which means that the estimate of energy consumption is conservative.

Although other consumption data relating to the energy consumption of buildings and floor space was provided in MWh, this was sometimes subject to significant assumptions that were made in the initial calculations. Specifically, incomplete consumption figures for individual months were extrapolated on the basis of the months with available data, and consumption was determined based on average values. Consumption values that were entirely unavailable as at the reporting date of 31 December 2025 are based on the previous year's values. Insofar as no consumption data for buildings was available, consumption was calculated according to the average consumption of other comparable buildings based on floor space.

The chapter 'Energy consumption and mix' includes disclosures in accordance with ESRS E1-5 paragraph 37.

Gross Scope 1, 2, 3 and total GHG emissions (E1-6)

Disclosure of total GHG emissions disaggregated by Scopes 1, 2 and 3 in accordance with the table below

Due to an adjustment of the underlying data, individual values from the base year 2023 and the reporting year 2024 were recalculated. In Scope 3.2 (Capital goods), the increase in certain emissions in 2025 is attributable to the procurement of new IT equipment on a regular cycle. In Scope 3.5 (Waste generated in operations), the increase is the result of the increased number of employees and more frequent waste collections, which is partially due to the number of weeks of operation in the year. The increased emissions in Scope 3.7 (Employee commuting) can be attributed to the expansion of the workforce and a lower work-from-home rate during the year.



GHG EMISSIONS

	2023	2024	2025	% change 2025/2024
Scope 1 GHG emissions (tCO₂eq)				
Gross Scope 1 GHG emissions	607	625	594	-4.96
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0
Scope 2 GHG emissions (tCO₂eq)				
Gross location-based Scope 2 GHG emissions	872	771	477	-38.13
Gross market-based Scope 2 GHG emissions	184	168	145	-13.69
Significant Scope 3 GHG emissions (tCO₂eq)				
Total gross indirect (Scope 3) GHG emissions	1,465,009	1,697,716	1,674,176	-1.39
1 Purchased goods and services	23	29	15	-48.28
1 Cloud computing and data centre services	36	36	11	-69.44
2 Capital goods	62	26	47	+80.77
3 Fuel and energy-related activities	619	618	584	-5.50
4 Upstream transportation and distribution	4	4	4	0
5 Waste generated in operations	16	20	27	+35.00
6 Business travelling	178	178	165	-7.30
7 Employee commuting	549	567	679	+19.75
7 Working from home	22	23	20	-13.04
15 Financed emissions (tCO ₂ eq)				
(a) Loan portfolio	653,290	798,809	761,424	<i>Limited comparability</i> ¹
(b) Capital markets and funding	810,210	897,406	911,199	+1.54
Total GHG emissions (location-based) (tCO₂eq)	1,466,488	1,699,113	1,675,247	-1.40
Total GHG emissions (market-based) (tCO₂eq)	1,465,800	1,698,510	1,674,915	-1.39

¹ Comparability with the previous year's figure is limited due to a detailed distribution analysis (calculation of emissions from financing based on all collateralised properties instead of only the main property)

Methodologies and significant assumptions used to calculate GHG emissions

In calculating the absolute GHG emissions for the year 2025 (as at the reporting date of 31 December 2025), various methodologies were used and assumptions made, which are explained below, broken down by loan portfolio, capital markets and funding, and own operations.

Loan portfolio

When calculating Scope 3.15 GHG emissions, attention was paid to compliance with the Partnership for Carbon Accounting Financials (PCAF) standard. Münchener Hypothekbank has developed a PCAF-based tool to calculate the financed GHG emissions and the emissions intensity of the properties in the loan portfolio. All datapoints required for the calculation are retrieved from the internal databases and filled in along a pre-defined decision tree. If the Bank has no real data in the form of an energy certificate (PCAF data quality score 3) or only has incomplete customer data, the calculation is carried out using proxy or estimated values. These are based on statistical surveys or average values, which in turn are based on real properties or the Bank's risk-averse assumptions, and thus enable the financed GHG emissions to be quantified even when the data is incomplete. Data provided by customers overrides proxy values.

In the impact report, Münchener Hypothekbank reports to investors and other stakeholders about the level of CO₂ emissions reduction achieved through loans that were identified as green according to the (former) Green Bond or Green Funding Framework and granted sustainable funding in consequence. The relevant data is calculated in collaboration with the Wuppertal

Institute for Climate, Environment and Energy and published annually in an impact report. The loans classified as green in 2025 generate savings of about 45,600 tonnes of CO₂ equivalents per year, which on average represents around 3.76 tonnes of CO₂ equivalent per million euro invested. The impact report for 2025 will be published in the second quarter of 2026.



Capital markets and funding

When calculating Scope 3.15 GHG emissions, attention was paid to compliance with the PCAF standard. The GHG emissions data was obtained from publicly available reports from counterparties and is therefore subject to their disclosure requirements.

In calculating the financed emissions on capital markets, the PCAF standard provides for the proportional attribution of counterparties' emissions. The attribution factor is calculated from the investment amount as a share of the issuer's total value, multiplied by the issuer's total emissions.

The Scope 1 GHG emissions of the country or authority, excluding land use, land-use change and forestry (LULUCF), were used to calculate the financed GHG emissions from government bonds and municipal loans (including cities) in accordance with the UNFCCC national emissions inventory recommended by PCAF. The Scope 2 and 3 emissions of the country or authority were not included in the calculation of financed emissions from government bonds and municipal loans. The purchasing power-adjusted gross domestic product required for calculating the attribution factor was obtained from the publicly accessible database of the World Bank.

In calculating the financed GHG emissions from bank bonds, only the issuer's Scope 1 and Scope 2 GHG emissions were taken into account, as the data quality for the issuer's Scope 3 GHG emissions is currently insufficient. The data on the financed emis-

sions of credit institutions is expected to improve so, in future, it will be possible to include this data in the calculation. For the calculation of the attribution factor, the total value of the bank is measured by enterprise value including cash (EVIC) (for listed banks) or the company value of the bank (for unlisted banks). The calculation for investments was carried out in the same way as for bank bonds, as a financial services provider is involved in the case of investments.

In the case of government bonds, municipal loans and funds, a PCAF score of 1³² was used. This also applies to bank bonds. No GHG emissions data of the counterparties was disclosed for six bank bonds from two banks, so these calculations were based on a PCAF score of 5.³³

Own operations

Münchener Hypothekenbank used the CSRD-compliant VfU tool to calculate its Scope 1, 2 and 3.1.14 GHG emissions and produce its GHG balance sheet. The tool calculates a GHG balance that is compliant with the GHG Protocol and provides the metrics for reporting in accordance with the ESRS. Münchener Hypothekenbank's consumption data was entered into the VfU tool in accordance with the requirements of the tool's emission factors, i.e. in kilometres, kilowatt-hours or litres. Some of this consumption data was converted into the unit required to input the data. The VfU tool includes additional control mechanisms for data quality. An external review conducted by Öko-Institut e.V. verified the GHG balance calculated with the VfU tool.

The emission factors used in the VfU tool were obtained from the Ecoinvent database (Ecoinvent v3.11). Ecoinvent is a platform of scientific and public institutions that operates one of the largest environmental accounting databases. The VfU tool allows the inclusion of further Scope 3 emissions that Münchener Hypothekenbank has defined as significant. Emission factors from the supplier were used for coffee consumption, and an emission factor from the UK Government GHG Conversion Factors for Company Reporting was adopted for newly procured information technology products.

Significant assumptions were made in the course of the preliminary calculations. Insofar as consumption data for the period ending 31 December 2025 was not available, it was based on the previous year's figures. This occurred when invoices from energy suppliers or service providers had not yet been received at the time of reporting, for example. Incomplete consumption data for building emissions and data centres was extrapolated for the year as a whole. Insofar as no consumption data for buildings was available, the consumption was calculated according to the average consumption of other comparable buildings based on the floor space. A variety of usage data and activities are based on surveys, averages and industry-specific studies. The distances travelled for business trips were calculated on the basis of business travel expenses.

The chapter 'Gross Scopes 1, 2, 3 and Total GHG emissions' includes disclosures in accordance with ESRS E1-6 paragraph 48; 49; 50; 51; 52; AR 39.

³² A score of 1 means that the emissions data is reported, verified or audited directly by the issuer and fully covers the relevant scope.

³³ A score of 5 means no direct or verified emissions data is available from the issuer and the values are largely based on estimates, proxy data or assumptions.



Social information

OWN WORKFORCE (S1)

Policies related to own workforce (S1-1)

Policies in relation to the management of material impacts, risks and opportunities related to the undertaking's own workforce in accordance with ESRS 2 MDR-P

The business strategy is the main strategy that defines policies in relation to the company's workforce. Details of contents, objectives, monitoring process, scope and responsibilities in con-

nection with the business strategy can be found in the chapter ESRS E1-2. The following policies also apply in relation to the company's workforce.

POLICY – HR STRATEGY

Contents, objectives and monitoring process

The HR Strategy defines the vision and mission of Münchener Hypothekbank from the perspective of the HR department, as well as the objectives of the work carried out by HR. It defines the fields of action and the corresponding measures. It also governs the measurement of the effectiveness of the HR Strategy by means of appropriate key figures. In 2025, the HR Strategy was adapted to reflect changing framework conditions in the labour market.

The three fields of action in the HR Strategy are:

- Retaining and attracting managers and employees
- Expanding employee and management development
- Establishing an integrated performance management system

The three megatrends of diversity, sustainability and digitalisation are taken into account in the three fields of action.

The HR strategy has the following objectives:

- Securing the workforce required now and in the future and improving the Bank's attractiveness as an employer
- Actively developing a corporate and management culture that fosters a sense of community and success, as well as promoting professional and management skills
- Establishing a performance management system that sets clear objectives and responsibilities, carries out regular evaluations and creates fair reward systems
- Taking on social responsibility for employees; advancing diversity and inclusion
- Creating efficient and – where appropriate – digital HR processes

The progress of implementation is documented, for example, in an HR and social report that will be made available to the entire workforce and the Board of Management.

Scope of application

The HR Strategy applies to all the Bank's employees.

Responsible organisational level

The Board of Management is ultimately responsible for ensuring that the HR Strategy is implemented. At the operational level, the management of the HR department is responsible.

Availability to potentially affected stakeholders

The HR Strategy is published on the intranet.



POLICY – DIVERSITY POLICY

Contents, objectives and monitoring process

Diversity is viewed as a key factor for successfully achieving strategic objectives and is intended to promote a working environment that is free from prejudice and offers equal opportunities, in which different identities, backgrounds and abilities are recognised and put to constructive use. The policy addresses diversity and includes the dimensions of gender, age, ethnic origin/nationality, sexual orientation, religion/belief, disability and social origin, in addition to characteristics such as education, experience, life stage, personality, values and wealth.

In particular, the policy has the following objectives:

- Developing a corporate and management culture that is sensitive to diversity
- Avoiding any form of discrimination and actively appreciating diversity
- Ensuring equitable opportunities for access, development and success
- Promoting and utilising all talents regardless of diversity characteristics
- Meeting the expectations of internal and external stakeholders

Scope of application

The direct scope of the Diversity Policy is the employees. The core elements of the policy are incorporated into the long-term HR strategy.

Addressing the issues of human trafficking, forced labour and child labour

The Diversity Policy is based on international agreements and guidelines, such as the Universal Declaration of Human Rights, the conventions of the International Labour Organization (ILO) and the United Nations Global Compact.

Responsible organisational level

The Board of Management is ultimately responsible for ensuring compliance with the Diversity Policy. At the operational level, the management of the HR department is responsible.

Policy in relation to recognised standards

In 2014, Münchener Hypothekbank signed the Diversity Charter¹, thereby committing to promoting diversity and respect. Furthermore, Münchener Hypothekbank has endorsed the principles of the UN Global Compact.

Consideration given to the interests of key stakeholders in setting the policy

In creating the Diversity Policy, the expectations of current and potential employees, investors, the ECB and the public were taken into account.

Availability to potentially affected stakeholders

The Diversity Policy is available on the intranet.

¹ The Diversity Charter is a corporate initiative to promote diversity in companies and institutions. It is committed to an inclusive working environment that is free of prejudice and aims to promote the diversity of the workforce in terms of gender, nationality, ethnic origin, religion, disability, age, sexual orientation and identity.



POLICY – POLICY ON HUMAN RIGHTS AND DIVERSITY

Contents, objectives and monitoring process	The policy sets out the ethical framework for respecting human rights at Münchener Hypothekenbank. Various company guidelines and agreements are in place for putting the policy into operation, for example, Münchener Hypothekenbank's sustainability mission statement, the Code of Conduct and Münchener Hypothekenbank's employee handbook, as well as the internal Diversity Policy.
Scope of application	The policy applies to all employees, the members of the Board of Management and the Supervisory Board, as well as external staff and service providers acting on behalf of Münchener Hypothekenbank.
Responsible organisational level	The Board of Management is ultimately responsible for ensuring that the policy is implemented. At the operational level, the management of the Non-Financial Risk Management division is responsible.
Policy in relation to recognised standards	Münchener Hypothekenbank signed the Diversity Charter in 2014. Furthermore, the Bank is unequivocally committed to respecting international human rights standards, specifically the United Nations Universal Declaration of Human Rights and the Covenant on Economic, Social and Cultural Rights and the Covenant on Civil and Political Rights, as well as the core labour standards of the International Labour Organization (ILO).
Consideration given to the interests of key stakeholders in setting the policy	A risk analysis of the potential impact on human rights was carried out internally, involving several departments and our own document-based research and drawing on external expertise. Based on the analysis, the guideline focuses on two areas that are considered to be of particular relevance to the Bank and its stakeholders: employees and customers.
Availability to potentially affected stakeholders	The <i>Policy on Human Rights and Diversity</i> is published on the Münchener Hypothekenbank website.

POLICY – CODE OF CONDUCT

Contents, objectives and monitoring process	Münchener Hypothekenbank's Code of Conduct sets out binding standards to ensure that business activities are conducted in a lawful, responsible, ethical and sustainable manner. It provides a guiding framework for individual responsibility and conduct and does not constitute an exhaustive catalogue of measures. The aim is to ensure compliance with legal, regulatory and internal requirements, as well as to encourage consistent awareness of risk, to protect Münchener Hypothekenbank and its employees from harm. Compliance with the Code of Conduct is supported by a whistleblowing system. Reports of violations or non-compliance can be submitted confidentially to the Compliance function in the Non-Financial Risk Management department. The anonymity of whistleblowers is guaranteed, provided that there is no legal disclosure obligation.
Scope of application	The Code of Conduct applies to all employees of Münchener Hypothekenbank, employees of its subsidiaries and members of the Board of Management. Münchener Hypothekenbank also expects external business partners to observe the fundamental principles of the Code of Conduct.
Addressing the issues of human trafficking, forced labour and child labour	The Code of Conduct is based on international agreements and guidelines, such as the Universal Declaration of Human Rights, the conventions of the International Labour Organization (ILO) and the United Nations Global Compact.
Responsible organisational level	The Board of Management is ultimately responsible for the content of the Code of Conduct. The contact person for questions regarding the Code of Conduct is the Compliance function in the Non-Financial Risk Management department.
Availability to potentially affected stakeholders	The <i>Code of Conduct</i> is published on the Münchener Hypothekenbank website. Furthermore, new employees receive a copy of the Code of Conduct for their information when they are hired.



Monitoring human rights policy commitments relevant to the undertaking's own workforce

Münchener Hypothekbank is committed to the United Nations Universal Declaration of Human Rights and the conventions of the International Labour Organization (ILO). Furthermore, Münchener Hypothekbank's actions are guided by the principles of the UN Global Compact. Acting in an ethically and socially responsible manner is of great importance to the Bank. In keeping with the principles of the UN Global Compact, the Bank attaches great importance to complying with internationally recognised standards concerning human rights, environmental protection, decent working conditions and the prohibition of child labour. The Code of Conduct and the Policy on Human Rights and Diversity reflect this stance and define what the Bank expects of its employees, business partners and service providers.

Münchener Hypothekbank operates as an employer exclusively in Germany and complies with the stringent regulations and standards that apply to working conditions and equality. Comprehensive guidelines ensure that the rules are implemented in the Bank, while clear processes are followed in the event of violations or abuses, such as discrimination. Employees can communicate their complaints directly to their managers and employee representatives. Depending on the nature of the complaint, it may be appropriate to involve other employee representatives or experts, such as the diversity officer or the representatives for disabled employees. The responsible party looks into the complaint and, if necessary, talks to the individuals involved as well as other relevant parties or witnesses. Once this investigation has been completed, the complainant is informed of the outcome. If necessary, appropriate measures are taken to address the issue and protect the employees concerned.

Availability of a workplace accident prevention policy or management system

Münchener Hypothekbank ensures compliance with all statutory occupational health and safety regulations. Employees complete annual workplace health and safety training to provide them with the necessary skills and awareness. The Bank also has a digital accident record book so that incidents can be clearly documented. Near misses must also be reported to identify potential risks at an early stage and derive effective preventive measures for avoiding future accidents.

Specific policies for the elimination of discrimination, promoting equal opportunities or other ways to advance diversity and inclusion

The Diversity Policy and the Policy on Human Rights and Diversity (see ESRS S1-1 paragraph 19) provide a framework for preventing discrimination and promoting equal opportunities, diversity and inclusion.

Münchener Hypothekbank has established a comprehensive package of measures to promote equal opportunities and to prevent discrimination against certain groups of employees – including parents and carers, women, employees of non-German origin, young people and disabled employees. Flexible working time models, such as individual part-time solutions, flexwork, trust-based working hours and the new MHB sabbatical, support employees in successfully balancing the demands of their work with their individual life circumstances. On selected days of the year, such as the Day of Repentance and Prayer – which is a holiday for schoolchildren but not a general public holiday – the Bank also offers childcare as needed. The Female Empowerment Programme offers targeted support for career development and creates valuable networking opportunities. The Bank supports employees whose first language is not German by funding German language courses. Münchener Hypothekbank also has youth and trainee representatives and representatives for

disabled employees who independently represent the specific interests of these groups and thus make a significant contribution to creating an inclusive corporate culture.

Identifying the grounds for discrimination in the policy

The following dimensions are included in the Diversity Policy: gender, age, ethnic origin/nationality, sexual orientation, religion/belief, disability and social origin, in addition to characteristics such as education, experience, life stage, personality, values and wealth (see ESRS S1-1, Diversity Policy).

Existence of specific policy commitments related to inclusion or positive action for vulnerable groups in the workforce

Münchener Hypothekbank fulfils the legal requirements for the integration and advancement of people with severe disabilities. Moreover, the Bank has a representative for disabled employees who safeguards the interests of and promotes the integration of employees with severe disabilities and similarly disadvantaged employees.



Implementation of policies to prevent discrimination and advance diversity and inclusion

Whenever complaints from employees come to the attention of managers in the HR department or the whistleblowing system, appropriate action is taken to resolve them. This may include measures such as fact-finding discussions, third-party mediation or disciplinary action, as appropriate to the situation.

The chapter 'Policies related to own workforce' includes disclosures in accordance with ESRS S1-1 paragraph 19; 20; 21; 22; 23; 24(a), (b), (c), (d).

Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

Integrating the perspectives of the undertaking's own workforce or workers' representatives in the undertaking's decisions or activities managing the actual and potential impacts on its own workforce

Münchener Hypothekbank obtains the views of its employees directly, for example through employee surveys or regular feedback meetings, and indirectly, for example through employee representatives on the Supervisory Board or the Works Council. This ensures that the concerns of employees are taken into account.

The HR department, the Works Council, the representatives for disabled employees and a diversity officer are available to employees as internal points of contact. The youth and trainee representatives of Münchener Hypothekbank represent the interests of trainees and interns. The nature of the involvement (directly or through proxies) varies depending on the format.

The following formats and channels are used for integrating the views of employees:

Direct involvement:

- Regular formal and informal feedback meetings (including annual appraisals)
- Direct dialogue between employees and the HR department, as well as the Works Council
- Employee surveys
- Employee and staff meetings
- Programmes to advance and develop the skills of the Bank's employees (see ESRS S1-1 and S1-4)
- Intranet
- Events held as part of the MHB United initiative and information events within the MHB Insight programme

Indirect involvement:

- Regular dialogue among the youth and trainee representatives, the training management, the Works Council and the Board of Management in accordance with the German Works Constitution Act (Betriebsverfassungsgesetz, BetrVG)
- Monthly meetings between the Works Council and the HR department

Most of the formats for engagement are embedded in the organisational level and include the employees of Münchener Hypothekbank. Other formats, such as employee surveys, are often targeted at specific groups of employees depending on the topic.

Stages, type and frequency of the engagement

The stages at which engagement with employees takes place and the type and frequency of the engagement depend on the format.

Annual appraisals between employees and their immediate managers take place between December and February. An annual appraisal includes a review of the past year and provides an opportunity to discuss tasks, goals and prospects for the coming year. The satisfaction of employees with Münchener Hypothekbank as an employer and with their personal situation in the Bank is also discussed.

A **feedback session** is held in the middle of the year. It is intended to provide mutual feedback and behavioural feedback, and hence also allows an individual comparison between how employees see themselves and how others see them. Development objectives are also agreed during the feedback session in order to address specific development areas for the employee. The objectives define the areas in which the employee shows a need for development and specific actions to support this process. The aim is to systematically foster the development of employees' skills and support their individual personal and professional development.

Content from feedback meetings relevant to the HR department – for example, about qualification programmes or the staffing situation of teams – are discussed in a **reflection session** held in autumn. Participants include the HR department, the respective team leaders and, if necessary, their immediate managers. Where required, measures are adopted following the reflection session, for example to promote identified high-potential employees.



The Works Council meets with the Board of Management and the HR department every month and on an ad hoc basis. Employees can contact the HR department and the Works Council directly at any time with their concerns and requests. Employee meetings take place at least once a year. Employee surveys are conducted infrequently or as warranted. Some formats are used for information purposes, such as employee meetings or intranet messages, for example regarding organisational or personnel changes or events. Employee representatives exercise co-determination rights on behalf of the employees in accordance with the statutory provisions. Employees are immediately informed of any personnel policy decisions or organisational changes. The Bank places a high value on early involvement of employees in order to take their needs into account.

Employees from the loan portfolio, capital markets and funding business segments, as well as from the Bank's own operations, were involved in a series of workshops to draw up the transition plan for climate change and to define the decarbonisation levers and measures. Training programmes are also reviewed and revised where necessary.

Function and most senior role with operational responsibility for the engagement

Operational responsibility for the engagement formats rests with various departments at Münchener Hypothekbank, depending on the channel. For example, the Board of Management staff and the head of the communications and marketing team are responsible for informational formats, such as the intranet or employee meetings. The HR department supports departments in the operational implementation and is in contact with employee representatives, such as the Works Council, the youth and trainee representatives and the representatives for disabled employees.

Global framework agreement with workers' representatives

A global framework agreement or similar agreement for the entire Bank relating to the respect of human rights of employees has not been concluded with employee representatives.

The Health & Safety Committee, which is chaired by a member of the Board of Management, deals with occupational health and safety issues together with the Works Council, the HR department and the relevant departments. The permanent members of the Health & Safety Committee are the Board of Management (CFO), an occupational safety specialist, the company doctor, the Head of Central Services, a safety officer, representatives from the Works Council, the Head of Property Management Service, the Head of Facility Management and relevant department managers. The safety officers support the Health & Safety Committee in implementing processes and measures.

Assessment of the effectiveness of the engagement with own workforce

The annual feedback meetings provide insights into the Bank's working relationship with its employees. Based on the results, targeted personal development measures are agreed in reflection sessions between the HR department and managers. These meetings offer employees tangible development opportunities. Since 2025, employees and managers have agreed specific development objectives that can be pursued and implemented through agreed measures. Internal guidelines help to promote a culture of feedback and dialogue.

The chapter 'Processes for engaging with own workforce and workers' representatives about impacts' includes disclosures in accordance with ESRS S1-2 paragraph 27(a), (b), (c), (d), (e).

Processes to remediate negative impacts and channels for own workers to raise concerns (S1-3)

General approach and process to remedy or contribute to remedying material negative impacts, including assessing their effectiveness

The human resources work of Münchener Hypothekbank focuses on taking social responsibility for its employees. The Bank regards the well-being of its employees as essential for sustainable, long-term corporate success. Potentially negative impacts could take the form of psychological strain, such as increased stress levels or a poor work-life balance. Similarly, physical impairments could occur as a result of working at a computer screen for long periods without adequate ergonomic support or due to insufficient noise protection in offices.

Consequently, Münchener Hypothekbank provides a comprehensive range of health care offerings, including height-adjustable desks, a monthly fitness allowance, psychological counselling and flexible working arrangements. The aim is to take preventive measures to protect the health of its employees, as well as to provide support when needed. Where necessary, the Bank supports its employees with measures tailored to meet their individual needs. The effectiveness of the remedial measures can be assessed on the basis of the use that is made of the offerings. These include the use of work-from-home options and part-time working models that promote a healthy work-life balance. Participation rates in counselling programmes, such as the EASY family service, the employee assistance programme (EAP) and consultation with the company doctor for preventive health care, also serve as indicators.



Specific channels for own workforce to raise their concerns and have them addressed

Various channels are available to employees to raise their concerns or needs with the Bank or independent third parties, or to have them assessed.

One of the procedures that has been implemented and that employees can take advantage of is the option to approach the Works Council. Furthermore, each employee is assigned a personnel officer in the HR department, whom they can contact directly. As part of the target-setting process, employees have the opportunity to provide feedback to managers in their annual feedback session (see ESRS S1-2). Various whistleblowing channels (hotline, Compliance post box) are available for employees to anonymously report serious violations of internal codes (see ESRS G1-1).

Münchener Hypothekenbank offers its employees and their family members a comprehensive counselling service through the Employee Assistance Program (EAP). The EAP provides support in crises. Counselling is provided exclusively by qualified psychologists and is available to employees in an emergency. In the reporting year 2025, employees also had the option to take advantage of services provided by the family service, such as specialist advice or referrals for children, family, house-keeping and nursing care.

Grievance/complaints handling mechanism related to employee matters

Employees can communicate their complaints directly to their managers and employee representatives. Depending on the nature of the complaint, it may be appropriate to involve other employee representatives or experts, such as the diversity officer or the representatives for disabled employees. The responsible party looks into the complaint and, if necessary, talks to the individuals involved as well as other relevant parties or witnesses. Once this investigation has been completed, the complainant is informed of the outcome. If necessary, appropriate measures are taken to address the issue and protect the employees concerned.

Processes to support the availability of such channels in the workplace

Information on the aforementioned processes and channels is available to all employees on the intranet.

Münchener Hypothekenbank also proactively draws attention to the availability of the channels. For example, as part of the onboarding process for new employees, each new employee must acknowledge in writing that they have read the employee handbook, which lists all the available channels. Digital and analogue information events are also held as and when required, for example as part of the launch of the EAP.

Tracking, monitoring the issues addressed and ensuring the effectiveness of the channels

There is usually no standardised documentation, unless the matter goes before an industrial tribunal. In that case, comprehensive documentation is prepared to ensure that the facts can be verified. In the context of whistleblowing, Münchener Hypothekenbank adheres to the process defined in the Bank's written rules.

The undertaking's workforce's awareness of and trust in the structures and processes, as well as protection policies against retaliation

The disclosures in ESRS G1-1 paragraph 10(c) refer to the whistleblower procedure and protection against retaliation, and reference is also made to these here. In addition to the disclosures in ESRS G1-1, new employees are made aware of the structures and procedures at onboarding events. The HR department and the Works Council are also mentioned as further points of contact. The EAP is offered to employees as a point of contact for anonymously asking questions.

The chapter 'Processes to remediate negative impacts and channels for own workers to raise concerns' includes disclosures in accordance with ESRS S1-3 paragraph 32(a), (b), (c), (d), (e); 33.



Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

Management of material impacts, risks and opportunities related to the undertaking's own workforce in accordance with ESRS 2 MDR-A

MEASURE(S) – OPTIMISATION OF THE VOLUNTARY SOCIAL BENEFITS

Contents and objectives

In 2025, Münchener Hypothekenbank expanded its health management offerings to include a measure for the early detection of bowel cancer, which is available to all employees in any location. The Bank covers the full cost.

The aim of this measure is to improve the health care available to employees, raise awareness of preventive examinations and reduce the risk of serious illness through early detection. By offering an easy way for employees to access this benefit, the Bank hopes to increase participation and make an active contribution to safeguarding the long-term health of the workforce.

Scope

All employees are free to make use of this offer.

Time horizon

Each of these health measures is offered for one year; a different preventive measure is offered in the following year.

Measurement of effectiveness

Münchener Hypothekenbank does not receive any personal data relating to participants or any information about individual test results; only anonymised reports on user numbers are provided. Employees regularly make use of the preventive measures.



MEASURE – FEMALE EMPOWERMENT PROGRAMME

Contents and objectives

This measure contributes to achieving the objectives of the Diversity Policy.

The Female Empowerment Programme of Münchener Hypothekbank is a development programme specifically for female employees.

Its primary objective is to increase the proportion of women in management positions. The additional objectives are as follows:

- Enhancing the Bank's attractiveness as an employer, both externally and internally
- Meeting the requirements of stakeholders
- Positive effects on employer branding
- Stabilising or reducing costs for recruitment and materials
- Attracting and retaining skilled employees and young talent
- Securing succession planning
- Increasing employee satisfaction
- Reducing employee turnover
- Increasing public awareness by joining the F!F (Frauen in Führung) network
- Positive impacts on corporate culture: promoting a contemporary leadership culture; establishing a modern image with which managers and employees can identify

A key component of the programme is the range of specialist and management seminars aimed specifically at women, which are designed to develop skills for management roles.

Membership of the F!F (Frauen in Führung) network also allows employees to attend lectures and events, as well as regular best-practice exchange formats, to network and learn from each other.

Furthermore, a mentoring programme has been set up for potential female junior managers. In regular discussions with experienced mentors, the mentees receive valuable input and feedback on career and management topics to prepare them for future management tasks.

Scope

The measure is aimed at female employees. 29 employees took part in 2025.

Time horizon

The duration of the programmes is limited to 18 months in each case. They will then be conducted again with new participants.

Measurement of effectiveness

The professional development of participants and the management tasks they take on are used to measure the success of the Female Empowerment Programme. In the case of programmes for managers, the number of participants taking on new roles or management responsibilities is taken into account, as well as the change in the proportion of female managers at different levels in the company.

**MEASURE(S) – EMPLOYEE ASSISTANCE PROGRAMME (meinEAP)****Contents and objectives**

The measure contributes to the implementation of the Diversity Policy and the HR Strategy.

The Employee Assistance Programme (meinEAP) is available to all employees and their immediate family members. It offers support in the event of work-related problems and personal issues, such as conflict, stress, exhaustion, parenting or nutrition-related questions, separations, everyday worries, anxiety, grief or addiction. Special counselling and coaching services are also available for managers and other persons in positions of authority. meinEAP is free and confidential. Münchener Hypothekbank does not receive any information about who makes use of the counselling service nor the reason for their doing so.

The objective of the measure is to take social responsibility for employees, to reduce the amount of sick leave, to enhance the Bank's attractiveness as an employer and to boost management development.

Scope

The programme is available to all of the Bank's employees.

Time horizon

The programme was launched in April 2024 and will initially run for an indefinite period.

Measurement of effectiveness

The success of the measure is assessed in terms of the degree to which it is utilised annually.

Processes for identifying and managing negative impacts on workforce

Münchener Hypothekbank uses various HR controlling tools to gain valuable insights into employee attitudes and satisfaction trends. These include key figures such as the employee turnover rate, 100-day reviews with new employees, exit interviews, reflection sessions, counselling sessions and regular communication with the Works Council. This allows the Bank to determine which measures are received positively by employees and which are viewed more negatively. The information can then be used to derive recommended actions and implement improvements.

Reviewing and ensuring the prevention of negative impacts through business practices

Potential impacts are assessed before implementing a new or adapted process. The Bank uses a variety of methods to achieve this, including communicating with the Works Council and engaging external consultants.

The chapter 'Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions' includes disclosures in accordance with ESRS S1-4 paragraph 38; 39; 40; 41; 43.



Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

Targets set to manage material impacts, risks and opportunities related to the undertaking's own workforce in accordance with ESRS 2 MDR-T

Objective

Scope of the objective

Base year

Baseline value

Target level

Alignment with strategy

Engagement with stakeholders

Methodologies and significant assumptions

Measurement of progress

Proportion of women in management

This key figure pertains to the Board of Management and the first and second levels of management.

2020

Percentage of women in management positions

Board of Management: 33%

The target rates for the 1st and 2nd levels of management are defined as follows:

- Target rate for 1st level of management: 20%
- Target rate for 2nd level of management: 20%

The defined target rates are to be achieved by the end of 2028.

This key figure contributes to compliance with the Diversity Policy.

The objective was supported by initiatives from the European Central Bank (ECB) and investors.

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This key figure is determined annually as part of the HR and social report.

Process for setting the targets

Input from employees was incorporated into the decision-making process. The Works Council was informed about the setting of the target (proportion of women in management).

Tracking performance in relation to the achievement of targets

Achievement of the objective is determined annually as part of the HR and social report.

Identifying any lessons or improvements as a result of the undertaking's performance

Whether and to what extent adjustments are needed is determined as part of the annual review of the Diversity Policy.

The chapter 'Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities' includes disclosures in accordance with ESRS S1-5 paragraph 46; 47(a), (b), (c).



Characteristics of the undertaking's employees (S1-6)

Total number of employees

Gender	Number of employees (head count)
Male	419
Female	380
Other	0
Not reported	0
Total number of employees	799

Total number of employees by contract type

NUMBER OF EMPLOYEES (FTE)

	Female	Male	Other ¹	Not disclosed	Total
Number of employees	324.80	404.58	0	0	729.38
of which on permanent contracts	312.96	390.35	0	0	703.31
of which on temporary contracts	11.84	14.23	0	0	26.07
Number of on-call workers	0	0	0	0	0
Number of full-time employees²	211	361	0	0	572
Number of part-time employees³	113.80	43.58	0	0	157.38

¹ Gender as indicated by the employees themselves.

² The disclosures of full-time employees are voluntary.

³ The disclosures of part-time employees are voluntary.

Total number of employees who have left the undertaking during the reporting period and rate of employee turnover

Total number of employees who have left the undertaking during the reporting period	63
Employee turnover rate	8.1%

Description of the methodologies and assumptions used to compile the data, including details on how the data and figures are reported

The key figures in accordance with ESRS S1-6 were calculated as at the reporting date of 31 December 2025. The figures include the Board of Management and all employees, including temporary staff, working students and trainees, but exclude the subsidiaries of Münchener Hypothekenbank.

The chapter 'Characteristics of the undertaking's employees' includes disclosures in accordance with ESRS S1-6 paragraph 50(a), (b), (c), (d).

Collective bargaining coverage and social dialogue (S1-8)

Information on the percentage of employees covered by collective bargaining agreements

Percentage of total employees covered by collective bargaining agreements	81.6% ¹
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¹ The basic contract of employees with a start date before 2021 is generally covered by collective bargaining agreements, regardless of their current remuneration conditions (covered/not covered).

To calculate the key figure in accordance with ESRS 2 S1-8 paragraph 60(a), the figure as at 31 December 2025 was determined without including the subsidiaries of Münchener Hypothekenbank. All employees of Münchener Hypothekenbank employed in Germany are covered by the Collective Bargaining Agreement in accordance with section 1 'Scope of Application' thereof. This does not apply to senior executives in active employment or employees not covered by collective bargaining agreements who are not members of a trade union and whose contracts were concluded after 1 April 2022.



Information on the percentage of employees covered by collective bargaining agreements within the European Economic Area and the percentage of employees covered by employee representatives, including disclosure of the EEA countries

Coverage rate	Employees – EEA (for countries with > 50 empl. representing > 10% of total empl.)	Employees – non-EEA (estimate for regions with > 50 empl. representing > 10% of total empl.)	Workplace representation (EEA only) (for countries with > 50 empl. representing > 10% of total empl.)
0–19%	0	0	0
20–39%	0	0	0
40–59%	0	0	0
60–79%	0	0	0
80–100%	652	0	0

The chapter 'Collective bargaining coverage and social dialogue' includes disclosures in accordance with ESRS S1-8 paragraph 60(a), (b); 63(a).

Diversity metrics (S1-9)

Gender distribution at the top management level

Gender	Board of Management		1st level of management		2nd level of management		3rd level of management	
	number	in %	number	in %	number	in %	number	in %
Male	3	100	16	88.9	23	81.1	29	58
Female	0	0	2	11.1	5	17.9	21	42
Other	0	0	0	0	0	0	0	0
Not reported	0	0	0	0	0	0	0	0

To calculate the key figures in accordance with ESRS S1-9 paragraph 66(a), the figures as at 31 December 2025 were determined without including the subsidiaries of Münchener Hypothekbank.

Distribution of employees by age group

Gender / age	Under 30 years old	30–50 years old	Over 50 years old
Male	47	214	158
Female	40	200	140
Other	0	0	0
Not reported	0	0	0

To calculate the key figures in accordance with ESRS S1-9 paragraph 66(b), the figures were determined as at the reporting date of 31 December 2025. The figures include the Board of Management and all employees, including temporary staff, working students and trainees, but exclude the subsidiaries of Münchener Hypothekbank.

The chapter 'Diversity metrics' includes disclosures in accordance with ESRS S1-9 paragraph 66(a), (b).

Adequate wages (S1-10)

Disclosure of whether an adequate wage is paid in line with the applicable benchmarks

Münchener Hypothekbank's remuneration systems are in compliance with the German Remuneration Regulation for Institutions (Institutsvergütungsverordnung, InstitutsVergV) and are published annually in the Bank's disclosure report, in accordance with section 16 InstitutsVergV. The salary of 46.68 percent of the employees is based on collective bargaining agreements, while all other employees' remuneration is above these rates. The Bank's remuneration strategy and principles define the framework for appropriate compensation. Münchener Hypothekbank attaches particularly high importance to ensuring that no incentives are created that could encourage employees to take excessive risks.



The chapter 'Adequate wages' includes disclosures in accordance with ESRS S1-10 paragraph 69.

Social protection (S1-11)

Covering employees against loss of income due to major life events

Sickness, unemployment, employment injury and acquired disability

All employees of Münchener Hypothekbank are covered by social security and are insured through the employers' liability insurance association. All employees are also covered by a private accident insurance policy as a voluntary social benefit.

Parental leave

Parental leave is regulated by the German Federal Parental Leave Act (Bundeselternzeitgesetz, BEEG). Münchener Hypothekbank offers its employees additional solutions, such as various flexible working time models, as well as flexitime and time-in-lieu accounts. The objective is to assist with re-entry following parental or caregiver leave.

Retirement

In addition to the mandatory social security contributions to the statutory pension scheme, employees receive a subsidy for the company pension plan.

The chapter 'Social protection' includes disclosures in accordance with ESRS S1-11 paragraph 74(a), (b), (c), (d), (e).

Persons with disabilities (S1-12)

Percentage of persons with disabilities among employees

Proportion of persons with disabilities among employees	3%
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To calculate the key figure in accordance with ESRS S1-12 paragraph 79, the figure as at 31 December 2025 was determined without including the subsidiaries of Münchener Hypothekbank. The information is obtained during the assessment of the annual compensation levy for failure to employ the legally required number of severely disabled persons (Ausgleichsabgabe).

The chapter 'Persons with disabilities' includes disclosures in accordance with ESRS S1-12 paragraph 79.

Training and skills development metrics (S1-13)

Information on performance and career development reviews, as well as training hours

Gender	Proportion of employees who have taken part in regular performance and career development reviews (in %)	Number of training hours per employee (on average)
Male	100%	5.14
Female	100%	5.25
Other	0	0
Not reported	0	0
Total number of employees	100%	5.19

The chapter 'Training and skills development metrics' includes disclosures in accordance with ESRS S1-13 paragraph 83.

Work-life balance metrics (S1-15)

Percentage of employees entitled to take family-related leave and the percentage of entitled employees that took family-related leave

Gender	Proportion of entitled employees that took family-related leave (in %)
Male	7%
Female	18%
Other	0
Not reported	0

Entitlement of all employees to family-related leave through social policy and/or collective bargaining agreements

All employees of Münchener Hypothekbank are entitled to take time off work for family-related reasons.

Statutory forms of leave of absence, such as entitlement to parental leave, are also granted to senior executives.

The chapter 'Work-life balance metrics' includes disclosures in accordance with ESRS S1-15 paragraph 93; 94.



Incidents, complaints and severe human rights impacts (S1-17)

Information on the nature and handling of incidents of discrimination, complaints and penalties

Total number of reported incidents of discrimination, including harassment	0
Number of complaints via appropriate channels and, where applicable, OECD contact points, excluding reported cases of discrimination	0
Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints	€0

Information on severe human rights incidents

Number of severe human rights incidents connected to the undertaking's workforce in the reporting period	0
Number of those that are violations of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises	0
Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints	€0

The chapter 'Incidents, complaints and severe human rights impacts' includes disclosures in accordance with ESRS S1-17 paragraph 103(a), (b), (c); 104.

CONSUMERS AND END-USERS (S4)

Policies related to consumers and end-users (S4-1)

Information on the policies adopted by the undertaking to manage its material impacts, risks and opportunities related to consumers and/or end-users in dealing with material sustainability matters in accordance with the ESRS 2 MDR-P

Münchener Hypothekbank complies with the legal requirements for consumer protection, in particular the EU Consumer Rights Directive, the EU Mortgage Credit Directive, the German Consumer Dispute Resolution Act (Verbraucherstreitbeilegungsgesetz, VSBG), the EU General Data Protection Regulation (GDPR), the German Accessibility Strengthening Act (Barrierefreiheitsstärkungsgesetz, BFSG), the product oversight and governance requirements of the EU AI Act and the German Risk Limitation Act (Risikobegrenzungsgesetz, RisikoBegrG).

Furthermore, Münchener Hypothekbank has introduced a guideline on 'Responsible Marketing in Private Property Financing'.



POLICY – RESPONSIBLE MARKETING IN PRIVATE PROPERTY FINANCING GUIDELINE

Contents, objectives and monitoring process

The Responsible Marketing in Private Property Financing guideline defines requirements and provides guidance on how to conduct marketing in private property financing. The emphasis is on consumer protection: The financial circumstances of customer groups are always considered when approaching them, and incentives for inappropriately high borrowing and aggressive advertising are avoided.

The aim of every cooperative is to strengthen the personal economic independence of its members, which is why Münchener Hypothekbank is committed to responsible marketing.

Part of the integrated communication strategy is to present Münchener Hypothekbank's advertising messages consistently across all communication and marketing channels. It is ensured that the information on financing products is presented in a way that is factually correct, comprehensible and transparent, so that customers can recognise and understand the features and risks of the desired financing product.

In private residential property financing, there is no direct contact with the end customer during the sales process. All marketing activities are carried out by the cooperative partner banks in co-branding with Münchener Hypothekbank. Various monitoring measures have been introduced to ensure that distribution partners adhere to the marketing principles for consumer protection:

- Regularly providing information and training to the employees of distribution partners to familiarise them with the characteristics and risks of the financing products.
- Regularly analysing the content and messages in advertising to ensure they comply with the law and the Bank's policy.
- If the assessment of the content, statements and risks necessitates an adjustment, the advertising is changed accordingly.

Scope of application

The Responsible Marketing in Private Property Financing guideline applies to the residential property financing business. It describes the normative principles that distribution partners (partner banks) must observe in their marketing. No joint advertising campaigns are carried out in the brokerage business.

The guideline applies to the markets in Germany and Austria. In Switzerland, the partners (PostFinance AG and Swiss Life AG) conduct their marketing independently without mentioning the Münchener Hypothekbank brand.

Responsible organisational level

The Board of Management is ultimately responsible for ensuring that the Responsible Marketing in Private Property Financing guideline is implemented. At the operational level, the management of the Marketing and Communications department is responsible.

Policy in relation to standards or initiatives of third parties

In Germany, property financing is subject to statutory regulations governing marketing activities, such as the provisions of the German Federal Data Protection Act (Bundesdatenschutzgesetz, BDSG) and the GDPR. In this regard, Münchener Hypothekbank also adheres to the European Commission's Code of Conduct for Mortgage Lenders.

Availability to potentially affected stakeholders

The *guideline* is published on the Münchener Hypothekbank website and is available to the public.

Human rights policy commitments that are relevant to consumers and/or end-users and alignment of these policies for consumers and/or end-users with international instruments

The activities of Münchener Hypothekbank as a credit institution, as well as the impacts and risks arising from its customer relationships, are not directly related to human rights. Consequently, this information is not applicable.

The chapter 'Policies related to consumers and end-users' includes disclosures in accordance with ESRS S4-1 paragraph 15; 16; 17.



Processes for engaging with consumers and end-users about impacts (S4-2)

Engaging directly with consumers and/or end-users or their legitimate representatives

The business transaction is carried out by brokerage partners. Münchener Hypothekbank only assumes responsibility for the customer relationship after it has been established.

Direct engagement with consumers and end-users takes place in the course of the customer relationship when necessary or in the event of customer complaints. If the complaints relate to the loan processing procedure, these issues are addressed by the complaints management system and used to optimise the process. Regular topic- and process-related customer satisfaction surveys are carried out.

Stage(s), type and frequency of the engagement

As part of regular customer surveys and if there is a cluster of complaints.

Function and most senior role with operational responsibility for the engagement

The designated representative of the central complaints management department of Münchener Hypothekbank is operationally responsible for the internal distribution of complaints, for example, when they are received via the contact form on the website or directly by the complaints management department. Rules also exist for an escalation process. In exceptional cases, the Board of Management can be brought in.

The chapter 'Processes for engaging with consumers and end-users about impacts' includes disclosures in accordance with ESRS S4-2 paragraph 20(a), (b), (c).

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

General approach and processes to remedy material negative impacts on consumers and/or end-users, including an assessment of the effectiveness of the remedy

The complaints mechanisms require each incident to first be reviewed individually and for any measures to be determined individually according to those findings. If the evaluation of the complaints reveals that there are recurring complaints about certain issues (complaint clusters), these are addressed internally and assessed to determine the extent to which processes need to be adapted.

Specific channels for consumers and/or end-users to raise their concerns and have them addressed

Münchener Hypothekbank has established various channels through which retail customers can communicate their concerns during the business relationship. Since 2019, the *Mein Darlehen* subsite has been available on the Bank's website to address concerns raised by phone or email. The *Meine MHB* customer portal was launched at the beginning of 2024, enabling online communication between Münchener Hypothekbank and its retail customers. Customers can also raise their concerns by email, telephone or post. Customers can also file a complaint with an independent third party, such as the German Federal Financial Supervisory Authority (BaFin) or the ombudsman of the Federal Association of German Cooperative Banks (BVR).

Processes for supporting or requiring the availability of such channels as part of business relationships

Münchener Hypothekbank uses various methods to draw customers' attention to the 'Meine MHB' portal. The portal is referred to in correspondence with customers and on account statements. The portal's landing page is also publicly accessible to all interested groups.

Tracking, monitoring and ensuring the effectiveness of the channels

The central complaints department of Münchener Hypothekbank receives customers' suggestions and complaints and forwards them to the appropriate department for processing.

Consumers' and/or end-users' awareness of and trust in the structures and processes, as well as protection policies against retaliation

The registration figures indicate that the new 'Meine MHB' portal was quickly accepted by customers shortly after its introduction.

The chapter 'Processes to remediate negative impacts and channels for consumers and end-users to raise concerns' includes disclosures in accordance with ESRS S4-3 paragraph 25(a), (b), (c), (d); 26.



Governance information

Business conduct (G1)

The disclosures ‘G1-2 Management of relationships with suppliers’ paragraph 14, as well as ‘G1-5 Political influence and lobbying activities’ and ‘G1-6 Payment practices’ are not provided, based on the principle of the materiality of information.

Business conduct policies and corporate culture (G1-1)

How the corporate culture is established, developed, promoted and evaluated in accordance with ESRS 2 MDR-P

The core elements of Münchener Hypothekbank’s corporate culture are set out in the **Code of Conduct** and the **Values, Leadership and Cooperation guideline**. They are important tools to promote the corporate culture and define the manner in which employees are expected to conduct themselves in their daily

interaction with members, customers, business partners, suppliers, colleagues and public institutions. Details of the Code of Conduct can be found in ESRS S1-1. Various programmes, such as training courses and team events, are also offered to promote Münchener Hypothekbank’s corporate culture.

The Bank is committed to tax honesty and gears its business model towards long-term success. For example, it does not shift revenues to low-tax jurisdictions, nor does it establish special purpose entities for tax minimisation purposes in countries that are on Oxfam’s tax haven list.

POLICY – VALUES, LEADERSHIP AND COOPERATION GUIDELINE

Contents, objectives and monitoring process

The guideline sets out core values and rules for standardised management behaviour. It defines the responsibilities and expectations of employees and managers alike. Hence, it provides guidance for consistent conduct within the Bank. The aim is to promote a corporate culture characterised by respect and trust through consistent adherence to the defined principles. Its purpose is also to strengthen the Münchener Hypothekbank brand in the competition for talent and customers by presenting the Bank as an attractive employer and enabling it to retain experts and talent in the long term.

Compliance with the guideline is reviewed in annual meetings between employees and managers. These formal annual appraisals are specified in the company agreement on annual appraisals and feedback meetings. Their implementation must be reported to the HR department. The appraisal can be conducted according to an internal guideline. In addition, feedback meetings take place outside of traditional hierarchies, between employees and HR in reflection sessions.

Scope of application

The Values, Leadership and Cooperation guideline applies to all locations, all departments and all employees, including members of management, at Münchener Hypothekbank.

Responsible organisational level

The Board of Management and all managers are responsible for implementing the Values, Leadership and Cooperation guideline. At the operational level, the management of the HR department is responsible for ensuring that it is up to date and appropriate.

Availability of the policy to stakeholders

The Values, Leadership and Cooperation guideline is provided to all employees.



Description of the mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour in contradiction of the Code of Conduct

The Compliance function provides a central point of contact for receiving information regarding actual, potential or planned infringements of internal rules, the Code of Conduct or applicable laws and legal standards. Employees can anonymously submit reports of suspected fraud or other illegal activities using the whistleblowing system of Münchener Hypothekbank. Various channels are available for whistleblowers to submit their reports confidentially or anonymously. Employees are provided with information about the system in the Bank's written rules. The whistleblower system is intended for employees of Münchener Hypothekbank. Reports can also be submitted by email, post or telephone, by former employees and external parties, for whom whistleblower anonymity is also guaranteed.

In the event of a well-founded suspicion, an investigation is initiated and, if necessary, further measures taken. A working group is formed, consisting of the compliance and anti-money laundering officers, Internal Audit, the Legal department and the affected department of the Bank. The representatives of the affected department must not be directly or indirectly involved in the incident. The members of the working group investigate the information in their area of responsibility and evaluate it according to established criteria. Based on the results of the investigation, the members of the working group decide by majority vote on further measures and, if necessary, consult external advisors, such as specialised lawyers. Depending on the

circumstances, measures of a legal, business-related or financial nature may need to be taken. The working group regularly exchanges information on the status of the investigations and individual measures. Other groups, such as the Board of Management, the HR department, operational risk or the office of the Board of Management, are consulted where appropriate. The working group prepares a final write-up for each investigated report, documenting the nature and results of the enquiry. The documentation of the report and the final write-up are archived at the reporting office after the investigations have been completed.

Information on the existence of anti-corruption and anti-bribery policies in line with the UN Convention against Corruption

The policies of Münchener Hypothekbank to combat corruption and bribery are in line with the United Nations Global Compact. These are set out in Münchener Hypothekbank's Code of Conduct and the Other Criminal Offences manual.

The Bank has a strict zero-tolerance policy towards corruption and bribery, both internal and external. In its Supplier Code of Conduct (see ESRS G1-2), Münchener Hypothekbank has stated its commitment to supporting international efforts to prevent bribery and corruption (e.g. the United Nations Convention against Corruption) and applying correspondingly high standards when working with business partners. Incidents of bribery or corruption are regarded as extremely serious breaches of the Supplier Code of Conduct.

Measures to protect whistleblowers

The whistleblower procedure of Münchener Hypothekbank protects employees and Münchener Hypothekbank from penalties, sanctions, reputational damage and loss of assets. The whistleblower system provides an easy way for employees to provide information. To ensure additional protection, whistleblowers are able to choose whether they wish to submit their report anonymously or provide their contact details.

Establishment of and training on internal reporting channels for whistleblowers

The Whistleblower Procedure manual is freely accessible to all employees and is part of the Code of Conduct. All persons entrusted with the compliance function regularly participate in training to ensure and update their expertise.

Measures for protection against retaliation in accordance with Directive (EU) 2019/1937

Whistleblowers are protected in accordance with the applicable legal provisions and cannot be held legally accountable for obtaining or passing on information in connection with a report or disclosure. No disciplinary or other adverse measures are taken against whistleblowers, unless there is demonstrable intentional abuse of the whistleblower system. Münchener Hypothekbank prohibits any discrimination, retaliation or other forms of unfair treatment of whistleblowers by third parties.



Procedures to follow up on reports and investigate incidents related to business conduct

Münchener Hypothekbank has procedures in place for the prompt, independent and objective investigation of incidents relating to corporate policy, including corruption and bribery. These procedures are set out in the Whistleblower Procedure manual and Other Criminal Offences manual and are in line with the current requirements and applicable laws.

Policy for training within the organisation on business conduct

Münchener Hypothekbank provides its employees with a copy of the Code of Conduct when they are hired, and it can also be consulted internally at a central location. Employees are obliged to confirm that they have received and read the Code of Conduct. A special onboarding programme for managers is in place to promote the management culture. Further development of managers is provided in selected external seminars and a comprehensive internal management training programme. This programme includes 'Leadership Days' that provide new managers with information on new company agreements and HR management tools. Besides that, the Bank's management principles are taught in additional modules and coaching elements.

To prevent instances of fraud, all employees of Münchener Hypothekbank are informed about the potential risks and provided with training and information materials. Various methods and media are used to prevent money laundering and terrorist funding, such as in-person training, external seminars, web-based training, circulars and warning messages. All employees of Münchener Hypothekbank and its subsidiaries are obliged to take part in these training courses. Furthermore,

regular follow-up training is mandatory, with the frequency and content tailored to the specific areas in which employees work. In certain areas, employee awareness-raising activities are carried out for issues concerning gifts and benefits, and specific training is provided when the need arises.

Functions within the undertaking that are most at risk in respect of corruption and bribery

The Bank is currently performing a risk analysis for other criminal acts, which will assess which organisational units (at departmental level) are most at risk of corruption and bribery (including criminal acts against competition). A more detailed examination at the functional level is not yet available.

The chapter 'Business conduct policies and corporate culture' includes disclosures in accordance with ESRS G1-1 paragraph 9; 10(a), (b), (c), (e), (g), (h).

Management of relationships with suppliers (G1-2)

The undertaking's approach to its relationships with its suppliers, taking account of risks to the undertaking related to its supply chain and of impacts on sustainability matters

Münchener Hypothekbank expects its suppliers to comply with the provisions of the Code of Conduct (see ESRS S1-1 and G1-1). When a contract is concluded, suppliers receive the Supplier Code of Conduct, which is based on the contents of the Code of Conduct and other prevailing market standards relating to sustainable supplier management. This policy must be countersigned by suppliers to ensure that they have read and accept the contents of the Code of Conduct and the sustainability objectives of Münchener Hypothekbank.

Münchener Hypothekbank expects its suppliers to act in an ethically and socially responsible manner and comply with internationally recognised standards on human rights and decent working conditions, which includes ensuring freedom of association and the prohibition of forced and child labour, as well as any form of discrimination.

Münchener Hypothekbank is entitled to require written information on compliance with the Code of Conduct by suppliers once a year, giving reasonable prior notice, and at any time if there are indications of an infringement on the part of suppliers. Münchener Hypothekbank is entitled to terminate any or all contractual relationships with suppliers without prior notice in writing if a supplier seriously breaches the Supplier Code of Conduct.

In order to better monitor the above-mentioned requirements, Münchener Hypothekbank performs spot checks by means of supplier surveys. These include questions on the environment (e.g. disposal and handling of harmful waste), human rights (e.g. payment of minimum wage, freedom of assembly) and regulatory matters (e.g. the existence of supply chain managers or risk management). The survey results are discussed with suppliers so that any necessary changes can be made.



Information on how social and environmental criteria are taken into account in the selection of suppliers

When selecting suppliers in outsourcing management, the focus is on companies in Germany, the European Union and the European Economic Area (EEA). Based on the legal framework in these countries, compliance can be assumed with recognised standards, such as occupational health and safety, health protection, freedom to unionise and freedom of assembly, as well as environmental protection. Since the 2022 financial year, the Bank's regular risk assessment of outsourced activities has also taken into account the issues of ensuring compliance with minimum social safeguards, assessing physical risks for the provision of the service by the service provider (owing to the location or the business model) and assessing transition risks in relation to the service provider's business model. The principles of cost-effectiveness and sustainability are taken into account by outsourcing management when selecting new and existing suppliers. These include issues such as respect for human rights, compliance with labour and social standards, anti-discrimination and anti-corruption requirements, and environmental protection.

The chapter 'Management of relationships with suppliers' includes disclosures in accordance with ESRS G1-2 paragraph 15(a), (b).

Prevention and detection of corruption and bribery (G1-3)

Description of the procedures in place to prevent, detect, and combat corruption and bribery

Münchener Hypothekbank has established measures to prevent and combat corruption and bribery. There are centralised preventive measures in place for all employees, as well as decentralised measures that are tailored to specific areas within the Bank.

Key measures include developing guidelines, providing training and raising employee awareness, as well as the option of reporting suspicious cases through the whistleblower procedure. The compliance and anti-money laundering officer reviews new business activities and products as part of the new product process and addresses any risks identified by issuing statements.

Decentralised measures include the implementation of fraud prevention principles by the respective Bank departments based on general frameworks. These include the involvement of the compliance and anti-money laundering officers in the event of significant changes, background checks on employees, ensuring the confidentiality of information and implementing customer due diligence requirements. There are also rules for accepting and granting benefits, both material and immaterial, such as gifts, dinner invitations and invitations to events. These rules are set out in the Gifts and Benefits manual and ensure compliance with the legal requirements and prevailing market standards. The Compliance function monitors adherence to these requirements.

For gifts and benefits in excess of the permissible limit of EUR 50, written consent of the employee's manager and the Compliance function is required. Employees must immediately record all gifts and benefits with a value above the de minimis threshold of EUR 15 in the compliance tool. They are then checked by the Compliance function to determine whether they constitute a possible violation.

Any attempt at bribery or corruption, as well as any related incidents, must be reported to the compliance function via the whistleblower procedure. Infringements of the rules on gifts and benefits may result in disciplinary action under labour law, in addition to any civil or criminal proceedings. Depending on the severity and recurrence of the violation, such violations may be sanctioned with a reprimand, written warning or termination of employment. The procedure regarding the investigation of reports is described in the ESRS G1-1 paragraph 10(a).

Information on the separation of the investigators or the investigation committee from the chain of management involved

Detailed information on the composition and operation of the working group is provided in ESRS G1-1, paragraph 10(a). The involvement of various functions and departments, as well as representatives of the affected department who were not involved in the incident, ensures an objective and neutral investigation of the incident. Since the affected department is involved, there is no complete separation of the investigation committee from the chain of management involved.



Process to report outcomes to the administrative, management and supervisory bodies

The Board of Management receives information annually in the compliance report on the number and type of reports received, the investigations carried out, their results and the measures taken; the reports do not include the names of the persons who submitted the reports or those of the alleged perpetrators.

Communication and accessibility of the undertaking's policies, as well as understanding of their implications

In addition to the rules and procedures relating to the Code of Conduct, other relevant frameworks and information material, such as the Gifts and Benefits manual, the Other Criminal Offences manual and the Whistleblower Procedure manual, are made available centrally to all employees. In accordance with the employee handbook, employees are required to keep themselves continuously informed about the applicable provisions. Additional information in connection with the Code of Conduct is provided in ESRS G1-1, paragraph 10(g).

The nature, scope and depth of anti-corruption and anti-bribery training programmes, as well as the percentage of functions-at-risk covered by training programmes

Web-based training for the prevention of corruption and bribery was added to the Bank's training offering in 2025 and must be completed by all employees (100%) every two years. The training covers key aspects of the prevention of corruption and bribery and also forms an integral part of the employee induction process. The training focuses on providing a basic understanding of the meaning of corruption and bribery and the different forms they take. It also addresses the legal consequences, employment consequences and personal consequences associated with corrupt behaviour or accepting benefits (bribery). In addition, employees learn how they can play their part in preventing and detecting corruption.

Extent of training for members of the administrative, management and supervisory bodies

The members of the administrative, management and supervisory bodies are required to review and acknowledge the Bank's internal policy for dealing with conflicts of interest once a year to raise awareness of this issue among the members of the administrative, management and supervisory bodies. This policy contains rules on conflicts of interest, including corruption and bribery.

The chapter 'Prevention and detection of corruption and bribery' includes disclosures in accordance with ESRS G1-3 paragraph 16; 18(a), (b), (c); 20; 21(a), (b), (c).

Incidents of corruption or bribery (G1-4)

The number of convictions and the amount of fines for violations of anti-corruption and anti-bribery laws

There have been no convictions at Münchener Hypothekbank for violations of anti-corruption or bribery laws.

Any actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery

No incidents involving breaches of procedures and standards for combating corruption and bribery were identified at Münchener Hypothekbank. Consequently, there was no need to take any action to address such breaches.

Total number and nature of confirmed incidents of corruption or bribery

There are no confirmed cases of corruption or bribery at Münchener Hypothekbank.

Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents

There are no confirmed cases at Münchener Hypothekbank in which employees of the Bank have been dismissed or disciplined for corruption or bribery.



Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery

There are no confirmed cases at Münchener Hypothekbank of contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery.

Details of public legal cases regarding corruption or bribery brought against the undertaking and its own workers and the outcomes of such cases

At Münchener Hypothekbank, there are no public court proceedings pending against the undertaking or its employees for corruption or bribery.

The chapter 'Incidents of corruption or bribery' includes disclosures in accordance with ESRS G1-4 paragraph 24(a), (b); 25(a), (b), (c), (d).

Appendix

TEMPLATES OF DELEGATED REGULATION (EU) 2021/2178 (EU TAXONOMY)

Annex VI templates



TEMPLATE 1: ASSETS FOR THE CALCULATION OF GAR – TURNOVER
IN EUR MILLION

DISCLOSURE REFERENCE DATE 31.12.2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af	
	Total (gross) carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)			Water and marine resources (WTR)		Circular economy (CE)			Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)													
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)													
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)													
		Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling				Of which Use of Proceeds	Of which transitional	Of which enabling				
GAR – Covered assets in both numerator and denominator																																
Loans and advances, debt securities and equity instruments not HT eligible for GAR calculation	41,281.02	26,197.70	6,643.56	6,642.13	0.18	0.45	0.32	0.02							0.24				0.04					0.01			26,198.32	6,643.57	6,642.13	0.18	0.45	
2 Financial undertakings	1,310.71	322.17	16.34	14.91	0.18	0.45	0.32	0.02							0.24				0.04					0.01			322.79	16.36	14.91	0.18	0.45	
2 Credit institutions	703.42	107.50	4.84	3.41	0.18	0.45	0.32	0.02							0.24				0.04					0.01		108.12	4.86	3.41	0.18	0.45		
3 Loans and advances	44.17	2.19																								2.19						
4 Debt securities, including UoP	652.28	105.31	4.84	3.41	0.18	0.45	0.32	0.02							0.24				0.04					0.01		105.93	4.86	3.41	0.18	0.45		
5 Equity instruments	6.98																															
6 Other financial corporations	607.28	214.67	11.50	11.50																						214.67	11.50	11.50				
7 of which investment firms																																
8 Loans and advances																																
9 Debt securities, including UoP																																
10 Equity instruments																																
11 of which management companies	118.02																															
12 Loans and advances																																
13 Debt securities, including UoP																																
14 Equity instruments	118.02																															
15 of which insurance undertakings																																
16 Loans and advances																																
17 Debt securities, including UoP																																
18 Equity instruments																																
19 Non-financial undertakings	8,099.58	3,591.70	607.56	607.56																							3,591.70	607.56	607.56			
20 Loans and advances	8,099.58	3,591.70	607.56	607.56																							3,591.70	607.56	607.56			
21 Debt securities, including UoP																																
22 Equity instruments																																
23 Households	31,452.35	22,283.83	6,019.66	6,019.66																							22,283.83	6,019.66	6,019.66			
24 of which loans collateralised by residential immovable property	31,315.64	22,236.56	6,019.66	6,019.66																							22,236.56	6,019.66	6,019.66			
25 of which building renovation loans	2,333.37	2,333.37																									2,333.37					
26 of which motor vehicle loans																																
27 Local governments financing	418.39																															
28 Housing financing																																
29 Other local government financing	418.39																															
30 Collateral obtained by taking possession: residential and commercial immovable properties	7,008.79																															
31 Assets excluded from the numerator for GAR calculation (covered in the denominator)	7,008.79																															
32 Financial and non-financial undertakings	5,825.57																															
33 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	5,749.68																															
34 Loans and advances	4,935.65																															
35 of which loans collateralised by commercial immovable property	2,032.91																															
36 of which building renovation loans	126.35																															
37 Debt securities	746.97																															
38 Equity instruments																																
39 Non-EU country counterparties not subject to NFRD disclosure obligations	75.89																															
40 Loans and advances	9.24																															
41 Debt securities	66.65																															
42 Equity instruments																																
43 Derivatives	397.51																															
44 On demand interbank loans	753.84																															
45 Cash and cash-related assets																																
46 Other categories of assets (e.g. goodwill, commodities etc.)	98.92																															
47 Total GAR assets	48,289.81	26,197.70	6,643.56	6,642.13	0.18	0.45	0.32	0.02							0.24				0.04					0.01			26,198.32	6,643.57	6,642.13	0.18	0.45	
48 Assets not covered for GAR calculation	5,188.61																															
49 Central governments and supranational issuers	5,168.44																															
50 Central banks exposure	20.17																															
51 Trading book																																
52 Total assets	53,478.42	26,197.70	6,643.56	6,642.13	0.18	0.45	0.32	0.02							0.24				0.04					0.01			26,198.32	6,643.57	6,642.13	0.18	0.45	



TEMPLATE 1: ASSETS FOR THE CALCULATION OF GAR – TURNOVER
IN EUR MILLION

DISCLOSURE REFERENCE DATE 31.12.2024

	ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk		
Total (gross) carrying amount	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)			Water and marine resources (WTR)		Circular economy (CE)			Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)														
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)						Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)		Of which towards taxonomy relevant sectors (Taxonomy-eligible)														
	Of which environmentally sustainable (Taxonomy-aligned)						Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)														
	Of which Use of Proceeds		Of which transitional	Of which enabling		Of which Use of Proceeds		Of which transitional	Of which enabling		Of which Use of Proceeds		Of which transitional	Of which enabling		Of which Use of Proceeds		Of which transitional	Of which enabling		Of which Use of Proceeds		Of which transitional	Of which enabling		Of which Use of Proceeds		Of which transitional	Of which enabling				
GAR – Covered assets in both numerator and denominator																																	
1 Loans and advances, debt securities and equity instruments not HT eligible for GAR calculation	42,235.03	27,091.74	7,049.70	7,045.71	0.15	0.24																											
2 Financial undertakings	1,209.04	331.37	39.00	35.01	0.15	0.24																											
3 Credit institutions	561.10	117.91	3.98	0.15	0.24																												
4 Loans and advances	32.88	2.57	0.08	0.03	0.03																												
5 Debt securities, including UoP	511.95	115.35	3.91	0.13	0.21																												
6 Equity instruments	16.28																																
7 Other financial corporations	647.93	213.46	35.01	35.01																													
8 of which investment firms																																	
9 Loans and advances																																	
10 Debt securities, including UoP																																	
11 Equity instruments																																	
12 of which management companies	123.72																																
13 Loans and advances																																	
14 Debt securities, including UoP																																	
15 Equity instruments	123.72																																
16 of which insurance undertakings																																	
17 Loans and advances																																	
18 Debt securities, including UoP																																	
19 Equity instruments																																	
20 Non-financial undertakings	9,375.53	4,790.77	966.41	966.41																													
21 Loans and advances	9,375.53	4,790.77	966.41	966.41																													
22 Debt securities, including UoP																																	
23 Equity instruments																																	
24 Households	31,281.41	21,969.59	6,044.29	6,044.29																													
25 of which loans collateralised by residential immovable property	31,110.10	21,889.85	6,044.29	6,044.29																													
26 of which building renovation loans	2,195.93	2,195.93																															
27 of which motor vehicle loans																																	
28 Local governments financing	369.05																																
29 Housing financing																																	
30 Other local government financing	369.05																																
31 Collateral obtained by taking possession: residential and commercial immovable properties																																	
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	7,030.84																																
33 Financial and non-financial undertakings	5,539.32																																
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	5,453.25																																
35 Loans and advances	5,236.97																																
36 of which loans collateralised by commercial immovable property	2,107.24																																
37 of which building renovation loans	148.06																																
38 Debt securities	216.28																																
39 Equity instruments																																	
40 Non-EU country counterparties not subject to NFRD disclosure obligations	86.07																																
41 Loans and advances	22.94																																
42 Debt securities	63.14																																
43 Equity instruments																																	
44 Derivatives	481.44																																
45 On demand interbank loans	537.66																																
46 Cash and cash-related assets	472.42																																
47 Other categories of assets (e.g. goodwill, commodities etc.)	472.42																																
48 Total GAR assets	49,265.86	27,091.74	7,049.70	7,045.71	0.15	0.24																											
49 Assets not covered for GAR calculation	5,249.36																																
50 Central governments and supranational issuers	5,058.01																																
51 Central banks exposure	191.34																																
52 Trading book	54,515.22	27,091.74	7,049.70	7,045.71	0.15	0.24																											
53 Total assets	54,515.22	27,091.74	7,049.70	7,045.71	0.15	0.24																											
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																																	
54 Financial guarantees																																	
55 Assets under management																																	
56 of which debt securities																																	
57 of which equity instruments																																	

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporations, non-financial corporations (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collateralised by credit institutions by taking possession in exchange of cancellation of debts.
3. Banks with non-EU subsidiaries should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure.



TEMPLATE 1: ASSETS FOR THE CALCULATION OF GAR – CAPEX
IN EUR MILLION

DISCLOSURE REFERENCE DATE 31.12.2024

	ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk	
Total (gross) carrying amount	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)													
	Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
	Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)				
	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling		
GAR – Covered assets in both numerator and denominator																																
Loans and advances, debt securities and equity instruments not HT eligible for GAR calculation	42,235.03	27,091.74	7,049.70	7,045.71	0.15	0.24	0.00																									
2 Financial undertakings	1,209.04	331.37	39.00	35.01	0.15	0.24	0.00																									
2 Credit institutions	561.10	117.91	3.98		0.15	0.24	0.00																									
3 Loans and advances	32.88	2.57	0.08		0.03	0.03																										
4 Debt securities, including UoP	511.95	115.35	3.91		0.13	0.21	0.00																									
5 Equity instruments	16.28																															
6 Other financial corporations	647.93	213.46	35.01	35.01																												
7 of which investment firms																																
8 Loans and advances																																
9 Debt securities, including UoP																																
10 Equity instruments																																
11 of which management companies	123.72																															
12 Loans and advances																																
13 Debt securities, including UoP																																
14 Equity instruments	123.72																															
15 of which insurance undertakings																																
16 Loans and advances																																
17 Debt securities, including UoP																																
18 Equity instruments																																
19 Non-financial undertakings	9,375.53	4,790.77	966.41	966.41																												
20 Loans and advances	9,375.53	4,790.77	966.41	966.41																												
21 Debt securities, including UoP																																
22 Equity instruments																																
23 Households	31,281.41	21,969.59	6,044.29	6,044.29																												
24 of which loans collateralised by residential immovable property	31,110.10	21,889.85	6,044.29	6,044.29																												
25 of which building renovation loans																																
26 of which motor vehicle loans																																
27 Local governments financing	369.05																															
28 Housing financing																																
29 Other local government financing	369.05																															
30 Collateral obtained by taking possession: residential and commercial immovable properties	7,030.84																															
31 Assets excluded from the numerator for GAR calculation (covered in the denominator)																																
32 Financial and non-financial undertakings	5,539.32																															
33 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	5,453.25																															
34 Loans and advances	5,236.97																															
35 of which loans collateralised by commercial immovable property	2,107.24																															
36 of which building renovation loans	148.06																															
37 Debt securities	216.28																															
38 Equity instruments																																
39 Non-EU country counterparties not subject to NFRD disclosure obligations	86.07																															
40 Loans and advances	22.94																															
41 Debt securities	63.14																															
42 Equity instruments																																
43 Derivatives	481.44																															
44 On demand interbank loans	537.66																															
45 Cash and cash-related assets	472.42																															
46 Other categories of assets (e.g. goodwill, commodities etc.)																																
47 Total GAR assets	49,265.86	27,091.74	7,049.70	7,045.71	0.15	0.24	0.00																									
48 Assets not covered for GAR calculation	5,249.36																															
49 Central governments and supranational issuers	5,058.01																															
50 Central banks exposure	191.34																															
51 Trading book	54,515.22	27,091.74	7,049.70	7,045.71	0.15	0.24	0.00																									
52 Total assets	54,515.22	27,091.74	7,049.70	7,045.71	0.15	0.24	0.00																									
53 Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																																
54 Financial guarantees																																
55 Assets under management																																
56 of which debt securities																																
57 of which equity instruments																																

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/municipalities (house financing).
2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through profit or loss, and real estate collateralised by credit institutions by taking possession in exchange of cancellation of debts.
3. Banks with non-EU subsidiaries should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.
4. For motor vehicle loans, institutions shall only include those exposures generated after the date of application of the disclosure.



TEMPLATE 3: GAR KPI STOCK – TURNOVER
% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)

DISCLOSURE REFERENCE DATE 31.12.2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af		
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)									
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered	
GAR - Covered assets in both numerator and denominator																																		
1 Loans and advances, debt securities and equity instruments not HIF eligible for GAR calculation	63.46	16.09	16.09	0.00	0.00	0.00	0.00			0.00				0.00				0.00				0.00					63.46	16.09	16.09	0.00	0.00		77.19	
2 Financial undertakings	24.58	1.25	1.14	0.01	0.03	0.02	0.00			0.00				0.02				0.00				0.00					24.63	1.25	1.14	0.01	0.03	0.03	2.45	
3 Credit institutions	15.28	0.69	0.49	0.03	0.06	0.05	0.00			0.00				0.03				0.01				0.00					15.37	0.69	0.49	0.03	0.06	0.06	1.32	
4 Loans and advances	4.95																										4.95						0.08	
5 Debt securities, including UoP	16.15	0.74	0.52	0.03	0.07	0.05	0.00			0.00				0.04				0.01				0.00					16.24	0.74	0.52	0.03	0.07	0.07	1.22	
6 Equity instruments																																	0.01	
7 Other financial corporations	35.35	1.89	1.89																								35.35	1.89	1.89				1.14	
8 of which investment firms																																		
9 Loans and advances																																		
10 Debt securities, including UoP																																		
11 Equity instruments																																		
12 of which management companies																																		0.22
13 Loans and advances																																		
14 Debt securities, including UoP																																		
15 Equity instruments																																		0.22
16 of which insurance undertakings																																		
17 Loans and advances																																		
18 Debt securities, including UoP																																		
19 Equity instruments																																		
20 Non-financial undertakings	44.34	7.50	7.50																								44.34	7.50	7.50				15.15	
21 Loans and advances	44.34	7.50	7.50																								44.34	7.50	7.50				15.15	
22 Debt securities, including UoP																																		
23 Equity instruments																																		
24 Households	70.85	19.14	19.14																								70.85	19.14	19.14				58.81	
25 of which loans collateralised by residential immovable property	71.01	19.22	19.22																								71.01	19.22	19.22				58.56	
26 of which building renovation loans	100.00																										100.00						4.36	
27 of which motor vehicle loans																																		
28 Local governments financing																																		0.78
29 Housing financing																																		
30 Other local government financing																																		0.78
31 Collateral obtained by taking possession: residential and commercial immovable properties																																		
32 Total GAR assets	54.25	13.76	13.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54.25	13.76	13.75	0.00	0.00	0.00	90.30		

1. Institution shall disclose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.
 2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR.
 3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmentally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentally sustainable assets compared to total covered assets.
 4. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.



TEMPLATE 3: GAR KPI STOCK – TURNOVER
% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)

DISCLOSURE REFERENCE DATE 31.12.2024

	ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk		
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)								
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)								
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered		
GAR - Covered assets in both numerator and denominator																																	
1 Loans and advances, debt securities and equity instruments not HIF eligible for GAR calculation	64.15	16.69	16.68	0.00	0.00	0.00																				64.15	16.69	16.68	0.00	0.00		77.47	
2 Financial undertakings	27.41	3.23	2.90	0.01	0.02	0.00																				27.41	3.23	2.90	0.01	0.02		2.22	
3 Credit institutions	21.01	0.71		0.03	0.04	0.00																				21.01	0.71		0.03	0.04		1.03	
4 Loans and advances	7.81	0.23		0.08	0.08																					7.81	0.23		0.08	0.08		0.06	
5 Debt securities, including UoP	22.53	0.76		0.03	0.04	0.00																				22.53	0.76		0.03	0.04		0.94	
6 Equity instruments																																0.03	
7 Other financial corporations	32.94	5.40	5.40																							32.94	5.40	5.40				1.19	
8 of which investment firms																																	
9 Loans and advances																																	
10 Debt securities, including UoP																																	
11 Equity instruments																																	
12 of which management companies																																	
13 Loans and advances																																0.23	
14 Debt securities, including UoP																																	
15 Equity instruments																																0.23	
16 of which insurance undertakings																																	
17 Loans and advances																																	
18 Debt securities, including UoP																																	
19 Equity instruments																																	
20 Non-financial undertakings	51.10	10.31	10.31																							51.10	10.31	10.31				17.20	
21 Loans and advances	51.10	10.31	10.31																							51.10	10.31	10.31				17.20	
22 Debt securities, including UoP																																	
23 Equity instruments																																	
24 Households	70.23	19.32	19.32																							70.23	19.32	19.32				57.38	
25 of which loans collateralised by residential immovable property	70.36	19.43	19.43																							70.36	19.43	19.43				57.07	
26 of which building renovation loans	100.00																									100.00						4.03	
27 of which motor vehicle loans																																	
28 Local governments financing																																0.68	
29 Housing financing																																	
30 Other local government financing																																0.68	
31 Collateral obtained by taking possession: residential and commercial immovable properties																																	
32 Total GAR assets	54.99	14.31	14.30	0.00	0.00	0.00																				54.99	14.31	14.30	0.00	0.00		77.47	

1. Institution shall disclose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.
 2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR.
 3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmentally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentally sustainable assets compared to total covered assets.
 4. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.



TEMPLATE 3: GAR KPI STOCK – CAPEX
% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)

DISCLOSURE REFERENCE DATE 31.12.2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af	
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)								
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)								
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered	
GAR - Covered assets in both numerator and denominator																																	
1 Loans and advances, debt securities and equity instruments not HIF eligible for GAR calculation	63.46	16.09	16.09	0.00	0.00	0.00	0.00						0.00	0.00														63.47	16.09	16.09	0.00	0.00	77.19
2 Financial undertakings	24.62	1.28	1.14	0.01	0.05	0.05	0.00							0.01	0.00													24.69	1.29	1.14	0.01	0.05	2.45
3 Credit institutions	15.36	0.76	0.49	0.03	0.10	0.09	0.00							0.03														15.48	0.76	0.49	0.03	0.10	1.32
4 Loans and advances	5.00													0.00														5.00					0.08
5 Debt securities, including UoP	16.22	0.82	0.52	0.03	0.11	0.10	0.00							0.03														16.35	0.82	0.52	0.03	0.11	1.22
6 Equity instruments																																0.01	
7 Other financial corporations	35.35	1.89	1.89																									35.35	1.89	1.89			1.14
8 of which investment firms																																	
9 Loans and advances																																	
10 Debt securities, including UoP																																	
11 Equity instruments																																	
12 of which management companies																																	0.22
13 Loans and advances																																	
14 Debt securities, including UoP																																	
15 Equity instruments																																	0.22
16 of which insurance undertakings																																	
17 Loans and advances																																	
18 Debt securities, including UoP																																	
19 Equity instruments																																	
20 Non-financial undertakings	44.34	7.50	7.50																									44.34	7.50	7.50			15.15
21 Loans and advances	44.34	7.50	7.50																									44.34	7.50	7.50			15.15
22 Debt securities, including UoP																																	
23 Equity instruments																																	
24 Households	70.85	19.14	19.14																									70.85	19.14	19.14			58.81
25 of which loans collateralised by residential immovable property	71.01	19.22	19.22																									71.01	19.22	19.22			58.56
26 of which building renovation loans	100.00																											100.00					4.36
27 of which motor vehicle loans																																	
28 Local governments financing																																	0.78
29 Housing financing																																	
30 Other local government financing																																	0.78
31 Collateral obtained by taking possession: residential and commercial immovable properties																																	
32 Total GAR assets	54.25	13.76	13.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54.25	13.76	13.76	0.00	0.00	90.30		

1. Institution shall disclose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.
 2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR.
 3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmentally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentally sustainable assets compared to total covered assets.
 4. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.



TEMPLATE 3: GAR KPI STOCK – CAPEX
% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)

DISCLOSURE REFERENCE DATE 31.12.2024

	ag	ah	ai	aj	ak	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk		
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)		Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)									
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered	
GAR – Covered assets in both numerator and denominator																																
1 Loans and advances, debt securities and equity instruments not HIF eligible for GAR calculation	64.14	16.69	16.68	0.00	0.00	0.00																			64.14	16.69	16.68	0.00	0.00		77.47	
2 Financial undertakings	27.27	3.26	2.90	0.02	0.03	0.01																			27.29	3.26	2.90	0.02	0.03		2.22	
3 Credit institutions	20.72	0.78		0.03	0.06	0.03																			20.75	0.78		0.03	0.06		1.03	
4 Loans and advances	4.90	0.31		0.08	0.08	0.08																			4.98	0.31		0.08	0.08		0.06	
5 Debt securities, including UoP	22.40	0.84		0.03	0.06	0.03																			22.42	0.84		0.03	0.06		0.94	
6 Equity instruments																															0.03	
7 Other financial corporations	32.94	5.40	5.40																						32.94	5.40	5.40				1.19	
8 of which investment firms																																
9 Loans and advances																																
10 Debt securities, including UoP																																
11 Equity instruments																																
12 of which management companies																															0.23	
13 Loans and advances																																
14 Debt securities, including UoP																																
15 Equity instruments																															0.23	
16 of which insurance undertakings																																
17 Loans and advances																																
18 Debt securities, including UoP																																
19 Equity instruments																																
20 Non-financial undertakings	51.10	10.31	10.31																						51.10	10.31	10.31				17.20	
21 Loans and advances	51.10	10.31	10.31																						51.10	10.31	10.31				17.20	
22 Debt securities, including UoP																																
23 Equity instruments																																
24 Households	70.23	19.32	19.32																						70.23	19.32	19.32				57.38	
25 of which loans collateralised by residential immovable property	70.36	19.43	19.43																						70.36	19.43	19.43				57.07	
26 of which building renovation loans	100.00																								100.00						4.03	
27 of which motor vehicle loans																																
28 Local governments financing																															0.68	
29 Housing financing																																
30 Other local government financing																															0.68	
31 Collateral obtained by taking possession: residential and commercial immovable properties																																
32 Total GAR assets	54.99	14.31	14.30	0.00	0.00	0.00																			54.99	14.31	14.30	0.00	0.00		77.47	

1. Institution shall disclose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.
 2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR.
 3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmentally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentally sustainable assets compared to total covered assets.
 4. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.



TEMPLATE 4: GAR KPI FLOW – TURNOVER

% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)

DISCLOSURE REFERENCE DATE 31.12.2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af		
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)									
		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered	
GAR - Covered assets in both numerator and denominator																																		
1 Loans and advances, debt securities and equity instruments not HFI eligible for GAR calculation	51.07	4.05	4.04	0.00	0.00	0.00	0.00							0.00				0.00									51.07	4.05	4.04	0.00	0.00		60.70	
2 Financial undertakings	7.74	0.37	0.28	0.01	0.02	0.02	0.00							0.01				0.00									7.77	0.37	0.28	0.01	0.02		5.15	
3 Credit institutions	14.70	0.71	0.53	0.03	0.04	0.03	0.00							0.02				0.00									14.75	0.71	0.53	0.03	0.04		2.71	
4 Loans and advances																																		
5 Debt securities, including UoP	14.70	0.71	0.53	0.03	0.04	0.03	0.00							0.02				0.00									14.75	0.71	0.53	0.03	0.04		2.71	
6 Equity instruments																																		
7 Other financial corporations																																		
8 of which investment firms																																		2.44
9 Loans and advances																																		
10 Debt securities, including UoP																																		
11 Equity instruments																																		
12 of which management companies																																		
13 Loans and advances																																		
14 Debt securities, including UoP																																		
15 Equity instruments																																		
16 of which insurance undertakings																																		
17 Loans and advances																																		
18 Debt securities, including UoP																																		
19 Equity instruments																																		
20 Non-financial undertakings	28.54																											28.54						17.22
21 Loans and advances	28.54																											28.54						17.22
22 Debt securities, including UoP																																		
23 Equity instruments																																		
24 Households	67.93	6.45	6.45																								67.93	6.45	6.45				37.81	
25 of which loans collateralised by residential immovable property	68.20	6.48	6.48																								68.20	6.48	6.48				37.66	
26 of which building renovation loans	100.00																										100.00						3.62	
27 of which motor vehicle loans																																		
28 Local governments financing																																		0.51
29 Housing financing																																		
30 Other local government financing																																		0.51
31 Collateral obtained by taking possession: residential and commercial immovable properties																																		
32 Total GAR assets	35.15	2.79	2.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35.15	2.79	2.78	0.00	0.00	0.00	88.19		

1. Institution shall disclose in this template the GAR KPIs on flow of loans calculated (new loans on a net basis) based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.

2. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.



TEMPLATE 4: GAR KPI FLOW – CAPEX
% (COMPARED TO TOTAL COVERED ASSETS IN THE DENOMINATOR)

DISCLOSURE REFERENCE DATE 31.12.2025

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af		
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)									
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered		
GAR - Covered assets in both numerator and denominator																																		
1 Loans and advances, debt securities and equity instruments not HIF eligible for GAR calculation	51,07	4,05	4,04	0,00	0,00	0,00	0,00						0,00	0,00														51,07	4,05	4,04	0,00	0,00	60,70	
2 Financial undertakings	7,76	0,41	0,28	0,02	0,04	0,04	0,00						0,01	0,00														7,82	0,41	0,28	0,02	0,04	5,15	
3 Credit institutions	14,74	0,78	0,53	0,03	0,07	0,07	0,00						0,00	0,00														14,84	0,79	0,53	0,03	0,07	2,71	
4 Loans and advances																																		
5 Debt securities, including UoP	14,74	0,78	0,53	0,03	0,07	0,07	0,00						0,00	0,00														14,84	0,79	0,53	0,03	0,07	2,71	
6 Equity instruments																																		
7 Other financial corporations																																		
8 of which investment firms																													0,00	0,00	0,00	0,00	0,00	2,44
9 Loans and advances																																		
10 Debt securities, including UoP																																		
11 Equity instruments																																		
12 of which management companies																																		
13 Loans and advances																																		
14 Debt securities, including UoP																																		
15 Equity instruments																																		
16 of which insurance undertakings																																		
17 Loans and advances																																		
18 Debt securities, including UoP																																		
19 Equity instruments																																		
20 Non-financial undertakings	28,54																											28,54					17,22	
21 Loans and advances	28,54																											28,54					17,22	
22 Debt securities, including UoP																																		
23 Equity instruments																																		
24 Households	67,93	6,45	6,45																								67,93	6,45	6,45			37,81		
25 of which loans collateralised by residential immovable property	68,20	6,48	6,48																							68,20	6,48	6,48			37,66			
26 of which building renovation loans	100,00																									100,00					3,62			
27 of which motor vehicle loans																																		
28 Local governments financing																																0,51		
29 Housing financing																																		
30 Other local government financing																																		
31 Collateral obtained by taking possession: residential and commercial immovable properties																																0,51		
32 Total GAR assets	35,15	2,79	2,78	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	35,15	2,79	2,78	0,00	0,00	88,19			

1. Institution shall disclose in this template the GAR KPIs on flow of loans calculated (new loans on a net basis) based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.
2. Credit institutions shall duplicate this template for revenue based and CapEx based disclosures.



TEMPLATE 5: KPI OFF-BALANCE SHEET EXPOSURES
% (COMPARED TO TOTAL ELIGIBLE OFF-BALANCE SHEET ASSETS)

DISCLOSURE REFERENCE DATE 31.12.2024

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae		
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				Total (CCM + CCA + WTR + CE + PPC + BIO)								
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)												
	Proportion of total covered assets funding taxonomy aligned sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy aligned sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy aligned sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy aligned sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy aligned sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy aligned sectors (Taxonomy-aligned)												
	Of which Use of Proceeds			Of which transitional	Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds			Of which enabling	Of which Use of Proceeds			Of which transitional	Of which enabling				
1 Financial guarantees (FinGuar KPI)																																	
2 Assets under management (AuM KPI)																																	

1. Institution shall disclose in this template the KPIs for off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template.
2. Institutions shall duplicate this template to disclose stock and flow KPIs for off-balance sheet exposures.



Annex XII templates (nuclear energy and fossil gas)

TEMPLATE 1 NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

**TEMPLATE 2: TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR) – STOCK TURNOVER**

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a		b		c		d		e		f	
		CCM + CCA				Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3.12	0.01	3.12	0.01	-	-	-	-	-	-	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
7.	Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	6,640.45	13.75	6,640.44	13.75	0.02	0.00	-	-	-	-	-	-
8.	Total applicable KPI	6,643.57	13.76	6,643.56	13.76	0.02	0.00	-	-	-	-	-	-

TEMPLATE 2 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR) – STOCK CAPEX

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a		b		c		d		e		f	
		CCM + CCA				Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.20	0.00	0.20	0.00	-	-	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2.97	0.01	2.97	0.01	-	-	-	-	-	-	-	-
4.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
6.	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
7.	Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	6,640.91	13.75	6,640.88	13.75	0.03	0.00	-	-	-	-	-	-
8.	Total applicable KPI	6,644.08	13.76	6,644.05	13.76	0.03	0.00	-	-	-	-	-	-



TEMPLATE 4 TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – STOCK TURNOVER

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a		b		c		d		e		f	
		CCM + CCA				Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9.50	0.02	9.50	0.02	-	-	-	-	-	-	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	12.09	0.03	12.09	0.03	-	-	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5.07	0.01	5.07	0.01	-	-	-	-	-	-	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
7.	Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	19,527.78	40.44	19,527.48	40.44	0.30	0.00	-	-	-	-	-	-
8.	Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	19,554.45	40.49	19,554.14	40.49	0.30	0.00	-	-	-	-	-	-

TEMPLATE 4 TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – STOCK CAPEX

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a		b		c		d		e		f	
		CCM + CCA				Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7.89	0.02	7.89	0.02	-	-	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	6.44	0.01	6.44	0.01	-	-	-	-	-	-	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
7.	Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	19,540.44	40.46	19,539.84	40.46	0.60	0.00	-	-	-	-	-	-
8.	Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	19,554.77	40.49	19,554.17	40.49	0.60	0.00	-	-	-	-	-	-

**TEMPLATE 4 TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – FLOW TURNOVER**

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a		b		c		d		e		f	
		CCM + CCA				Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.49	0.01	0.49	0.01	-	-	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.16	0.00	0.16	0.00	-	-	-	-	-	-	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
7.	Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,793.36	32.35	1,793.30	32.35	0.06	0.00	-	-	-	-	-	-
8.	Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	1,794.01	32.36	1,793.95	32.36	0.06	0.00	-	-	-	-	-	-

TEMPLATE 4 TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – FLOW CAPEX

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a		b		c		d		e		f	
		CCM + CCA				Climate change mitigation (CCM)				Climate change adaptation (CCA)			
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
2.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
3.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
4.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.24	0.00	0.24	0.00	-	-	-	-	-	-	-	-
5.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.57	0.01	0.57	0.01	-	-	-	-	-	-	-	-
6.	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
7.	Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,793.19	32.35	1,793.08	32.35	0.12	0.00	-	-	-	-	-	-
8.	Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI	1,794.01	32.36	1,793.89	32.36	0.12	0.00	-	-	-	-	-	-

**TEMPLATE 5 TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES – STOCK TURNOVER**

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a	b
		Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	22,091.79	45.75
8.	Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI	22,091.79	45.75

TEMPLATE 5 TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES – STOCK CAPEX

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a	b
		Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	22,090.96	45.75
8.	Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI	22,090.96	45.75

**TEMPLATE 5 TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES – FLOW TURNOVER**

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a	b
		Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	3,595.27	64.85
8.	Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI	3,595.27	64.85

TEMPLATE 5 TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES – FLOW CAPEX

AMOUNT AND PROPORTION (THE INFORMATION IS TO BE PRESENTED IN MONETARY AMOUNTS [IN EUR MILLION] AND AS PERCENTAGES)

Row	Economic activities	a	b
		Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	3,595.14	64.85
8.	Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI	3,595.14	64.85



DATAPPOINTS ACCORDING TO ESRS 2 APPENDIX B (ESRS 2 IRO-2)

List of disclosure requirements covered by the sustainability statement (IRO-2 paragraph 56)

Reporting obligations

40	General basis for preparation of sustainability statement (BP-1)	61	Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1 G1)	96	Characteristics of the undertaking's employees (S1-6)
41	Disclosures in relation to specific circumstances (BP-2)	61	Disclosure requirements in ESRS covered by the undertaking's sustainability statement (IRO-2)	96	Collective bargaining coverage and social dialogue (S1-8)
42	Strategy, business model and value chain (SBM-1)	62	Disclosures pursuant to article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)	97	Diversity metrics (S1-9)
48	Interests and views of stakeholders (SBM-2)	68	Transition plan for climate change mitigation (E1-1)	97	Adequate wages (S1-10)
51	Engaging with own workforce and with consumers and end-users in the strategy and business model (SBM-2 S1 / S4)	70	Policies related to climate change mitigation and adaptation (E1-2)	98	Social protection (S1-11)
51	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)	76	Actions and resources in relation to climate change policies (E1-3)	98	Persons with disabilities (S1-12)
56	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3 E1)	79	Targets related to climate change mitigation and adaptation (E1-4)	98	Training and skills development metrics (S1-13)
57	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3 S1)	82	Energy consumption and mix (E1-5)	98	Work-life balance metrics (S1-15)
58	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3 S3)	82	Gross Scope 1, 2, 3 and total GHG emissions (E1-6)	99	Incidents, complaints and severe human rights impacts (S1-17)
59	Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3 S4)	85	Policies related to own workforce (S1-1)	99	Policies related to consumers and end-users (S4-1)
59	Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)	89	Processes for engaging with own workforce and workers' representatives about impacts (S1-2)	101	Processes for engaging with consumers and end-users about impacts (S4-2)
60	Description of the processes to identify and assess material climate-related impacts, risks and opportunities (IRO-1 E1)	90	Processes to remediate negative impacts and channels for own workers to raise concerns (S1-3)	101	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)
61	Process to identify material impacts, risks, and opportunities (IRO-1 E2-E5)	92	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)	102	Business conduct policies and corporate culture (G1-1)
		95	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)	104	Management of relationships with suppliers (G1-2)
				105	Prevention and detection of corruption and bribery (G1-3)
				106	Incidents of corruption or bribery (G1-4)



List of datapoints in cross-cutting and topical standards that derive from other EU legislation (IRO-2 paragraph 56)

	Disclosure requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number
ESRS 2 GOV-1	Board's gender diversity	paragraph 21(d)	Indicator number 13 of Table 1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		Not disclosed due to partial application of ESRS
ESRS 2 GOV-1	Percentage of board members who are independent	paragraph 21(e)			Commission Delegated Regulation (EU) 2020/1816, Annex II		Not disclosed due to partial application of ESRS
ESRS 2 GOV-4	Statement on due diligence	paragraph 30	Indicator number 10 of Table 3 of Annex I				Not disclosed due to partial application of ESRS
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities	paragraph 40(d)(i)	Indicator number 4 of Table 1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28 58), Table 1: Qualitative information on Environmental risk, and Table 2 Qualitative information on Social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1	Involvement in activities related to chemical production	paragraph 40(d)(ii)	Indicator number 9 of Table 2 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1	Involvement in activities related to controversial weapons	paragraph 40(d)(iii)	Indicator number 14 of Table 1 of Annex I		Delegated Regulation (EU) 2020/1818 (29 59), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco	paragraph 40(d)(iv)			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS E1-1	Transition plan to reach climate neutrality by 2050	paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	68 ff.



	Disclosure requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number
ESRS E1-1	Undertakings excluded from Paris-aligned benchmarks	paragraph 16(g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g) and Article 12(2)		68 ff.
ESRS E1-4	GHG emission reduction targets	paragraph 34	Indicator number 4 of Table 2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818 Article 6		79 ff.
ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	paragraph 38	Indicator number 5 in Table 1 and Indicator number 5 in Table 2 of Annex I				Not applicable
ESRS E1-5	Energy consumption and mix	paragraph 37	Indicator number 5 of Table 1 of Annex I				82
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors	paragraphs 40 to 43	Indicator number 6 of Table 1 of Annex I				Not applicable
ESRS E1-6	Gross Scope 1, 2, 3 and total GHG emissions	paragraph 44	Indicators number 1 and 2 in Table 1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818 Article 5(1), Article 6 and Article 8(1)		82 ff.



	Disclosure requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number
ESRS E1-6	Gross GHG emissions intensity	paragraphs 53 to 55	Indicator number 3 of Table 1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818 Article 8(1)		Not disclosed due to partial application of ESRS
ESRS E1-7	GHG removals and carbon credits	paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not disclosed due to partial application of ESRS
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks	paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not disclosed due to partial application of ESRS
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66(a); ESRS E1-9 Location of significant assets at material physical risk	paragraph 66(c)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			Not disclosed due to partial application of ESRS
ESRS E1-9	Breakdown of the carrying value of real estate assets by energy-efficiency classes	paragraph 67(c)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Not disclosed due to partial application of ESRS
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities	paragraph 69			Commission Delegated Regulation (EU) 2020/1818, Annex II		Not disclosed due to partial application of ESRS



	Disclosure requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	paragraph 28	Indicator number 8 in Table 1 of Annex I, Indicator number 2 in Table 2 of Annex I, Indicator number 1 in Table 2 of Annex I, Indicator number 3 in Table 2 of Annex I				Not material
ESRS E3-1	Water and marine resources	paragraph 9	Indicator number 7 of Table 2 of Annex I				Not material
ESRS E3-1	Dedicated policy	paragraph 13	Indicator number 8 of Table 2 of Annex I				Not material
ESRS E3-1	Sustainable oceans and seas	paragraph 14	Indicator number 12 of Table 2 of Annex I				Not material
ESRS E3-4	Total water recycled and reused	paragraph 28(c)	Indicator number 6.2 of Table 2 of Annex I				Not material
ESRS E3-4	Total water consumption in m ³ per net revenue on own operations	paragraph 29	Indicator number 6.1 of Table 2 of Annex I				Not material
ESRS 2 – SBM-3 – E4		paragraph 16(a)(i)	Indicator number 7 of Table 1 of Annex I				Not material
ESRS 2 – SBM-3 – E4		paragraph 16(b)	Indicator number 10 of Table 2 of Annex I				Not material
ESRS 2 – SBM-3 – E4		paragraph 16(c)	Indicator number 14 of Table 2 of Annex I				Not material
ESRS E4-2	Sustainable land/ agriculture practices or policies	paragraph 24(b)	Indicator number 11 of Table 2 of Annex I				Not material
ESRS E4-2	Sustainable oceans/seas practices or policies	paragraph 24(c)	Indicator number 12 of Table 2 of Annex I				Not material
ESRS E4-2	Policies to address deforestation	paragraph 24(d)	Indicator number 15 of Table 2 of Annex I				Not material
ESRS E5-5	Non-recycled waste	paragraph 37(d)	Indicator number 13 of Table 2 of Annex I				Not material
ESRS E5-5	Hazardous waste and radioactive waste	paragraph 39	Indicator number 9 of Table 1 of Annex I				Not material
ESRS 2 SBM3 – S1	Risk of incidents of forced labour	paragraph 14(f)	Indicator number 13 in Table 3 of Annex I				58
ESRS 2 SBM3 – S1	Risk of incidents of child labour	paragraph 14(g)	Indicator number 12 in Table 3 of Annex I				58



	Disclosure requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number
ESRS S1-1	Human rights policy commitments	paragraph 20	Indicator number 9 in Table 3 and Indicator number 11 in Table 1 of Annex I				85 ff.
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	paragraph 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		85 ff.
ESRS S1-1	Processes and measures for preventing trafficking in human beings	paragraph 22	Indicator number 11 in Table 3 of Annex I				85 ff.
ESRS S1-1	Workplace accident prevention policy or management system	paragraph 23	Indicator number 1 in Table 3 of Annex I				85 ff.
ESRS S1-3	Grievance/complaints handling mechanisms	paragraph 32(c)	Indicator number 5 in Table 3 of Annex I				90 ff.
ESRS S1-14	Number of fatalities and number and rate of work-related accidents	paragraph 88(b) and (c)	Indicator number 2 in Table 3 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness	paragraph 88(e)	Indicator number 3 in Table 3 of Annex I				Not disclosed due to partial application of ESRS
ESRS S1-16	Unadjusted gender pay gap	paragraph 97(a)	Indicator number 12 in Table 1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		Not disclosed due to partial application of ESRS
ESRS S1-16	Excessive CEO pay ratio	paragraph 97(b)	Indicator number 8 in Table 3 of Annex I				Not disclosed due to partial application of ESRS
ESRS S1-17	Incidents of discrimination	paragraph 103(a)	Indicator number 7 in Table 3 of Annex I				99
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	paragraph 104(a)	Indicator number 10 in Table 1 and Indicator number 14 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Article 12(1)		99



	Disclosure requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number
ESRS 2 SBM3 – S2	Significant risk of child labour or forced labour in the value chain	paragraph 11(b)	Indicators number 12 and 13 in Table 3 of Annex I				Not material
ESRS S2-1	Human rights policy commitments	paragraph 17	Indicator number 9 in Table 3 of Annex I and Indicator number 11 in Table 1 of Annex I				Not material
ESRS S2-1	Policies related to value chain workers	paragraph 18	Indicators number 11 and 4 in Table 3 of Annex I				Not material
ESRS S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	paragraph 19	Indicator number 10 of Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Article 12(1)		Not material
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8	paragraph 19			Commission Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain	paragraph 36	Indicator number 14 of Table 3 of Annex I				Not material
ESRS S3-1	Human rights policy commitments	paragraph 16	Indicator number 9 in Table 3 of Annex I and Indicator number 11 in Table 1 of Annex I				Not disclosed due to partial application of ESRS



	Disclosure requirement	Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page number
ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	paragraph 17	Indicator number 10 of Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Article 12(1)		Not disclosed due to partial application of ESRS
ESRS S3-4	Human rights issues and incidents	paragraph 36	Indicator number 14 of Table 3 of Annex I				Not disclosed due to partial application of ESRS
ESRS S4-1	Policies related to consumers and end-users	paragraph 16	Indicator number 9 in Table 3 of Annex I and Indicator number 11 in Table 1 of Annex I				99 ff.
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	paragraph 17	Indicator number 10 of Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Article 12(1)		
ESRS S4-4	Human rights issues and incidents	paragraph 35	Indicator number 14 of Table 3 of Annex I				Not disclosed due to partial application of ESRS
ESRS G1-1	United Nations Convention against Corruption	paragraph 10(b)	Indicator number 15 of Table 3 of Annex I				102 ff.
ESRS G1-1	Protection of whistleblowers	paragraph 10(d)	Indicator number 6 of Table 3 of Annex I				Not applicable
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws	paragraph 24(a)	Indicator number 17 of Table 3 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		106 ff.
ESRS G1-4	Standards of anti-corruption and anti-bribery	paragraph 24(b)	Indicator number 16 of Table 3 of Annex I				106 ff.



ANNUAL STATEMENT OF ACCOUNTS

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BALANCE SHEET

as at 31 December 2025

ASSETS

IN €

		31 Dec. 2025	IN € THOUSAND 31 Dec. 2024
1. Cash reserves			
a) Cash on hand	0.00		0
b) Balances with central banks	20,171,265.28		31,344
thereof: with Deutsche Bundesbank €20,171,265.28			
		20,171,265.28	31,344
2. Claims on banks			
a) Mortgage loans	19,184,112.08		14,725
b) Municipal loans	25,115,153.48		25,168
c) Other loans and advances	1,318,543,359.62		1,290,478
thereof: payable on demand €752,652,027.13			
		1,362,842,625.18	1,330,371
3. Claims on customers			
a) Mortgage loans	44,340,886,273.03		45,797,057
b) Municipal loans	746,829,028.08		1,030,458
c) Other loans and advances	125,310,869.10		54,809
		45,213,026,170.21	46,882,324
4. Debt securities and other fixed-income securities			
a) Bonds and debt securities	5,807,919,673.38		5,192,857
aa) From public issuer €4,738,192,010.85			(4,308,855)
thereof: eligible as collateral for Deutsche Bundesbank advance €4,701,880,092.27			
ab) From other issuers €1,069,727,662.53			(884,002)
thereof: eligible as collateral for Deutsche Bundesbank advance €927,409,282.66			
b) Own debt securities	501,985,270.83		502,612
Nominal value €500,000,000.00			
		6,309,904,944.21	5,695,469
Carryover:		52,905,945,004.88	53,939,508



ASSETS

IN €

		31 Dec. 2025	IN € THOUSAND 31 Dec. 2024
Carryover:		52,905,945,004.88	53,939,508
5. Equities and other variable-yield securities		125,000,000.00	140,000
6. Participating interests and shares in cooperatives			
a) Participating interests	109,692,967.61		109,693
thereof: credit institutions €41,478,482.04			
b) Shares in cooperatives	18,500.00		18
thereof: in credit cooperatives €15,500.00			
		109,711,467.61	109,711
7. Shares in affiliated companies		1,131,088.34	1,141
8. Intangible assets			
Concessions, industrial property rights and similar rights and assets purchased for valuable consideration, as well as licences to such rights and assets		376,426.76	150
9. Tangible assets		90,923,782.70	92,139
10. Other assets		133,974,123.48	114,634
11. Deferred income			
a) From issuing and lending business	110,513,118.55		116,509
b) Other	844,984.59		1,428
		111,358,103.14	117,937
Total assets		53,478,419,996.91	54,515,220



LIABILITIES

IN €

		31 Dec. 2025	IN € THOUSAND 31 Dec. 2024
1. Liabilities to credit institutions			
a) Registered Mortgage Pfandbriefe in issue	793,682,716.38		942,110
b) Registered Public Pfandbriefe in issue	104,910,612.07		83,374
c) Other liabilities	3,340,593,270.05		3,698,958
thereof: payable on demand €1,092,867,984.03			
		4,239,186,598.50	4,724,442
2. Liabilities to customers			
a) Registered Mortgage Pfandbriefe in issue	10,762,037,384.01		10,242,424
b) Registered Public Pfandbriefe in issue	999,208,632.63		1,059,437
c) Other liabilities	5,630,064,061.68		5,233,443
thereof: payable on demand €283,288,356.89			
		17,391,310,078.32	16,535,304
3. Certified liabilities			
a) Bonds issued	28,678,791,658.43		30,163,702
aa) Mortgage Pfandbriefe €22,867,929,892.22			(24,277,436)
ab) Public Pfandbriefe €40,744,792.58			(40,785)
ac) Other debt securities €5,770,116,973.63			(5,845,481)
b) Other certified liabilities	164,124,582.04		117,839
		28,842,916,240.47	30,281,541
4. Other liabilities		111,234,762.64	201,731
Carryover:		50,584,647,679.93	51,743,018

**LIABILITIES**

IN €

		31 Dec. 2025	IN € THOUSAND 31 Dec. 2024
Carryover:		50,584,647,679.93	51,743,018
5. Deferred income from issuing and lending business			
from underwriting and lending activities	35,567,777.18		46,129
		35,567,777.18	46,129
6. Provisions			
a) Provisions for pensions and similar obligations	28,879,574.00		31,977
b) Tax provisions	4,150,000.00		4,150
c) Other provisions	58,615,680.30		54,364
		91,645,254.30	90,491
7. Subordinated liabilities		500,670,045.09	449,384
8. Instruments of the additional regulatory core capital		224,730,513.21	222,495
9. Fund for general banking risks		122,000,000.00	120,000
10. Capital and reserves			
a) Subscribed capital	1,294,488,370.00		1,274,456
aa) Members' capital contributions €1,294,488,370.00			(1,274,456)
b) Revenue reserves	568,000,000.00		513,000
ba) Legal reserves €562,000,000.00			(507,000)
bb) Other revenue reserves €6,000,000.00			(6,000)
c) Unappropriated profit	56,670,357.20		56,247
		1,919,158,727.20	1,843,703
Total liabilities		53,478,419,996.91	54,515,220
1. Contingent liabilities			
Liabilities under sureties and indemnity agreements		766.94	1
2. Other obligations			
Irrevocable loan commitments		2,124,303,101.82	2,471,490



INCOME STATEMENT

for the period from 1 January 2025 to 31 December 2025

INCOME STATEMENT

IN €

			1 Jan. to 31 Dec. 2025	IN € THOUSAND 1 Jan. to 31 Dec. 2024
1. Interest income from			1,542,388,285.07	1,591,956
a) Lending and money market transactions		1,363,599,201.24		1,429,247
b) Fixed-income securities and debt register claims		178,789,083.83		162,709
2. Interest expenses			1,032,145,142.75	1,061,332
3. Current income from			1,879,861.32	1,833
a) Equities and other variable-yield securities		0.00		0
b) Participating interests and shares in cooperatives		1,879,861.32		1,833
c) Shares in affiliated companies		0.00		0
4. Income from profit-sharing arrangements, profit transfer agreements, or partial profit transfer agreements			27,261.59	0
5. Commission income			9,980,389.47	11,285
6. Commission expenses			72,773,198.61	75,612
7. Other operating income			4,668,022.42	4,755
8. General administrative expenses			167,587,477.55	148,871
a) Personnel expense		79,354,379.82		72,135
aa) Wages and salaries	66,500,682.07			59,596
ab) Social insurance contributions and expenses for pensions and other employee benefits	12,853,697.75			12,539
thereof: for pensions €1,751,767.91				(2,929)
b) Other administrative expense		88,233,097.73		76,736
9. Amortisation/depreciation and impairment allowances on tangible and intangible assets			3,721,937.51	3,401
10. Other operating expenses			5,944,032.09	3,931
11. Write-downs on and valuation allowances of loans and advances and specific securities, as well as additions to loan loss provisions			98,774,027.62	126,774



INCOME STATEMENT

IN €

			1 Jan. to 31 Dec. 2025	IN € THOUSAND 1 Jan. to 31 Dec. 2024
12. Income from write-ups of investments, interests in affiliated companies, and securities treated as fixed assets			0.00	952
13. Depreciation, amortisation, and impairment losses on investments, interests in affiliated companies, and securities treated as fixed assets			157,157.93	0
14. Expenses from assumption of losses			0.00	22
15. Net income from ordinary business activities			177,840,845.81	190,838
16. Allocations to the fund for general banking risks			2,000,000.00	6,000
17. Income taxes			69,765,418.99	79,281
18. Net income for the year			106,075,426.82	105,557
19. Profit carried forward from the previous year			594,930.38	690
20. Allocations to revenue reserves			50,000,000.00	50,000
a) Legal reserves		50,000,000.00		50,000
b) Other revenue reserves				0
21. Unappropriated profit			56,670,357.20	56,247



STATEMENT OF CHANGES IN CAPITAL AND RESERVES 2025

STATEMENT OF CHANGES IN CAPITAL AND RESERVES 2025

IN € 000

	Subscribed capital			Revenue reserves	Unappropriated profit	Total capital and reserves
	Members' capital contributions	Silent participations				
Capital and reserves as at 1 Jan. 2024	1,271,496			463,000	51,393	1,785,889
Net change in capital	2,960					2,960
Dividends paid					50,703	50,703
Net income for the year				50,000	55,557	105,557
Capital and reserves as at 31 Dec. 2024	1,274,456			513,000	56,247	1,843,703
Net change in capital	20,032			5,000	-5,000	20,032
Dividends paid					50,652	50,652
Net income for the year				50,000	56,075	106,075
Capital and reserves as at 31 Dec. 2025	1,294,488			568,000	56,670	1,919,158

**CASH FLOW STATEMENT 2025**

IN € MILLION

	31. Dec. 2025
1. Period net income	106.1
2. Amortisation /depreciation, impairment allowances/write-ups on loans and advances and non-current assets	97.2
3. Increase /decrease in provisions	1.2
4. Other non-cash expenses/income	1.8
5. Gain/loss from the disposal of non-current assets	0.0
6. Other adjustments (net)	-26.4
7. Increase/decrease in claims on banks	-117.0
8. Increase/decrease in claims on customers	1,644.7
9. Increase/decrease in securities (other than financial assets)	0.4
10. Increase/decrease in other assets relating to operating activities	-19.3
11. Increase/decrease in liabilities to credit institutions	-459.8
12. Increase/decrease in liabilities to customers	862.9
13. Increase/decrease in certified liabilities	-1,447.5
14. Increase/decrease in other liabilities relating to operating activities	-90.5
15. Interest expenses/income	-512.2
16. Income tax expense/income	69.8
17. Interest and dividends received	1,621.8
18. Interest paid	-1,085.2
19. Income taxes paid	-79.8
20. Cash flow from operating activities (sum of lines 1 to 19)	568.2
21. Cash inflows from the disposal of financial assets	350.6
22. Cash outflows for investments in financial assets	-951.9
23. Cash inflows from the disposal of tangible assets	0.0
24. Cash outflows for investments in tangible assets	-2.1
25. Cash inflows from the disposal of intangible assets	0.0
26. Cash outflows for investments in intangible assets	-0.7
27. Cash flow from investing activities (sum of lines 21 to 26)	-604.1
28. Cash inflows from additions to capital and reserves	20.0
29. Dividends paid to members	-50.7
30. Net change in cash and cash equivalents from other capital	55.5
31. Cash flow from financing activities (sum of lines 28 to 30)	24.8
32. Net change in cash and cash equivalents	-11.1
33. Changes in cash and cash equivalents due to exchange rates and valuation	0.0
34. Cash and cash equivalents at the start of the period	31.3
35. Cash and cash equivalents¹ at the end of the period (sum of lines 32 to 34)	20.2

¹ Assets, item 1 – Cash reserves.



NOTES

General Disclosures Concerning Accounting Policies

The annual financial statements of Münchener Hypothekbank eG as at 31 December 2025 were drawn up in conformity with the provisions of the German Commercial Code (Handelsgesetzbuch, HGB) in conjunction with the German Regulation on the Accounting of Credit Institutions (Kreditinstituts-Rechnungslegungsverordnung, RechKredV), and in observance of the rules contained in the German Cooperatives Act (Genossenschaftsgesetz, GenG) and the German Pfandbrief Act (Pfandbriefgesetz, PfandBG).

As drawn up, the balance sheet reflects partial appropriation of the net income for the year.

The following accounting policies were applied when drawing up the balance sheet and the income statement. Where we derogated from the accounting policies of the previous year, this is discussed at the end of this section under “Derogations from accounting policies”. No such derogations were made in 2025.

In accordance with section 340e(2) HGB, all loans and advances are recognised at nominal value. The difference between the amount disbursed and the nominal value is recognised as an accrual. All identifiable individual risks in the lending business are taken into account by creating individual impairment allowances and provisions covering claims to principal and interest. Latent risks are taken into account by creating collective impairment allowances. In accordance with IDW RS BFA 7, the collective impairment allowance is calculated using an expected credit loss model, with the IFRS 9 methodology being adopted for

Stages 1 and 2 and applied to the HGB assessment basis. Taking into account the probability of default, the loss given default and the exposure at default, collective impairment allowances are created for latent default risks for all transactions reported under the balance sheet items “Loans and advances to credit institutions” and “Loans and advances to customers”, as well as for irrevocable loan commitments. Collective impairment allowances for irrevocable loan commitments are reported in the balance sheet in the form of a provision. All transactions that are not required to be tested for the need to create an individual impairment allowance are assigned to Stage 1 or 2, with the expected 12-month credit loss being calculated for Stage 1 and the lifetime expected credit loss being calculated for Stage 2.

As a general rule, all transactions are assigned to Stage 1 when they are booked. If a transaction’s risk of default increases significantly compared with its initial recognition, it is assigned to Stage 2 as at the reporting date. The relevant point-in-time parameters for calculating loan loss provisions are determined on the basis of macroeconomic forecasts, which are updated quarterly by Münchener Hypothekbank’s stress-testing committee on the basis of external macroeconomic data. Collective impairment allowances are calculated using probability-weighted results from three scenarios: the baseline scenario, at 70%; the downside scenario, at 30%; and the upside scenario, at 0%.

After a collective impairment allowance is calculated using this standard process, management will evaluate whether it needs to be adjusted. As a general rule, it makes this determination by consulting a specified catalogue of criteria and then evaluating whether economic, technical or procedural issues prevent risks from being fully accounted for by the model. A management adjustment of EUR 20 million was made for all domestic property companies on 31 December 2025 in order to account for uncertainties and the potentially increased risk of default. In determining the amount of the adjustment, it was assumed that the probability of default had increased for this segment at the individual transaction level.

In addition, contingency reserves are held pursuant to section 340f HGB.

Securities held in the liquidity reserve are measured at cost, at the exchange or market price or at fair value, whichever figure is lower (strict lower of cost or market rule).

Securities held as non-current assets, which are mainly acquired as cover for Public Pfandbriefe and for other coverage purposes, are measured at cost. Discounts and premiums are recognised in net interest income over the term of the securities. Securities associated with swap agreements are measured together with those agreements as a single item. Where derivatives are used for hedging purposes, they are not measured individually. As was the case in the previous year, securities held as non-current assets that are temporarily impaired were measured in the financial year in accordance with the moderate lower of cost or market rule. Where securities held as non-current assets are



assumed to be permanently impaired, they are written down to the exchange or market price or to fair value, whichever is lower.

Borrowed securities are not recognised in the balance sheet.

All interest income and interest expenses from swaps are netted by the Bank. The net amount is then recognised either under “Interest income” or “Interest expenses” in order to present a true and accurate view of the Bank’s net assets, financial position and financial performance as required by section 264(2) HGB.

In accordance with the rules applicable to the non-current assets, participating interests and shares in affiliated undertakings are measured at cost. In the event of impairment that is expected to be permanent, they are written down.

Intangible assets are recognised at cost less accumulated amortisation. Tangible assets are recognised at cost less accumulated depreciation. Scheduled amortisation/depreciation is carried out in line with normal useful life. Due to technical innovation, the normal useful life for software follows from empirical business reality. Low-value assets are treated as specified by tax rules. Where an asset is permanently impaired, it is written down.

Assets included under “Other assets” are measured at nominal value or cost in observance of the strict lower of cost or market rule.

Existing deferred taxes from temporary differences between the values recognised for commercial purposes and those recognised for tax purposes are netted. A surplus of deferred tax assets is not recognised in the balance sheet.

Liabilities are recognised in the amount needed to satisfy the obligation. Zero-coupon bonds are recognised at the issue price plus pro-rata interest in accordance with the issuing conditions. The difference between the nominal value of liabilities and the amount disbursed for them is recognised as a deferral. Provisions are created for contingent liabilities in the amount needed to satisfy them in accordance with prudent commercial judgement. Provisions with a remaining term of more than one year are discounted at the relevant average market interest rate.

Provisions for pension obligations are calculated in accordance with the projected unit credit method, using a discount rate of 2.06 percent and a pension increase rate of 2.0 percent. The pension liabilities themselves are calculated on the basis of the mortality tables 2018 G of Klaus Heubeck. In accordance with the rule in section 253(2) HGB, pension provisions are discounted at the average market interest rate over the past ten financial years, with an assumed remaining term of 15 years. The impact on profit or loss from a change in the discounting rate in connection with pension provisions is recognised under “Other operating income”, analogous to the discounting/compounding effect.

The difference between the recognition of provisions for pension obligations in accordance with the corresponding average market interest rate over the past ten financial years and the recognition of the provisions in accordance with the corresponding average market interest rate over the past seven financial years amounted to EUR 513 thousand.

The provisions for phased retirement (Altersteilzeit) are based on actuarial calculations derived from the Heubeck mortality tables 2018 G. The phased retirement provisions are calculated in accordance with actuarial principles using the present value method in line with IDW RS HFA 3. They were discounted at a rate of 1.85 percent, which corresponds to the average remaining term.

The provisions for long-term service emoluments and for pension benefit obligations are based on actuarial calculations derived from the Heubeck mortality tables 2018 G. Assuming a remaining term of 15 years, these provisions were discounted at the average market interest rate over the past seven financial years, i.e. at 2.22 percent.

In accordance with section 256a HGB, assets and liabilities denominated in foreign currencies are translated at the ECB’s reference rate on the reporting date. The net income/expense from the translation of specially covered foreign currency positions is recognised in the income statement under “Other operating income”. Offsetting foreign currency positions are considered to be specially covered if they correspond in terms of amount and maturity.



The net income/expense from the measurement in foreign currency of individual impairment allowances is recognised in the income statement under “Other operating income”.

In the 2025 financial year, these effects from currency translation amounted to EUR 1,803 thousand, which was recognised under “Other operating expenses” (previous year: EUR 366 thousand recognised under “Other operating expenses”).

Income and expenses are measured at the pertinent daily exchange rate.



Disclosures Concerning the Balance Sheet Income Statement

Maturity analysis by remaining term

ASSETS

IN € THOUSAND

	31 Dec. 2025	31 Dec. 2024
Loans and advances to credit institutions	1,362,843	1,330,371
– Three months or less	1,251,799	1,285,926
– Three months to one year	18,431	7,517
– One year to five years	42,561	36,860
– Five years or more	50,052	68
Loans and advances to customers	45,213,026	46,882,324
– Three months or less	1,361,777	1,505,574
– Three months to one year	3,502,550	3,447,486
– One year to five years	14,482,435	14,909,249
– Five years or more	25,866,264	27,020,015
Debt securities and other fixed-income securities, one year or less	214,957	113,113

LIABILITIES

IN € THOUSAND

	31 Dec. 2025	31 Dec. 2024
Amounts owed to credit institutions	4,239,187	4,724,442
– Three months or less	2,155,637	1,954,445
– Three months to one year	233,600	625,851
– One year to five years	719,531	916,826
– Five years or more	1,130,419	1,227,320
Amounts owed to customers	17,391,310	16,535,304
– Three months or less	2,212,620	1,559,992
– Three months to one year	1,147,619	1,316,155
– One year to five years	2,089,786	2,149,016
– Five years or more	11,941,285	11,510,141
Debts evidenced by certificates	28,842,916	30,281,541
Debt securities in issue		
– Three months or less		1,175,841
– Three months to one year	4,441,509	2,859,505
– One year to five years	13,439,943	14,877,963
– Five years or more	10,232,125	11,250,393
Other debts evidenced by certificates		
– Three months or less	0	19,885
– Three months to one year	164,125	97,954



Loans and advances to / amounts owed to affiliated companies

LOANS AND ADVANCES TO / AMOUNTS OWED TO AFFILIATED UNDERTAKINGS AND UNDERTAKINGS IN WHICH THE BANK HOLDS A PARTICIPATING INTEREST
IN € THOUSAND

	Affiliated undertakings 31 Dec. 2025		Undertakings in which the Bank holds a participating interest 31 Dec. 2025		Affiliated undertakings 31 Dec. 2024		Undertakings in which the Bank holds a participating interest 31 Dec. 2024	
	evidenced by certificates	not evidenced by certificates	evidenced by certificates	not evidenced by certificates	evidenced by certificates	not evidenced by certificates	evidenced by certificates	not evidenced by certificates
Loans and advances to credit institutions	0	0	0	502,705	0	0	0	458,637
Loans and advances to customers	0	0	0	0	0	0	0	0
Debt securities and other fixed-income securities	0	0	92,076	0	0	0	92,076	0
Amounts owed to credit institutions	0	0	0	1,473,379	0	0	0	1,500,625
Amounts owed to customers	0	687	0	0	0	697	0	0
Debts evidenced by certificates	0	0	0	0	0	0	0	0
Subordinated liabilities	0	0	0	0	0	0	0	0

Securities

NEGOTIABLE SECURITIES
IN € THOUSAND

Asset items	31 Dec. 2025		31 Dec. 2024	
	quoted	unquoted	quoted	unquoted
Debt securities and other fixed-income securities	6,134,921	174,984	5,432,639	173,220
Shares and other variable-yield securities	0	0	0	0
Participating interests	0	0	0	0

Of the negotiable debt securities and other fixed-income securities, EUR 5,634,921 thousand were measured in accordance with the moderate lower of cost or market rule as at 31 December 2025 (previous year: EUR 5,105,859 thousand), of which one securities portfolio in the amount of EUR 1,240,219 thousand (previous year: EUR 3,522,792 thousand) had a lower fair value. Negotiable securities that are not measured in accordance with the lower of cost or market rule are indicated separately in the list of securities.



Special funds

UNITS IN SPECIAL FUNDS

IN € THOUSAND

Name of fund	Investment goal	Value in accordance with sections 168 and 278 of the German Investment Code (Kapitalanlagegesetzbuch, KAGB) and section 36 of the German Investment Act (Investmentgesetz, InvG), old version, or comparable foreign provisions	Difference versus carrying amount	Distribution made for the financial year
UIN-Fonds Nr. 903	Long-term return and diversification benefits as compared with a direct securities investment, taking the structure of the Bank's portfolio into consideration	146,619	21,619	0

There are no restrictions on the ability to redeem daily.

SUBORDINATED ASSETS

IN € THOUSAND

	31 Dec. 2025	31 Dec. 2024
Debt securities and other fixed-income securities	92,076	92,076

Trading portfolio

As at 31 December 2025, there were no financial instruments in the trading portfolio. During the year under review, the Bank made no changes to its internal criteria for including financial instruments in the trading portfolio.



Non-current assets

CHANGES IN NON-CURRENT ASSETS

IN € THOUSAND

	Costs	Changes +/- ¹	Carrying amount	
			on the reporting date	previous year
Debt securities and other fixed-income securities	5,119,253	+583,194	5,702,447	5,105,859
Shares and other variable-yield securities	0	0	0	0
Participating interests and shares in cooperatives	109,711	0	109,711	109,711
Shares in affiliated undertakings	1,141	-10	1,131	1,141

	Costs, start of financial year	Additions during the financial year	Disposals during the financial year	Reclassifications during the financial year	Costs, end of financial year	Cumulative amortisation, start of financial year	Amortisation, financial year	Write-ups, financial year	Change in total amortisation in relation to			Cumulative amortisation, end of financial year	Carrying amount	
									Additions	Disposals	Reclassifications		on the reporting date	previous year
Intangible assets	19,862	702	411		20,153	19,712	476			411	19,777	376	150	
a) Internally generated industrial property rights and similar rights and assets	0											0	0	
b) Concessions, industrial property rights and similar rights and assets purchased for valuable consideration, as well as licences to such rights and assets	19,862	702	411		20,153	19,712	476			411	19,777	376	150	
Tangible assets	133,648	2,062	4,977		130,734	41,509	3,246			4,945	39,810	90,924	92,139	

¹ The option to combine certain items pursuant to section 34(3) RechKredV was utilised.



Financial instruments classed as financial assets that are recognised at more than their fair value exist in the following amount (the carrying amount is shown below excluding accrued interest):

Securities held as non-current assets that have an impairment that is not expected to be permanent are measured in accordance with the moderate lower of cost or market rule. The item “Debt securities and other fixed-income securities” includes securities with a carrying amount of EUR 1,223,776 thousand (previous year: EUR 3,467,100 thousand), which exceeds the fair value of EUR 1,191,459 thousand (previous year: EUR 3,344,371 thousand). Where these securities are associated with a swap, they are valued together with the swap as a single item. Because we intend to hold these securities until maturity, we assume as a general rule that market price-related decreases in value will have no bearing on this and that the securities will be repaid at their nominal value upon maturity. In our opinion, none of the securities in the Bank’s portfolio are currently at risk with respect to payments of interest and principal. Accordingly, there is no need for any write-downs as a result of value losses due to credit risk.

With respect to the other participating interests, there was no evidence that the fair value of the participating interests and shares in cooperatives, the fair value of the shares in affiliated undertakings or the fair value of shares and other variable-yield securities was lower than the carrying amounts on the reporting date.

Shareholdings

The Cooperative holds the following participating interests in other undertakings with which a group relationship exists:

SHAREHOLDINGS

	Share of capital IN %	Equity IN € THOUSAND	Profit/loss IN € THOUSAND
M-Wert GmbH, Munich ¹	100.00	2,115	1,271
Immobilien-service GmbH der Münchener Hypothekbank eG, Munich (profit transfer agreement) ¹	100.00	509	0
M-4tec GmbH, Munich ¹	100.00	581	-7

¹ Annual financial statements 2025.

It was opted to dispense with the preparation of consolidated financial statements, because the results of these undertakings were of minor significance in presenting a true and accurate view of the Bank’s net assets, financial position and financial performance (section 290(5) HGB in conjunction with section 296(2) HGB).

Other participating interests were not listed due to their overall minor significance, as permitted by section 286(3) HGB.

Tangible assets

The item “Tangible assets” includes EUR 50,153 thousand (previous year: EUR 51,110 thousand) attributable to land and buildings in own use, and EUR 4,294 thousand (previous year: EUR 4,040 thousand) attributable to furniture and equipment.

Other assets

The item “Other assets” includes accruals from derivative business in the amount of EUR 57,371 thousand and accruals from commissions for mortgage loans in the amount of EUR 26,078 thousand, which will be paid out after the reporting date, as well as

cash collateral in the amount of EUR 22,634 thousand that was provided in connection with the bank levy.

Prepaid expenses / deferred income

PREPAID EXPENSES / DEFERRED INCOME FROM ISSUING AND LENDING BUSINESS IN € THOUSAND

	31 Dec. 2025	31 Dec. 2024
Assets (Item 11)		
Discounts granted on amounts owed	100,803	103,420
Premiums charged on loans and advances	360	1,151
Other accruals	10,195	13,366
Liabilities (Item 5)		
Premiums charged on amounts owed	21,653	27,699
Discounts granted on loans and advances	6,545	8,281
Other accruals	7,369	10,148

The item “Other accruals” includes compensatory payments made by the Bank to derivative counterparties as a result of the amendment of collateral arrangements or due to agreements relating to the transition from EONIA to €STR. These compensatory payments are recognised in the income statement on a pro rata temporis basis.

Deferred taxes

Because the values recognised in the balance sheet prepared for commercial law purposes differ from those recognised in the balance sheet prepared for tax purposes, deferred tax assets arise in particular for the items “Loans and advances to customers”, “Shares and other variable-yield securities” and “Provisions”. Deferred tax liabilities result from the item “Tangible assets”. Taking into account the corporation tax rate, which is



set to be reduced in stages from 2028 to 2032, we have cautiously assumed that deferred tax assets will be reduced from 2032 at a tax rate of 27.56% and that deferred tax liabilities will be reduced in the following year at a tax rate of 32.84%.

The surplus of deferred tax assets remaining after netting is not recognised in the balance sheet.

Assets assigned for the purpose of security

The carrying amount of assets sold under repurchase agreements (genuine repurchase agreements) amounted to EUR 608,898 thousand (previous year: EUR 1,036,224 thousand). Cash collateral of EUR 919,417 thousand (previous year: EUR 709,335 thousand) was provided in connection with collateral arrangements for derivative transactions. Securities valued at EUR 20,921 thousand (previous year: EUR 20,296 thousand) were pledged to secure pension obligations and claims under the phased retirement model. Securities valued at EUR 19,973 thousand (previous year: EUR 20,000 thousand) were pledged to secure pension benefit obligations under a contractual trust arrangement (CTA). Loan receivables of EUR 751,208 thousand (previous year: EUR 706,089 thousand) were assigned to secure loans obtained from credit institutions.

Cash collateral of EUR 22,634 thousand was provided in accordance with section 12(5) of the German Restructuring Fund Act (Restrukturierungsfondsgesetz, RStruktFG).

Other liabilities

The item "Other liabilities" includes deferrals and adjustment items for foreign currency measurement in the amount of EUR 9,176 thousand and relating to derivative business in the amount of EUR 15,705 thousand, as well as interest deferrals from AT1 bonds in the amount of EUR 5,980 thousand and interest deferrals from subordinated liabilities in the amount of EUR 8,305 thousand. It also includes liabilities arising from offsetting of payments in the amount of EUR 40,706 thousand. In addition, a further liability exists in the amount of EUR 22,634 thousand for cash collateral provided in accordance with section 12(5) RStruktFG.

Subordinated liabilities

Interest expenses of EUR 26,877 thousand (previous year: EUR 24,127 thousand) were incurred in connection with subordinated liabilities.

Subordinated liabilities which individually exceed 10 percent of the overall statement amounted to:

Nominal value	Currency	Interest rate	Maturity
200,000,000.00	EUR	7.125	31 Oct. 2028
123,470,045.09	CHF	4.2525	7 Jun. 2033

The instruments comply with the provisions of Article 63 of the Capital Requirements Regulation (CRR).

Early repayment obligations are excluded in all cases. There are no agreements or plans to convert these funds into capital or another form of debt. The instruments are recognised in the balance sheet at nominal value.

Additional tier 1 capital instruments

Recognised under the item "Additional Tier 1 capital instruments" is AT1 capital in the total nominal value of EUR 10 million and CHF 200 million, respectively, which had a carrying amount of EUR 215 million measured as at the reporting date. Interest expenses as at the reporting date amounted to EUR 9,921 thousand, of which EUR 5,992 thousand was attributable to interest deferrals.

As at the reporting date of 31 December 2025, there were four bonds in the portfolio:

Nominal value	Currency	Interest rate	Issue date	Next interest rate adjustment (thereafter, every five years)	Margin after interest rate adjustment
125,000,000.00	CHF	3.671	12.12.2019	02.06.2030	3.656
75,000,000.00	CHF	5.750	02.06.2022	02.06.2027	4.945
6,000,000.00	EUR	6.400	10.12.2018	30.11.2028	4.000
4,000,000.00	EUR	6.400	30.11.2018	30.11.2028	4.000

Both CHF bonds were issued in a denomination of CHF 50,000. Both EUR bonds are divided into units of 1 each. The bonds have no final maturity date. The CHF bonds can be called by MHB for the first time after 5.0 and 5.5 years, respectively, and annually thereafter; the EUR bonds can be called after approximately 5 years. The interest rate for the CHF bonds will be adjusted to the 5-year CHF mid-swap rate prevailing on the interest rate adjustment date, plus an additional margin. For the EUR bonds, the interest rate is equal to the yield on government bonds with a remaining term of four to five years, plus an additional margin.

Interest will not be paid if the issuer lacks sufficient distributable items available for distribution, if this is ordered by a competent regulatory authority, or due to non-compliance with buffer requirements concerning capital and reserves.

Interest payments are not cumulative.

The CHF bonds will be written down if MünchenerHyp's common equity Tier 1 ratio (CET1 ratio) falls below 7 percent, and the EUR bonds will be written down if the CET1 ratio falls below 5.125 percent. The bonds can be written up at the full discretion of the issuer. A write-up requires sufficient net income for the year and must not contravene any statutory or official prohibition on distribution.

Under commercial law, this is considered a liability and not capital and reserves.



Members' capital contributions

Members' capital contributions, which are recognised under liabilities item 10aa), can be broken down as follows:

MEMBERS' CAPITAL CONTRIBUTIONS

IN €

	31 Dec. 2025	31 Dec. 2024
Members' capital contributions	1,294,488,370.00	1,274,455,700.00
a) of remaining members	1,285,674,460.00	1,261,851,290.00
b) of former members	6,501,110.00	11,270,980.00
c) relating to terminated capital shares	2,312,800.00	1,333,430.00
Outstanding obligatory payments due on capital shares	0.00	0.00

Revenue reserves

CHANGE IN REVENUE RESERVES

IN € THOUSAND

	Legal reserves	Other revenue reserves
As at 1 Jan. 2025	507,000	6,000
Transfers from unappropriated profit of the previous year	5,000	
Transfers from net income of the financial year	50,000	
As at 31 Dec. 2025	562,000	6,000

Use of the average discount rate for ten years instead of seven years for pension provisions resulted in an added expense of EUR 513 thousand. Accordingly, there is no amount under this item that is blocked from distribution.

Foreign currency items

FOREIGN CURRENCY ITEMS

IN € THOUSAND

	31 Dec. 2025	31 Dec. 2024
Assets	6,134,410	6,487,712
Liabilities	5,038,434	5,347,168
Contingent liabilities and other obligations	330,607	253,908

Other obligations

The irrevocable loan commitments included in this item consist almost entirely of mortgage loan commitments made to customers. We expect that the irrevocable loan commitments will be utilised. Because loans are constantly monitored, we consider it unlikely that the contingent liabilities and other obligations will require us to create loan loss provisions.

Loan commitments are shown in the nominal value. If individual provisions are created for irrevocable loan commitments that have not yet been utilised, or if collective provisions are created for latent credit risks, the respective item is reduced by the amount of the provision.

Other operating expenses

This item includes expenses from interest compounding in the amount of EUR 626 thousand (previous year: EUR 599 thousand) that were incurred for created provisions.

Write-downs and impairment allowances on loans and advances and on specific securities, as well as additions to loan loss provisions

The item "Write-downs and impairment allowances on loans and advances and on specific securities, as well as additions to loan loss provisions" amounted to minus EUR 98,774 thousand (previous year: minus EUR 126,774 thousand). The net change in loan loss provisions (including direct write-offs) amounted to minus EUR 80,909 thousand (previous year: minus EUR 90,137 thousand). The calculation of the collective impairment allowance for the lending business in accordance with IDW RS BFA 7 resulted in an addition of EUR 15,000 thousand (previous year: EUR 40,000 thousand). This includes a release of EUR 10,000 thousand (previous year: EUR 30,000 thousand expense from the addition) attributable to a management adjustment. The provision for latent default risks for commitments remained unchanged, as was the case in the previous year. In addition, a provision in the amount of EUR 9,051 thousand was created for an open loan commitment at risk of default.

Income taxes

The item includes non-period income of EUR 1,046 thousand (previous year: income of EUR 5,615 thousand).

Forwards | Derivatives

The following derivative transactions were entered into for the purpose of managing interest rate and currency risks. These figures do not include derivatives embedded in hedged items.

**NOMINAL VALUE**

IN € MILLION

	Remaining term of one year or less	Remaining term of one to five years	Remaining term of more than five years	Total	Fair value ¹ neg. (-)
Interest rate-related transactions					
Interest rate swaps	17,028	28,982	70,746	116,756	77
Interest rate options					
– Calls	50	630	183	863	6
– Puts	93	103	0	196	-14
Other interest rate contracts	0	0	1,071	1,071	20
Currency-related transactions					
Cross-currency swaps	748	1,081	153	1,982	7
Currency swaps	361	0	0	361	-1

¹ Measurement method:

Interest rate swaps are measured using the present value method based on the current yield curves on the reporting date. In doing so, the cash flows are discounted using market interest rates appropriate to the risk and term. Interest that has accrued but has not yet been paid is left out of consideration. The approach utilises the clean price.

The value of options is calculated using option price models and generally accepted basic assumptions. In general, the price of the underlying and its volatility, the agreed strike price, a risk-free interest rate and the remaining term of the option all factor into the determination of the option's price.

The derivative financial instruments shown above include option trade premiums in the amount of EUR 37.8 million (previous year: EUR 38.3 million), which were recognised under the balance sheet item “Other assets”.

Pro-rata interest from derivative transactions was recognised under the balance sheet items “Loans and advances to credit institutions” in the amount of EUR 319.9 million (previous year: EUR 405.3 million) and “Amounts owed to credit institutions” in the amount of EUR 285.1 million (previous year: EUR 330.4 million) and under “Loans and advances to customers” in the amount of EUR 10.9 million (previous year: EUR 11.2 million) and “Amounts owed to customers” in the amount of EUR 14.1 million (previous year: EUR 15.0 million). Compensatory payments made in the amount of EUR 19.6 million (previous year:

EUR 14.6 million) were accrued under “Other assets”; compensatory payments received in the amount of EUR 15.7 million (previous year: EUR 20.3 million) were deferred under “Other liabilities”.

The balance sheet item “Other liabilities” includes adjustment items in the amount of EUR 9.2 million (previous year: EUR 126.4 million) related to the measurement of foreign currency swaps.

The counterparties to derivative transactions are credit institutions and financial services providers in OECD countries.

Collateral arrangements are in place to reduce credit risks associated with these contracts. These arrangements call for the provision of collateral to cover the net claims/liabilities that result when the positions are netted.

To hedge interest rate risks associated with securities included in the balance sheet item “Debt securities and other fixed-income securities”, the Bank created valuation units for hedging purposes in the amount of EUR 5,551 million (previous year: EUR 4,921 million). Because the securities have the same conditions as those of the hedging derivatives, the Bank assumes that the valuation unit will remain effective over the entire term of the transaction. Offsetting changes in value are not recognised; unhedged risks are treated in accordance with general measurement principles. The offsetting value changes for all valuation units totalled EUR 391 million.

Financial instruments carried in the banking book that relate to interest rates, including interest rate derivatives concluded to manage general interest rate risk (asset/liability management), are measured at the net realisable value as part of an overall consideration of all transactions in accordance with IDW RS BFA 3 (new version). For this purpose, the net present values attributable to interest rate changes are compared with the carrying amounts. The amount of the positive difference that results from this is then reduced by the net present value of the risk costs and the net present value of the portfolio management costs. This net present value consideration takes individual refinancing options into account. If this process ultimately culminates in a loss, a provision for onerous contracts is created, which is recognised under “Other provisions”. Based on the results of the calculations as at 31 December 2025, there was no need to create a provision.

In the current financial year, interest income of EUR 2,729 million (previous year: EUR 3,240 million) was netted with interest expenses of EUR 2,470 million (previous year: EUR 2,933 million), and the net amount of EUR 259 million (previous year: EUR 307 million) was recognised under “Interest income”.

As at the reporting date, the trading portfolio did not contain any derivatives.



Cover calculation

A. MORTGAGE PFANDBRIEFE

IN € THOUSAND

	31 Dec. 2025	31 Dec. 2024
Cover assets	34,729,725	35,954,852
1. Loans and advances to credit institutions (mortgage loans)	19,184	14,693
2. Loans and advances to customers (mortgage loans)	34,658,077	35,887,695
3. Tangible assets (land charges on real estate owned by the Bank)	52,464	52,464
Other cover assets	1,417,500	1,360,000
1. Cash reserves	0	0
1. Other loans and advances to credit institutions	67,500	5,000
2. Debt securities and other fixed-income securities	1,350,000	1,355,000
Total cover assets	36,147,225	37,314,852
Total Mortgage Pfandbriefe requiring cover	34,107,268	35,156,578
Over-collateralisation	2,039,958	2,158,274

B. PUBLIC PFANDBRIEFE

IN € THOUSAND

	31 Dec. 2025	31 Dec. 2024
Cover assets	1,215,335	1,267,306
1. Loans and advances to credit institutions (public-sector loans)	25,000	25,000
2. Loans and advances to customers (public-sector loans)	730,335	1,007,306
3. Debt securities and other fixed-income securities	460,000	235,000
Other cover assets	0	0
1. Other loans and advances to credit institutions	0	0
2. Debt securities and other fixed-income securities	0	0
Total cover assets	1,215,335	1,267,306
Total Public Pfandbriefe requiring cover	1,120,351	1,158,340
Over-collateralisation	94,984	108,966



Publication in accordance with section 28 Pfandbrief Act

Publication pursuant to section 28(1) sentences 1 and 3 of the German Pfandbrief Act

PFANDBRIEFE OUTSTANDING AND COVER ASSETS USED FOR THEM

Q4 2025

PFANDBRIEFE OUTSTANDING AND COVER ASSETS USED FOR THEM IN € MILLION

	Nominal value		Net present value		Risk-adjusted net present value ¹	
	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024
Total volume of outstanding Mortgage Pfandbriefe	34,107.3	35,156.6	32,005.6	34,145.0	30,024.3	32,058.4
of which derivatives	-	-	-	-	-	-
Cover pool	36,147.2	37,314.9	34,943.6	37,498.8	32,827.0	34,971.9
of which derivatives	-	-	-	-	-	-
Over-collateralisation	2,040.0	2,158.3	2,938.0	3,353.8	2,802.8	2,913.5
Over-collateralisation, in % of Pfandbriefe outstanding	6.0	6.1	9.2	9.8	9.3	9.1
Statutory over-collateralisation ²	1,282.8	1,264.4	640.1	682.9		
Contractual over-collateralisation ³	-	-	-	-		
Voluntary over-collateralisation ⁴	757.2	893.9	2,297.9	2,670.9		
Over-collateralisation taking into account vdp's credit quality differentiation model	2,040.0	2,158.3	2,938.0	3,353.8		
Over-collateralisation, in % of Pfandbriefe outstanding	6.0	6.1	9.2	9.8		

¹ The dynamic approach was used for calculating the risk-adjusted net present value in accordance with section 5(1) no. 2 of the Pfandbrief Net Present Value Regulation (Pfandbrief-Barwertverordnung, PfandBarwertV).

² In accordance with the nominal value: sum of the nominal value of statutory over-collateralisation pursuant to section 4(2) of the German Pfandbrief Act and the net present value of statutory over-collateralisation pursuant to section 4(1) Pfandbrief Act;
Net present value: net present value of statutory over-collateralisation pursuant to section 4(1) Pfandbrief Act.

³ Contractually assured over-collateralisation.

⁴ Residual, depending on the statutory and contractual over-collateralisation; net present value includes the net present value of the nominal value of statutory over-collateralisation pursuant to section 4(2) Pfandbrief Act.

Note: over-collateralisation taking into account vdp's credit quality differentiation model is optional.



PFANDBRIEFE OUTSTANDING AND COVER ASSETS USED FOR THEM

IN € MILLION

	Nominal value		Net present value		Risk-adjusted net present value ¹	
	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024
Total volume of outstanding Public Pfandbriefe	1,120.4	1,158.3	1,205.9	1,292.5	1,136.7	1,217.7
of which derivatives	-	-	-	-	-	-
Cover pool	1,215.3	1,267.3	1,315.5	1,460.5	1,203.9	1,320.2
of which derivatives	-	-	10.8	14.2	6.7	9.3
Over-collateralisation	95.0	109.0	109.6	168.0	67.2	102.5
Over-collateralisation, in % of Pfandbriefe outstanding	8.5	9.4	9.1	13.0	5.9	8.4
Statutory over-collateralisation ²	44.5	45.5	24.1	25.8		
Contractual over-collateralisation ³	-	-	-	-		
Voluntary over-collateralisation ⁴	50.5	63.5	85.5	142.2		
Over-collateralisation taking into account vdp's credit quality differentiation model	95.0	109.0	109.6	168.0		
Over-collateralisation, in % of Pfandbriefe outstanding	8.5	9.4	9.1	13.0		

¹ The dynamic approach was used for calculating the risk-adjusted net present value in accordance with section 5(1) no. 2 of the Pfandbrief Net Present Value Regulation (Pfandbrief-Barwertverordnung, PfandBarwertV).

² In accordance with the nominal value: sum of the nominal value of statutory over-collateralisation pursuant to section 4(2) of the German Pfandbrief Act and the net present value of statutory over-collateralisation pursuant to section 4(1) Pfandbrief Act; Net present value: net present value of statutory over-collateralisation pursuant to section 4(1) Pfandbrief Act.

³ Contractually assured over-collateralisation.

⁴ Residual, depending on the statutory and contractual over-collateralisation; net present value includes the net present value of the nominal value of statutory over-collateralisation pursuant to section 4(2) Pfandbrief Act.

Note: over-collateralisation taking into account vdp's credit quality differentiation model is optional.



Publication pursuant to section 28(1) sentence 1 nos. 4 and 5 of the German Pfandbrief Act

MATURITY STRUCTURE OF PFANDBRIEFE OUTSTANDING AND THE COVER POOLS USED FOR THEM

Q4 2025

MORTGAGE PFANDBRIEFE

IN € MILLION

	Q4 2025		Q4 2024		Q4 2025	Q4 2024
	Pfandbriefe in circulation	Cover pool	Pfandbriefe in circulation	Cover pool	Mat-Ex (12 months) ¹	Mat-Ex (12 months) ¹
Remaining term to maturity:					Pfandbriefe in circulation	Pfandbriefe in circulation
≤ 0.5 years	2,123.2	1,757.5	1,298.0	1,605.8	-	-
> 0.5 years and ≤ 1 year	2,173.9	1,841.0	1,636.0	2,055.4	-	-
> 1 year and ≤ 1.5 years	1,535.8	2,352.4	2,190.6	1,822.8	2,123.2	1,298.0
> 1.5 years and ≤ 2 years	2,008.1	1,652.0	2,227.5	1,788.3	2,173.9	1,636.0
> 2 years and ≤ 3 years	2,777.7	2,836.2	3,496.5	3,815.0	3,544.0	4,418.1
> 3 years and ≤ 4 years	2,429.5	2,956.0	2,921.6	2,463.3	2,777.7	3,496.5
> 4 years and ≤ 5 years	2,722.6	2,647.5	2,567.9	2,668.9	2,429.5	2,921.6
> 5 years and ≤ 10 years	7,423.9	10,140.2	8,506.1	10,392.4	8,230.3	9,738.7
> 10 years	10,912.6	9,964.3	10,312.4	10,703.0	12,828.7	11,647.7

PUBLIC PFANDBRIEFE

IN € MILLION

	Q4 2025		Q4 2024		Q4 2025	Q4 2024
	Pfandbriefe in circulation	Cover pool	Pfandbriefe in circulation	Cover pool	FäV (12 months) ¹	FäV (12 months) ¹
Remaining term to maturity:					Pfandbriefe in circulation	Pfandbriefe in circulation
≤ 0.5 years	91.1	39.3	11.3	5.6	-	-
> 0.5 years and ≤ 1 year	74.7	8.4	26.6	4.1	-	-
> 1 year and ≤ 1.5 years	2.0	14.3	91.1	47.9	91.1	11.3
> 1.5 years and ≤ 2 years	3.5	18.7	103.7	12.8	74.7	26.6
> 2 years and ≤ 3 years	212.2	89.9	6.6	30.1	5.5	194.8
> 3 years and ≤ 4 years	60.9	65.7	213.4	73.8	212.2	6.7
> 4 years and ≤ 5 years	48.7	88.7	62.2	55.1	60.9	213.4
> 5 years and ≤ 10 years	450.8	206.6	398.7	122.4	391.5	203.6
> 10 years	176.5	683.8	244.7	915.5	284.4	501.9

¹ Effects of an extension of maturity on the maturity structure of the Pfandbriefe / extension scenario: 12 months. This is an extremely unlikely scenario, and it could first come into play after the appointment of a cover pool administrator.



INFORMATION CONCERNING EXTENSION OF THE MATURITY OF THE PFANDBRIEFE

	Q4 2025	Q4 2024
Information concerning extension of the maturity of the Pfandbriefe	<p>Extension of maturity is necessary to avoid the illiquidity of the Pfandbrief bank with limited business activity (prevention of illiquidity), the Pfandbrief bank with limited business activity is not overindebted (no existing overindebtedness), and there is reason to believe that the Pfandbrief bank with limited business activity will be able to meet its liabilities then due after the expiry of the maximum possible extension date, taking into account further possibilities for extension (positive expectation of liability satisfaction). See also section 30(2b) Pfandbrief Act.</p>	<p>Extension of maturity is necessary to avoid the illiquidity of the Pfandbrief bank with limited business activity (prevention of illiquidity), the Pfandbrief bank with limited business activity is not overindebted (no existing overindebtedness), and there is reason to believe that the Pfandbrief bank with limited business activity will be able to meet its liabilities then due after the expiry of the maximum possible extension date, taking into account further possibilities for extension (positive expectation of liability satisfaction). See also section 30(2b) Pfandbrief Act.</p>
Powers of the cover pool administrator in the event of extension of the maturity of the Pfandbriefe	<p>The cover pool administrator may extend the due dates of principal payments if the relevant prerequisites specified in section 30(2b) Pfandbrief Act are met. The cover pool administrator determines the duration of the extension period in line with necessity, but it may not exceed 12 months.</p> <p>The cover pool administrator may extend the due dates of principal and interest payments falling due within one month after their appointment to the end of that one-month period. If the cover pool administrator decides in favour of such an extension, it will be irrefutably presumed that prerequisites specified in section 30(2b) Pfandbrief Act were met. Such an extension is to be taken into account as part of the maximum extension duration of 12 months.</p> <p>The cover pool administrator may only exercise their authority uniformly for all Pfandbriefe of an issue. Maturities may be extended in full or pro rata. The cover pool administrator must extend the maturity for a Pfandbrief issue in such a way that the original order of repayment of the Pfandbriefe, which could be superseded by the extension, remains unchanged ('overtaking ban'). This may also mean that issues that are scheduled to mature later will also need to have their maturities extended. See also section 30(2a) and (2b) Pfandbrief Act.</p>	<p>The cover pool administrator may extend the due dates of principal payments if the relevant prerequisites specified in section 30(2b) Pfandbrief Act are met. The cover pool administrator determines the duration of the extension period in line with necessity, but it may not exceed 12 months.</p> <p>The cover pool administrator may extend the due dates of principal and interest payments falling due within one month after their appointment to the end of that one-month period. If the cover pool administrator decides in favour of such an extension, it will be irrefutably presumed that prerequisites specified in section 30(2b) Pfandbrief Act were met. Such an extension is to be taken into account as part of the maximum extension duration of 12 months.</p> <p>The cover pool administrator may only exercise their authority uniformly for all Pfandbriefe of an issue. Maturities may be extended in full or pro rata. The cover pool administrator must extend the maturity for a Pfandbrief issue in such a way that the original order of repayment of the Pfandbriefe, which could be superseded by the extension, remains unchanged ('overtaking ban'). This may also mean that issues that are scheduled to mature later will also need to have their maturities extended. See also section 30(2a) and (2b) Pfandbrief Act.</p>



Publication pursuant to section 28(2) no. 1(a) of the German Pfandbrief Act,
section 28(3) no. 1 of the German Pfandbrief Act and section 28(4) no. 1(a) of the German Pfandbrief Act

CLAIMS USED TO COVER MORTGAGE PFANDBRIEFE, BY SIZE

Q4 2025

COVER ASSETS IN € MILLION

	Q4 2025	Q4 2024
Up to €300 thousand	20,329.4	20,379.9
More than €300 thousand up to €1 million	5,778.1	5,757.1
More than €1 million up to €10 million	2,010.0	2,349.4
More than €10 million	6,612.3	7,468.5
Total	34,729.7	35,954.9

CLAIMS USED TO COVER PUBLIC PFANDBRIEFE, BY SIZE

Q4 2025

COVER ASSETS IN € MILLION

	Q4 2025	Q4 2024
Up to €10 million	26.5	26.1
More than €10 million up to €100 million	423.8	401.2
More than €100 million	765.0	840.0
Total	1,215.3	1,267.3



Publication pursuant to section 28(2) no. 1(b) and (c) and no. 2 of the German Pfandbrief Act

CLAIMS USED TO COVER MORTGAGE PFANDBRIEF, BY REGION IN WHICH MORTGAGED REAL ESTATE IS BASED AND TYPE OF USE, AS WELL AS THE TOTAL AMOUNT OF PAYMENTS IN ARREARS FOR LEAST 90 DAYS AND THE TOTAL AMOUNT OF THESE CLAIMS INASMUCH AS THE RESPECTIVE AMOUNT IN ARREARS IS AT LEAST FIVE PERCENT OF THE CLAIM

Q4 2025

MORTGAGE BONDS COVER
IN € MILLION

Country	Q4	Cover assets													Total amount of these claims in arrears for at least 90 days	Total amount of these claims inasmuch as the respective amount in arrears is at least five percent of the claim	
		Total	of which								Total	of which					
			Residential housing					Commercial									
			Apart-ments	One- and two-family homes	Multi-family homes	Buildings under construction	Build-ing land	Office buildings	Retail buildings	Industrial buildings		Other buildings in commercial use	Buildings under construction	Build-ing land			
Total – all countries	year 2025	34,729.7	28,976.7	5,576.5	18,422.0	4,973.3	4.9	–	5,753.0	3,651.3	1,834.4	4.1	263.2	–	–	36.2	39.6
	year 2024	35,954.9	29,434.5	5,526.7	18,445.7	5,456.4	5.7	–	6,520.4	4,319.6	1,949.5	4.8	246.5	–	–	25.0	28.1
Germany	year 2025	28,707.1	24,316.9	3,978.6	15,868.7	4,464.7	4.9	–	4,390.3	2,892.0	1,247.1	4.1	247.1	–	–	35.9	39.3
	year 2024	29,329.5	24,492.6	3,914.9	15,799.8	4,772.2	5.7	–	4,836.9	3,299.3	1,321.2	4.8	211.6	–	–	24.4	27.5
Belgium	year 2025	62.0	–	–	–	–	–	–	62.0	62.0	–	–	–	–	–	–	–
	year 2024	71.6	–	–	–	–	–	–	71.6	71.6	–	–	–	–	–	–	–
France	year 2025	168.6	–	–	–	–	–	–	168.6	132.2	36.5	–	–	–	–	–	–
	year 2024	174.6	–	–	–	–	–	–	174.6	161.6	13.0	–	–	–	–	–	–
United Kingdom	year 2025	188.2	41.5	–	–	41.5	–	–	146.7	130.6	–	–	16.1	–	–	–	–
	year 2024	260.4	86.1	–	–	86.1	–	–	174.3	150.0	7.4	–	16.9	–	–	–	–
Luxembourg	year 2025	21.5	–	–	–	–	–	–	21.5	21.5	–	–	–	–	–	–	–
	year 2024	100.0	–	–	–	–	–	–	100.0	100.0	–	–	–	–	–	–	–
Netherlands	year 2025	704.5	284.7	–	–	284.7	–	–	419.7	195.4	224.4	–	–	–	–	–	–
	year 2024	727.7	305.5	–	–	305.5	–	–	422.2	191.1	231.1	–	–	–	–	–	–
Austria	year 2025	231.1	62.8	16.7	45.8	0.3	–	–	168.3	63.3	105.0	–	–	–	–	–	–
	year 2024	257.0	59.6	16.4	43.0	0.2	–	–	197.4	73.4	106.0	–	18.0	–	–	0.4	0.4
Spain	year 2025	396.4	66.0	–	–	66.0	–	–	330.4	108.8	221.5	–	–	–	–	–	–
	year 2024	390.4	31.8	–	–	31.8	–	–	358.6	109.1	249.5	–	–	–	–	–	–
Switzerland	year 2025	4,088.7	4,088.7	1,581.2	2,507.5	–	–	–	–	–	–	–	–	–	–	0.3	0.3
	year 2024	4,198.3	4,198.3	1,595.4	2,602.9	–	–	–	–	–	–	–	–	–	–	0.2	0.2
USA	year 2025	161.6	116.1	–	–	116.1	–	–	45.4	45.4	–	–	–	–	–	–	–
	year 2024	445.4	260.6	–	–	260.6	–	–	184.8	163.5	21.3	–	–	–	–	–	–



Publication pursuant to section 28(3) no. 2 of the German Pfandbrief Act

CLAIMS USED TO COVER PUBLIC PFANDBRIEFE

Q4 2025

VOLUME OF CLAIMS USED TO COVER PUBLIC PFANDBRIEFE

IN € MILLION

Country	Q4	Cover assets									
		Total	of which owed by				of which guaranteed by				
			Guarantees included in the total that were granted for reasons of promoting exports	Central government	Regional authorities	Local authorities	Other	Central government	Regional authorities	Local authorities	Other
Total – all countries	year 2025	1,215.3	–	120.0	830.0	190.3	75.0	–	–	–	–
	year 2024	1,267.3	–	120.0	905.0	167.3	75.0	–	–	–	–
Germany	year 2025	1,060.3	–	–	795.0	190.3	75.0	–	–	–	–
	year 2024	1,112.3	–	–	870.0	167.3	75.0	–	–	–	–
Austria	year 2025	155.0	–	120.0	35.0	–	–	–	–	–	–
	year 2024	155.0	–	120.0	35.0	–	–	–	–	–	–



Publication pursuant to section 28(1) sentence 1 nos. 8, 9 and 10 of the German Pfandbrief Act

OTHER COVER ASSETS – DETAILED PRESENTATION FOR MORTGAGE PFANDBRIEFE

Q4 2025

OTHER COVER ASSETS – DETAILED PRESENTATION FOR MORTGAGE PFANDBRIEFE

IN € MILLION

Other cover assets for Mortgage Pfandbriefe in accordance with section 19(1) sentence 1 no. 2(a) and (b), section 19(1) sentence 1 no. 3(a) to (c), section 19(1) sentence 1 no. 4

Country	Q4	Total	of which				Claims referred to in section 19(1) sentence 1 no. 4
			Claims referred to in section 19(1) sentence 1 no. 2(a) and (b)		Claims referred to in section 19(1) sentence 1 no. 3(a) to (c)		
			Total	of which	Total	of which	
				covered bonds referred to in Article 129 of Regulation (EU) No 575/2013		covered bonds referred to in Article 129 of Regulation (EU) No 575/2013	
Total – all countries	year 2025	1,417.5	67.5	-	-	-	1,350.0
	year 2024	1,360.0	5.0	-	-	-	1,355.0
Germany	year 2025	1,417.5	67.5	-	-	-	1,350.0
	year 2024	1,360.0	5.0	-	-	-	1,355.0



Publication pursuant to section 28(1) sentence 1 nos. 6, 7, 11, 12, 13, 14 and 15 of the German Pfandbrief Act and section 28(2) sentence 1 nos. 3 and 4 of the German Pfandbrief Act

KEY FIGURES CONCERNING PFANDBRIEFE OUTSTANDING AND COVER ASSETS USED FOR THEM

Q4 2025

MORTGAGE PFANDBRIEFE

		Q4 2025	Q4 2024
Pfandbriefe outstanding	in € million	34,107.3	35,156.6
of which share of fixed-rate Pfandbriefe section 28(1) no. 13 (weighted average)	%	95.2	94.7
Cover pool	in € million	36,147.2	37,314.9
of which total amount of the claims specified in section 12(1) that exceed the limits specified in section 13(1) sentence 2, second half-sentence section 28(1) sentence 1 no. 11	in € million	-	-
of which total amount of the assets specified in section 19(1) that exceed the limits specified in section 19(1) sentence 7 section 28(1) sentence 1 no. 11	in € million	-	-
claims that exceed the limits specified in section 19(1) no. 2, section 28(1) sentence 1 no. 12	in € million	-	-
claims that exceed the limits specified in section 19(1) no. 3, section 28(1) sentence 1 no. 12	in € million	-	-
claims that exceed the limits specified in section 19(1) no. 4, section 28(1) sentence 1 no. 12	in € million	-	-
of which share of the fixed-rate cover pool section 28(1) no. 13	%	96.4	95.7
Net present value in accordance with section 6 of the German Pfandbrief Net Present Value Regulation (Pfandbrief-Barwertverordnung, PfandBarwertV) for each foreign currency in € million, section 28(1) no. 14 (netted assets and liabilities)	CAD	-	-
	CHF	874.0	1,113.3
	CZK	-	-
	DKK	-	-
	GBP	192.4	265.2
	HKD	-	-
	JPY	-	-
	NOK	-	-
	SEK	-	-
	USD	167.9	164.6
	AUD	-	-
Volume-weighted average of the age of the claims (term elapsed since the loan was granted – seasoning), section 28(2) no. 4	Years	6.1	5.7
Average weighted loan-to-value ratio, section 28(2) no. 3	%	51.7	52.2
Average weighted loan-to-value ratio based on market value – voluntary disclosure – (average)	%	-	-



MORTGAGE PFANDBRIEFE

		Q4 2025	Q4 2024
Key figures concerning liquidity in accordance with section 28(1) sentence 1 no. 6 Pfandbrief Act			
Largest negative total within the next 180 days within the meaning of section 4(1a) sentence 3 Pfandbrief Act that results for Pfandbriefe (liquidity need)	in € million	1,028.4	405.2
Day on which the largest negative total results	Day (1–180)	117	73
Total amount of cover assets meeting the requirements of section 4(1a) sentence 3 (Pfandbrief Act) (liquidity coverage)	in € million	1,311.1	1,448.8
Key figures in accordance with section 28(1) sentence 1 no. 7 Pfandbrief Act			
Share of derivative transactions included in the cover pools in accordance with section 19(1) sentence 1 no. 1 (credit quality step 3)	%	–	–
Share of derivative transactions included in the cover pools in accordance with section 19(1) sentence 1 no. 2(c) (credit quality step 2)	%	–	–
Share of derivative transactions included in the cover pools in accordance with section 19(1) sentence 1 no. 3(d) (credit quality step 1)	%	–	–
Share of derivative transactions included in liabilities to be covered in accordance with section 19(1) sentence 1 no. 1 (credit quality step 3)	%	–	–
Share of derivative transactions included in liabilities to be covered in accordance with section 19(1) sentence 1 no. 2(c) (credit quality step 2)	%	–	–
Share of derivative transactions included in liabilities to be covered in accordance with section 19(1) sentence 1 no. 3(d) (credit quality step 1)	%	–	–
Key figures in accordance with section 28(1) sentence 1 no. 15 Pfandbrief Act			
Share of cover assets in the cover pool for which or for whose debtor a default pursuant to Article 178(1) CRR is deemed to have occurred.	%	1.0	0.5



Publication pursuant to section 28(1) sentence 1 nos. 6, 7, 11, 12, 13, 14 and 15 of the German Pfandbrief Act and section 28(2) sentence 1 nos. 3 and 4 of the German Pfandbrief Act

KEY FIGURES CONCERNING PFANDBRIEFE OUTSTANDING AND COVER ASSETS USED FOR THEM

Q4 2025

PUBLIC PFANDBRIEFE

		Q4 2025	Q4 2024
Pfandbriefe outstanding	in € million	1,120.4	1,158.3
of which share of fixed-rate Pfandbriefe, section 28(1) no. 13 (weighted average)	%	91.0	91.3
Cover pool	in € million	1,215.3	1,267.3
of which total amount of the claims specified in section 20(1) and (2) that exceed the limits specified in section 20(3), section 28(1) sentence 1 no. 11	in € million	-	-
Claims that exceed the limits specified in section 20(2) no. 2, section 28(1) sentence 1 no. 12	in € million	-	-
Claims that exceed the limits specified in section 20(2) no. 3, section 28(1) sentence 1 no. 12		-	-
of which share of the fixed-rate cover pool, section 28(1) no. 13	%	93.8	94.1
Net present value in accordance with section 6 PfandBarwertV for each foreign currency in € million, section 28(1) no. 14 (netted assets and liabilities)	CAD	-	-
	CHF	-	-
	CZK	-	-
	DKK	-	-
	GBP	-	-
	HKD	-	-
	JPY	-	-
	NOK	-	-
	SEK	-	-
	USD	-	-
	AUD	-	-

**PUBLIC PFANDBRIEFE**

		Q4 2025	Q4 2024
Key figures concerning liquidity in accordance with section 28(1) sentence 1 no. 6 Pfandbrief Act			
Largest negative total within the next 180 days within the meaning of section 4(1a) sentence 3 Pfandbrief Act that results for Pfandbriefe (liquidity need)	in € million	91.0	13.6
Day on which the largest negative total results	Day (1–180)	110	92
Total amount of cover assets meeting the requirements of section 4(1a) sentence 3 (Pfandbrief Act) (liquidity coverage)	in € million	416.5	205.1
Key figures in accordance with section 28(1) sentence 1 no. 7 Pfandbrief Act			
Share of derivative transactions included in the cover pools in accordance with section 20(2) sentence 1 no. 1 (credit quality step 3)	%	–	–
Share of derivative transactions included in the cover pools in accordance with section 20(2) sentence 1 no. 2 (credit quality step 2)	%	0.9	1.1
Share of derivative transactions included in the cover pools in accordance with section 20(2) sentence 1 no. 3(c) (credit quality step 1)	%	–	–
Share of derivative transactions included in liabilities to be covered in accordance with section 20(2) sentence 1 no. 1 (credit quality step 3)	%	–	–
Share of derivative transactions included in liabilities to be covered in accordance with section 20(2) sentence 1 no. 2 (credit quality step 2)	%	–	–
Share of derivative transactions included in liabilities to be covered in accordance with section 20(2) sentence 1 no. 3(c) (credit quality step 1)	%	–	–
Key figures in accordance with section 28(1) sentence 1 no. 15 Pfandbrief Act			
Share of cover assets in the cover pool for which or for whose debtor a default pursuant to Article 178(1) CRR is deemed to have occurred	%	–	–



Publication pursuant to section 28(1) sentence 1 no. 2 of the German Pfandbrief Act

LIST OF INTERNATIONAL SECURITIES IDENTIFICATION NUMBERS (ISIN) OF THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION, BY PFANDBRIEF TYPE

Q4 2025

MORTGAGE PFANDBRIEFE

	Q4 2025	Q4 2024
ISIN	CH0386949314, CH0417086086, CH0460872341, CH0463112059, CH0471297991, CH0481013768, CH1100259808, CH1122290237, CH1131931375, CH1137407453, CH1139995810, CH1175016091, CH1195555409, CH1233900005, CH1271360427, CH1455990122, DE000A254ZY0, DE000A2AASW0, DE000A2G9GY4, DE000A2GS2H6, DE000A2GSRM2, DE000A2LQ4R6, DE000A2LQ4T2, DE000A2TSS66, DE000A2YNRE3, DE000A30V3E4, DE000A351LJ5, DE000A3E5FC1, DE000A3E5P03, DE000A3H2002, DE000A3H2YT0, DE000A3H3JW3, DE000MHB10J3, DE000MHB17J8, DE000MHB18J6, DE000MHB1954, DE000MHB19J4, DE000MHB20J2, DE000MHB2234, DE000MHB2242, DE000MHB22J8, DE000MHB2317, DE000MHB2440, DE000MHB2457, DE000MHB25J1, DE000MHB2648, DE000MHB2697, DE000MHB26J9, DE000MHB2705, DE000MHB2721, DE000MHB2739, DE000MHB2754, DE000MHB27J7, DE000MHB2812, DE000MHB2820, DE000MHB2838, DE000MHB2861, DE000MHB28J5, DE000MHB2978, DE000MHB2994, DE000MHB29J3, DE000MHB30J1, DE000MHB31J9, DE000MHB32J7, DE000MHB34J3, DE000MHB35J0, DE000MHB36J8, DE000MHB37J6, DE000MHB38J4, DE000MHB39J2, DE000MHB4057, DE000MHB40J0, DE000MHB4107, DE000MHB4149, DE000MHB4156, DE000MHB41J8, DE000MHB4214, DE000MHB4289, DE000MHB4297, DE000MHB4305, DE000MHB4388, DE000MHB4396, DE000MHB4412, DE000MHB4420, DE000MHB4479, DE000MHB4487, DE000MHB4529, DE000MHB4552, DE000MHB4560, DE000MHB4586, DE000MHB4677, DE000MHB4727, DE000MHB4636, DE000MHB4651, DE000MHB4669, DE000MHB4677, DE000MHB4727, DE000MHB4750, DE000MHB4776, DE000MHB4784, DE000MHB4818, DE000MHB4826, DE000MHB4842, DE000MHB4917, DE000MHB4925, DE000MHB4933, DE000MHB4958, DE000MHB4974, DE000MHB4982, DE000MHB4990, DE000MHB5005, DE000MHB5013, DE000MHB5039, DE000MHB5047, DE000MHB5054, DE000MHB5062, DE000MHB61H0, DE000MHB9171	CH0386949314, CH0417086086, CH0460872341, CH0463112059, CH0471297991, CH0481013768, CH1100259808, CH1122290237, CH1131931375, CH1137407453, CH1139995810, CH1175016091, CH1195555409, CH1233900005, CH1271360427, DE000A254ZY0, DE000A2AASW0, DE000A2G9GY4, DE000A2GS2H6, DE000A2GSRM2, DE000A2LQ4R6, DE000A2LQ4T2, DE000A2TSS66, DE000A2YNRE3, DE000A30V3E4, DE000A351LJ5, DE000A3E5FC1, DE000A3E5P03, DE000A3H2002, DE000A3H2YT0, DE000A3H3JW3, DE000MHB10J3, DE000MHB13J7, DE000MHB17J8, DE000MHB18J6, DE000MHB1954, DE000MHB19J4, DE000MHB20J2, DE000MHB2234, DE000MHB2242, DE000MHB22J8, DE000MHB2317, DE000MHB2440, DE000MHB2457, DE000MHB25J1, DE000MHB2648, DE000MHB2697, DE000MHB26J9, DE000MHB2705, DE000MHB2721, DE000MHB2739, DE000MHB2754, DE000MHB27J7, DE000MHB2812, DE000MHB2820, DE000MHB2838, DE000MHB2853, DE000MHB2861, DE000MHB28J5, DE000MHB2978, DE000MHB2994, DE000MHB29J3, DE000MHB30J1, DE000MHB31J9, DE000MHB32J7, DE000MHB33J5, DE000MHB34J3, DE000MHB35J0, DE000MHB36J8, DE000MHB37J6, DE000MHB38J4, DE000MHB39J2, DE000MHB4057, DE000MHB40J0, DE000MHB4107, DE000MHB4149, DE000MHB4156, DE000MHB41J8, DE000MHB4214, DE000MHB4289, DE000MHB4297, DE000MHB4305, DE000MHB4388, DE000MHB4396, DE000MHB4412, DE000MHB4420, DE000MHB4479, DE000MHB4487, DE000MHB4529, DE000MHB4552, DE000MHB4560, DE000MHB4586, DE000MHB4636, DE000MHB4651, DE000MHB4669, DE000MHB4677, DE000MHB4685, DE000MHB4719, DE000MHB4727, DE000MHB4735, DE000MHB4750, DE000MHB4776, DE000MHB4784, DE000MHB4792, DE000MHB4818, DE000MHB4826, DE000MHB4842, DE000MHB4867, DE000MHB4875, DE000MHB4917, DE000MHB4925, DE000MHB4933, DE000MHB4958, DE000MHB4966, DE000MHB4974, DE000MHB61H0, DE000MHB9171

PUBLIC PFANDBRIEFE

	Q4 2025	Q4 2024
ISIN	DE000MHB3349	DE000MHB3349



INTEREST ARREARS UNDER MORTGAGES USED AS COVER

INTEREST ARREARS UNDER MORTGAGES USED AS COVER

IN € THOUSAND

	Total		thereof residential		thereof commercial	
	2025	2024	2025	2024	2025	2024
Interest arrears	625	583	623	582	2	1

FORECLOSURES AND RECEIVERSHIPS INVOLVING MORTGAGES USED AS COVER

FORECLOSURES AND RECEIVERSHIPS INVOLVING MORTGAGES USED AS COVER

Pending on the reporting date	Total		thereof residential		thereof commercial	
	2025	2024	2025	2024	2025	2024
– Foreclosure proceedings	145	105	144	104	1	1
– Receivership proceedings	13	4	10	2	3	2
	7 ¹	1 ¹	7 ¹	1 ¹	0 ¹	0 ¹
Foreclosure proceedings completed in the financial year	41	30	41	30	0	0

¹ thereof included in the pending foreclosures.

We did not need to take possession of any properties during the reporting year in order to salvage our claims.



OTHER DISCLOSURES

Change in membership

CHANGE IN MEMBERSHIP

	Number of remaining members
Start of 2025	54,623
Joined in 2025	831
Left in 2025	2,331
End of 2025	53,123
	€
The capital contributions of the remaining members increased in the financial year by	23,823,170
Amount of each capital share	70.00
Amount of liability	0.00

Personnel figures

In the reporting year, the Bank had on average

	Male	Female	Total
Full-time employees	326.00	185.50	511.50
Part-time employees	47.80	145.00	192.80
Total employees	373.80	330.50	704.30
The figures do not include			
Trainees	3.80	7.00	10.80
Employees on parental leave, in pre-retirement transition or in phased retirement (leave phase), or employees placed on leave	14.80	27.50	42.30

Special disclosure requirements

Information that Münchener Hypothekenbank is required to disclose in accordance with Part 8 of the CRR (Articles 435 to 455) will be published by the Bank in a separate disclosure report in the Federal Gazette (Bundesanzeiger), as well as on the Bank's website.

In accordance with section 26a(1) sentence 4 of the German Banking Act (Kreditwesengesetz, KWG), net profit amounted to 0.1984 percent of total assets.

Proposal for the appropriation of profit

Net income for the year amounted to EUR 106,075,426.82. These annual financial statements show an advance allocation of EUR 50,000,000.00 to legal reserves.

Unappropriated profit amounted to EUR 56,670,357.20.

The following allocation of unappropriated profit will be proposed to the Delegates Meeting:

4.00 % dividend	EUR 51,019,000.00
Additional allocation to legal reserve	EUR 5,000,000.00
Carried forward to new account	EUR 651,357.20

Company name

Münchener Hypothekenbank eG
Karl-Scharnagl-Ring 10 | 80539 Munich
Register of Cooperatives maintained by the Local Court of Munich
Gen.-Reg 396



GOVERNING BODIES

Supervisory Board

Dr Hermann Starnecker
Spokesman of the Board of Management
VR Bank Augsburg-Ostallgäu eG (until 31 December 2025)

Chairman of the Supervisory Board

Gregor Scheller (until 25 April 2025)
Bank director, retired

Deputy Chairman of the Supervisory Board

Dr Wolfgang Seel (since 25 April 2025)
Chairman of the Board of Management
VR-Bank Neu-Ulm eG

Deputy Chairman of the Supervisory Board

HRH Anna Duchess in Bavaria
Entrepreneur

Dr Nadine Becken
Entrepreneur

Ute Heilig
Member of the Board of Management
Frankfurter Volksbank Rhein/Main eG

Josef Hodrus
Spokesman of the Board of Management
Volksbank Allgäu-Oberschwaben eG

Jürgen Hölscher
Member of the Board of Management
Emsländische Volksbank eG

Reimund Käsbauer
Employee representative

Michael Schäffler
Employee representative

Claudia Schirsch
Employee representative

Kai Schubert
Member of the Board of Management
Raiffeisenbank eG

Frank Wolf-Kunz
Employee representative

Board of Management

Dr Holger Horn
Chairman of the Board of Management

Ulrich Scheer
Member of the Board of Management

Markus Wirsén
Member of the Board of Management

As at the reporting date, as in the previous year, there were no loans to members of the Supervisory Board. As in the previous year, the portfolio did not include any loans to members of the Board of Management. Pension provisions of EUR 17,575 thousand (previous year: EUR 19,968 thousand) were created for former members of the Board of Management and their survivors. Total compensation paid in the reporting year amounted to the following: to members of the Board of Management, EUR 2,245 thousand (previous year: EUR 2,186 thousand), to members of the Supervisory Board, EUR 590 thousand (previous year: EUR 546 thousand), and to members of the Advisory Committee, EUR 53 thousand (previous year: EUR 45 thousand). Total compensation paid to former members of the Board of Management and their survivors amounted to EUR 1,740 thousand (previous year: EUR 1,801 thousand).



AUDITING ASSOCIATION

The statutory audit was conducted on behalf of Genossenschaftsverband Bayern e. V. by Baden-Württembergischer Genossenschaftsverband e.V. (BWGV), Am Rüppurrer Schloss 40, Karlsruhe.

The total fee paid to the statutory auditor amounted to EUR 967 thousand (previous year: EUR 943 thousand), not including value-added tax. The expenses were as follows:

TOTAL FEE PAID TO THE STATUTORY AUDITOR IN € THOUSAND

	BWGV 31.12.2025	BWGV 31.12.2024
For statutory audit services	883	877
Other assurance services	84	66
Tax advisory services	0	0
Other services	0	0



CONTINGENT LIABILITY

Our Bank is a member of the protection scheme run by the National Association of German Cooperative Banks (BVR). As required by the statute of the protection scheme, we have issued a guarantee to the BVR, which is associated with a possible commitment of EUR 41,958 thousand. In addition, in accordance with Article 7 of the declaration of accession and commitment under which we joined the institutional protection scheme run by BVR Institutssicherung GmbH (BVR-ISG), we have issued a contribution guarantee to BVR-ISG. This concerns special contributions and special payments in the event that the available financial resources are not sufficient to compensate possible losses suffered by depositors of one of the CRR credit institutions belonging to the institutional protection scheme, as well as top-up obligations in accordance with cover measures.

Munich, 3 February 2026

Münchener Hypothekbank eG

The Board of Management

Dr Holger Horn
CEO

Ulrich Scheer
CFO

Markus Wirsén
CRO



REPORT OF THE INDEPENDENT STATUTORY AUDITOR

To Münchener Hypothekbank eG, Munich

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

Audit opinions

We audited the annual financial statements of Münchener Hypothekbank eG, Munich (hereinafter the “Cooperative”), which comprise the balance sheet as at 31 December 2025, the income statement, the cash flow statement and the statement of changes in capital and reserves for the financial year from 1 January to 31 December 2025, as well as the notes to the financial statements, including the accounting policies. In addition, we audited the management report of the Cooperative for the financial year from 1 January to 31 December 2025. In accordance with German statutory requirements, we did not audit the content of the parts of the management report specified in the section entitled “Other information”.

In our opinion, on the basis of the knowledge obtained during our audit:

- the accompanying annual financial statements comply in all material respects with the requirements of the German Commercial Code (Handelsgesetzbuch, HGB) applicable to

cooperatives and present a true and fair view of the Cooperative’s net assets and financial position as at 31 December 2025 and its financial performance for the financial year 1 January to 31 December 2025 in accordance with German standards of proper accounting, and

- the accompanying management report as a whole provides an accurate view of the Cooperative’s position. The management report is consistent with the annual financial statements in all material respects, complies with German statutory requirements and accurately depicts the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the sections entitled “Corporate governance statement pursuant to section 289f HGB” and “Non-financial statement”.

Pursuant to section 322(3) sentence 1 HGB, we declare that our audit has not led to any reservations concerning the regularity of the annual financial statements or the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and the management report in conformity with section 53(2) of the German Cooperatives Act (Genossenschaftsgesetz, GenG), sections 340k and 317 HGB and EU Audit Regulation No 537/2014

(hereinafter the “EU Audit Regulation”), as well as in accordance with the German standards for proper statutory audits promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer in Deutschland, IDW). Our responsibility under these provisions and standards is described in greater detail in the section of our auditor’s report entitled “Responsibility of the statutory auditor for the audit of the annual financial statements and the management report”. We are independent of the Cooperative, as required under EU law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in conformity with these requirements. In addition, in accordance with section 10(2)(f) of the EU Audit Regulation in conjunction with sections 55(2) and 38(1a) GenG, we declare that no persons employed by us who could influence the outcome of the audit have provided any non-audit services prohibited under section 5(1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions concerning the annual financial statements and management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial statements for the financial year from 1 January to



31 December 2025. These matters were taken into account in connection with our audit of the annual financial statements as a whole and in the formation of our audit opinion thereon; we do not express a separate audit opinion on these matters.

We consider the following to be the key audit matter:

Recoverability of receivables in individual customer business

a) Matter and issue

Loans and advances to customers, netted against the loan loss provisions that were created, amount to EUR 45.2 billion. In this item, commercial loans (individual customer business) play a significant role in terms of risk. Most of the loans and advances are secured by mortgages.

The identification of impairments and the calculation of individual impairment allowances, as well as the measurement of provisions for contingent liabilities, are subject to significant estimation uncertainties and the use of discretion. There is a risk to the annual financial statements if an impairment is not identified in a timely manner or if the amount of an impairment allowance is influenced by the respective borrower's financial position and performance or by the valuation of the loan collateral. Particularly in the case of commercial financing, valuation parameters have a significant impact on the value of the collateral. Furthermore, the assessment of the sustained ability to service debt depends on external factors, such as the general rise in interest rates, as well as on estimates with respect to the borrower's future financial performance. Therefore, accurately measuring loans and advances in commercial and individual customer business is of critical importance for the annual financial statements and, in particular, for financial performance, and in our opinion, it constitutes a key audit matter.

b) Audit approach and findings

We first evaluated whether the Bank's systems and processes are structured in such a way that acute risks are identified with adequate certainty and in a timely manner and that, where necessary, sufficient loan loss provisions are created.

We then assured ourselves through spot checks that the arrangements and processes functioned properly. In doing so, we focused in particular on the relevant controls established by the Bank.

Based on the findings from the audits of structure, process and effectiveness, we performed audit procedures to identify credit exposures showing evidence of acute risk of default. In this regard, we evaluated the Bank's total portfolio with respect to the audit criteria we had established.

Based on this, we purposely audited select credit exposures with regard to the necessity and appropriateness of a loan loss provision. In doing so, we also evaluated whether the valuation parameters that were applied in the appraisals and the assumptions that were made are appropriate and reasonable. We also relied on publicly available market data for this purpose.

c) Reference to further information

Other disclosures by the Bank concerning the recognition and measurement of loans and advances in lending business are contained in the notes in the section "General disclosures concerning accounting policies".

The management report contains remarks on credit structures and about the procedures for risk identification.

Other information

The Board of Management and the Supervisory Board are responsible for the other information.

Other information includes:

- the corporate governance statement required by section 289f(4) HGB, which is included in the section of the management report entitled "Executive bodies, committees and employees" (disclosures on the proportion of women),
- the non-financial statement required by section 289b(1) HGB, which is included in the section of the management report entitled "Non-financial statement".

The other information also comprises:

- the other parts of the annual report – excluding cross-references to external information – with the exception of the audited annual financial statements and management report as well as our auditor's report.

Our audit opinions concerning the annual financial statements and the management report do not cover the other information, and as a result, we do not express an audit opinion or any other form of audit conclusion concerning it.

In connection with our audit, our responsibility is to read the other information and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the portions of the management report that we audited or with the knowledge we obtained as part of our audit or
- otherwise appears to be materially misstated.



Responsibility of the Board of Management and the Supervisory Board for the annual financial statements and the management report

The Board of Management of the Cooperative is responsible for preparing annual financial statements that comply in all material respects with the provisions of German commercial law applicable to capital market-oriented credit cooperatives and for ensuring that they present a true and fair view of the Cooperative's net assets, financial position and financial performance, in accordance with German standards of proper accounting. In addition, the Board of Management is responsible for the internal controls that it has specified as necessary in accordance with German standards of proper accounting to facilitate the preparation of annual financial statements that are free from material misstatement, due to either fraud (i.e. manipulation of accounts or misappropriation of assets) or error.

In preparing the annual financial statements, the Board of Management is responsible for assessing the Cooperative's ability to continue as a going concern. It is also responsible for disclosing, where relevant, matters concerning the ability of the Cooperative to continue as a going concern. Moreover, it is responsible for using the going concern basis of accounting, unless factual or legal circumstances prevent this.

In addition, the Board of Management is responsible for preparing a management report that as a whole provides an accurate view of the Cooperative's position, is consistent in all material respects with the annual financial statements, complies with German statutory requirements and appropriately presents the opportunities and risks of future development. Moreover, the

Board of Management is responsible for the arrangements and measures (systems) that it considers necessary in order to facilitate the preparation of a management report in conformity with applicable German statutory requirements and to enable sufficient and appropriate evidence to be provided for the statements in the management report.

The Supervisory Board is responsible for monitoring the Cooperative's accounting process with respect to the preparation of the annual financial statements and the management report.

Responsibility of the statutory auditor for the audit of the annual financial statements and the management report

Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, due to either fraud or error, and about whether the management report as a whole gives an accurate view of the Cooperative's position and in all material respects is consistent with the annual financial statements and the knowledge obtained during the audit, complies with German statutory requirements and accurately depicts the opportunities and risks of future development, as well as to issue an auditor's report containing our audit opinions concerning the annual financial statements and management report.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with section 53(2) GenG, sections 340k and 317 HGB and the EU Audit Regulation and in compliance with the German standards for

proper statutory audits promulgated by the IDW will always detect a material misstatement. Misstatements may be the result of fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. In addition, we:

- Identify and assess the risks of material misstatements in the annual financial statements and the management report, due to either fraud or error, design and perform audit procedures in response to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than in the case of error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the overriding of internal controls.
- Obtain an understanding of the internal control system relevant to the audit of the annual financial statements and of the arrangements and measures relevant to the audit of the management report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies applied by the Board of Management and the reasonableness of accounting estimates made by the Board of Management and related disclosures.



- Draw conclusions about the appropriateness of the Board of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, about whether a material uncertainty exists in relation to events or circumstances that may cast significant doubt on the Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may result in the Cooperative being unable to continue as a going concern.
- Evaluate the presentation, structure and content of the annual financial statements as a whole, including the disclosures, and whether the annual financial statements depict the underlying business transactions and events in such a way as to present a true and fair view of the Cooperative's net assets, financial position and financial performance in accordance with German standards of proper accounting.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with the law and the view of the Cooperative's position that it presents.
- Perform audit procedures relating to the forward-looking statements made by the Board of Management in the management report. In doing so, on the basis of sufficient and appropriate audit evidence, we gain an understanding, in particular, of the key assumptions underlying the Board of Management's forward-looking statements and evaluate whether the statements were properly derived from those assumptions. We do not express a separate audit opinion concerning the forward-looking statements or the underlying assumptions. There is a substantial, unavoidable risk that future events may deviate significantly from the forward-looking statements.

We meet with the Supervisory Board in order to discuss, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the Supervisory Board with a statement that we have complied with the relevant independence requirements, and we discuss with it all relationships and other matters that may reasonably be assumed to have an impact on our independence and, where relevant, the steps we have taken to protect our independence or redress threats to it.

Of the matters that we discussed with the Supervisory Board, we determine those matters that were of most significance in the audit of the annual financial statements for the current reporting period and are therefore key audit matters. We describe these matters in our auditor's report, unless laws or other regulations preclude public disclosure of such matters.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the audit of the electronic reproductions of the annual financial statements and the management report that were prepared for purposes of disclosure in accordance with section 53(4) GenG and section 317(3a) HGB (the "ESEF report")

Audit opinion (audit subject and audit opinion)

Pursuant to section 53(4) GenG and section 317(3a) HGB, we performed an audit with reasonable assurance about whether the reproductions of the annual financial statements and the management report that were prepared for purposes of disclosure (hereinafter the "ESEF documents"), which are included in the provided electronic file `mhb_geschaeftsbericht_2025_esef.xhtml`, are in conformity with the requirements of section 328(1) HGB concerning the electronic reporting format (the "ESEF format") in all material respects. In accordance with German statutory requirements, this audit covers only the conversion of the information in the annual financial statements and management report into the ESEF format and therefore does not cover the information included in those reproductions or other information included in the aforementioned electronic file.

In our opinion, the reproductions of the annual financial statements and the management report that were prepared for purposes of disclosure and are included in the aforementioned provided electronic file are in conformity with the requirements of section 328(1) HGB concerning the electronic reporting format in all material respects. We do not express any audit opinion whatsoever about the information included in those reproductions or about the other information included in the aforementioned electronic file that goes beyond this audit opinion and



our audit opinions about the accompanying annual financial statements and management report for the financial year from 1 January to 31 December 2025 that are included in the foregoing “Report on the audit of the annual financial statements and the management report”.

Basis for the audit opinion

We performed our audit of the reproductions of the annual financial statements and the management report included in the aforementioned provided electronic file in conformity with section 53(4) GenG and section 317(3a) HGB and in accordance with the IDW accounting standard “Audit of the electronic reproductions of financial statements and management reports prepared for purposes of disclosure in accordance with section 317(3a) HGB” (IDW PS 410 (6.2022)). Our responsibility in this regard is more extensively described in the section “Responsibility of the statutory auditor for the audit of the ESEF documents”. Our auditing association applied the IDW quality management standards “Requirements for quality management in audit firms” (IDW QMS 1 (9.2022)) and “Mandate-related quality assurance” (IDW QMS 2 (09.2022)).

Responsibility of the Board of Management and the Supervisory Board for the ESEF documents

The Board of Management of the Cooperative is responsible for preparing the ESEF documents with the electronic reproductions of the annual financial statements and management report in accordance with section 328(1) sentence 4, no. 1 HGB.

In addition, the Board of Management of the Cooperative is responsible for the internal controls that it considers necessary in order to enable the preparation of ESEF documents that are free from material infringements of the requirements of section 328(1) HGB concerning the electronic reporting format, due to either fraud or error.

The Supervisory Board is responsible for monitoring the process for preparing the ESEF documents as part of the accounting process.

Responsibility of the statutory auditor for the audit of the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material infringements of the requirements of section 328(1) HGB, due to either fraud or error. We exercise professional judgement and maintain professional scepticism throughout the audit. In addition, we:

- Identify and assess the risks of material infringements of the requirements of section 328(1) HGB, due to either fraud or error, design and perform audit procedures in response to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of the internal controls relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the provided electronic file included in the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815, in the version in force on the reporting date, concerning the technical specifications for this electronic file.
- Evaluate whether the ESEF documents enable an identical XHTML reproduction of the audited annual financial statements and the audited management report.

Further disclosures pursuant to section 10 of the EU Audit Regulation

On 12 May 2025, we were engaged by the responsible statutory auditing association in accordance with section 55(3) GenG to perform the audit of the annual financial statements of Münchener Hypothekbank eG, Munich, as at 31 December 2025 and to audit the management report of Münchener Hypothekbank eG, Munich, for the financial year from 1 January to 31 December 2025.

We declare that the audit opinion contained in this auditor’s report is consistent with our additional report to the Supervisory Board and/or Audit Committee in accordance with section 11 of the EU Audit Regulation, in conjunction with section 58(3) GenG (audit report).

Persons employed by us who could influence the outcome of the audit have provided the following services for the audited Cooperative in addition to the statutory audit:

- Other separate assurance services for banking supervision and the Deutsche Bundesbank
- Other assurance services in connection with the deposit guarantee scheme as well as to Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V., Berlin
- Limited assurance audit of the non-financial statement as at 31 December 2025 as part of the management report and limited assurance audit of the separate non-financial report as at 31 December 2025
- Review of the condensed interim financial statements and the interim management report
- Training of the Supervisory Board on sustainability reporting
- Provision of a comfort letter.



OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements, the audited management report and the audited ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be filed with the company register – are merely electronic reproductions of the audited annual financial statements and the audited management report and do not replace them. In particular, the ESEF report and our audit opinion contained therein may be used only in conjunction with the audited ESEF documents made available in electronic form.

RESPONSIBLE PUBLIC AUDITOR

The public auditor responsible for the audit is Michael Kopf.

Stuttgart, 18 March 2026

Baden-Württembergischer Genossenschaftsverband e. V.

Mathias Juhl
Wirtschaftsprüfer
(German public auditor)

Michael Kopf
Wirtschaftsprüfer
(German public auditor)



OTHER PUBLICATIONS

- 185 Limited assurance report of the independent public auditor on the non-financial statement included in the management report
- 188 Affirmation by the legal representatives
- 189 Annex to the annual financial statements as required by section 26A(1) sentence 2 KWG
- 190 Report of the Supervisory Board



LIMITED ASSURANCE REPORT OF THE INDEPENDENT PUBLIC AUDITOR

on the non-financial statement included in the management report

To Münchener Hypothekbank eG, Munich

LIMITED ASSURANCE CONCLUSION

We conducted a limited assurance engagement on the non-financial statement of Münchener Hypothekbank eG contained in the section of the management report entitled “Non-financial statement”, which the Bank provided in fulfilment of sections 289b to 289e of the German Commercial Code (Handelsgesetzbuch, HGB), including the information contained in that non-financial statement in fulfilment of the requirements of Article 8 of Regulation (EU) 2020/852 (hereinafter, the “Non-Financial Reporting”), for the financial year from 1 January 2025 to 31 December 2025.

Our assurance engagement did not comprise the external documentation sources or expert opinions referred to in the Non-Financial Reporting.

Based on the procedures we performed and the evidence we obtained, nothing has come to our attention that causes us to believe that the Non-Financial Reporting for the financial year from 1 January 2025 to 31 December 2025 has not been prepared, in all material respects, in accordance with sections

289b to 289e HGB and the requirements of Article 8 of Regulation (EU) 2020/852, as well as with the specifying criteria presented by the company’s Board of Management.

We do not express any assurance conclusion about the external documentation sources or expert opinions referred to in the Non-Financial Reporting.

BASIS FOR THE ASSURANCE CONCLUSION

We conducted our assurance engagement in accordance with International Standard on Sustainability Assurance (ISSA) 5000, General Requirements for Sustainability Assurance Engagements, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement differ in nature and timing from, and are less extensive than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISSA 5000 are described in more detail in the section “Responsibilities of the public auditor for the assurance of the Non-Financial Reporting”.

We are independent of the company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. The auditing association has applied the requirements for the quality assurance system set out in the IDW quality management standard “Requirements for quality management in audit firms” (IDW QMS 1 (09.2022)) issued by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer in Deutschland, IDW).

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.



EMPHASIS OF MATTER – PRINCIPLES FOR THE PREPARATION OF THE NON-FINANCIAL REPORTING

Without modifying our assurance conclusion, we refer to the remarks in the Non-Financial Reporting describing the principles for the preparation of the Non-Financial Reporting. Those remarks state that the company applied the European Sustainability Reporting Standards (ESRS) to the extent indicated in the section of the Non-Financial Reporting entitled “ESRS 2. General information”.

RESPONSIBILITIES OF THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD FOR THE NON-FINANCIAL REPORTING

The Board of Management is responsible for preparing the Non-Financial Reporting in conformity with the applicable German statutory and European requirements, as well as with the specifying criteria presented by the company’s Board of Management, and for designing, implementing and maintaining the internal controls that it considers necessary in order to enable the Non-Financial Reporting to be prepared in conformity with those requirements and free from material misstatement, whether due to fraud (i.e. manipulation of the Non-Financial Reporting) or error.

The responsibilities of the Board of Management include establishing and maintaining the materiality assessment process and selecting and applying appropriate methods for preparing the Non-Financial Reporting, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The Supervisory Board is responsible for monitoring the process for preparing the Non-Financial Reporting.

INHERENT LIMITATIONS IN PREPARING THE NON-FINANCIAL REPORTING

The applicable German statutory and European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain.

These inherent limitations also apply to the assurance of the Non-Financial Reporting.

RESPONSIBILITIES OF THE PUBLIC AUDITOR FOR THE ASSURANCE OF THE NON-FINANCIAL REPORTING

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Non-Financial Reporting has not been prepared, in all material respects, in accordance with the applicable German statutory and European requirements and the specifying criteria presented by the company’s Board of Management, as well as to issue a report containing our assurance conclusion about the Non-Financial Reporting.

As part of an assurance engagement in accordance with ISSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also

- Obtain an understanding of the process used to prepare the Non-Financial Reporting, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Non-Financial Reporting.
- Identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address those disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than in the case of error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the overriding of internal controls. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity’s control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity’s control, as both the entity’s Board of Management and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- Review the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events may deviate significantly from the forward-looking information.



SUMMARY OF THE PROCEDURES PERFORMED BY THE PUBLIC AUDITOR

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In conducting the limited assurance engagement, we

- Evaluated the overall suitability of the criteria presented by the Board of Management in the Non-Financial Reporting.
- Enquired of the Board of Management and relevant employees involved in the preparation of the Non-Financial Reporting about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Non-Financial Reporting, and about the internal controls related to those processes.
- Evaluated the methods used by the Board of Management to prepare the Non-Financial Reporting.
- Evaluated the reasonableness of the estimates and related explanations provided by the Board of Management. If, in conformity with the ESRS, the Board of Management estimates the information to be reported about the value chain for a case in which the Board of Management is unable to obtain the value chain information despite making reasonable efforts, our assurance engagement is limited to evaluating whether the Board of Management has made these estimates in conformity with the ESRS and assessing the reasonableness of these estimates, but it does not include ascertaining information about the value chain that the Board of Management was unable to obtain.
- Performed analytical procedures and made enquiries in relation to select information in the Non-Financial Reporting.
- Reviewed the presentation of the information in the Non-Financial Reporting.
- Reviewed the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Non-Financial Reporting.

We draw attention to the fact that the assurance engagement was conducted for the company's purposes and that the report is intended solely to inform the company about the result of the assurance engagement. Consequently, it may not be suitable for any purpose other than the one mentioned above. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the company alone. We do not accept any liability in relation to third parties.

The General Engagement Terms of Baden-Württembergischer Genossenschaftsverband e.V., in the version of 1 October 2024, apply to the conducting of the engagement and our responsibilities, including where the latter may be owed to third parties. With respect to liability and its limitation, we refer to No. 9 of these General Engagement Terms.

Stuttgart, 18 March 2026

Baden-Württembergischer Genossenschaftsverband e. V.

Mathias Juhl
German Public Auditor

Michael Kopf
German Public Auditor

AFFIRMATION BY THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with accounting principles applicable to annual financial reporting, the annual financial statements present a true and accurate view of the company's net assets, financial position and financial performance, and the management report presents a true and accurate view of the company's business development and performance as well as its position, together with a description of the principal opportunities and risks associated with the expected development of the company.

Munich, 3 February 2026

Münchener Hypothekbank eG

The Board of Management



Dr Holger Horn
CEO



Ulrich Scheer
CFO



Markus Wirsén
CRO



ANNEX TO THE ANNUAL FINANCIAL STATEMENTS AS REQUIRED BY SECTION 26A(1) SENTENCE 2 KWG

as at 31 December 2025 ("country-by-country reporting")

Münchener Hypothekbank eG is a Pfandbrief bank organised in the legal form of a registered cooperative. Its core business areas consist of the granting of mortgage loans for residential and commercial property and the issuing of Mortgage Pfandbriefe. The Bank's most important market is Germany, but it also maintains business relationships with customers in other European countries. The Bank conducts all of its business from its head office in Munich.

Münchener Hypothekbank eG defines revenue as the sum of the following components of the income statement as prepared in accordance with the German Commercial Code: interest income, interest expenses, current income from participating interests, shares in cooperatives and affiliated undertakings, income from profit pools and profit transfer and partial profit transfer agreements, expenses from assumption of losses, commission income, commission expenses and other operating income. Revenue for the period 1 January to 31 December 2025 amounted to EUR 454,025 thousand.

The number of employees was 650.8 in full-time equivalents.

Profit before taxes amounted to EUR 175,841 thousand.

Taxes on profit amounted to EUR 69,765 thousand and mainly related to current taxes.

Münchener Hypothekbank eG did not receive any public subsidies during the financial year.



REPORT OF THE SUPERVISORY BOARD

During the financial year under review, the Supervisory Board regularly and comprehensively carried out its supervisory function as required by law, the Bank's Articles of Association and its rules of procedure. The Board of Management reported in a timely and detailed manner to the Supervisory Board on the Bank's corporate planning, its business and financial situation and its further strategic development. The Supervisory Board also supported the work of the Board of Management in an advisory capacity, monitored its management of business continuously and ensured that its management was lawful, appropriate and proper. The Supervisory Board's decisions on actions requiring its approval were taken on the basis of reports and materials submitted by the Board of Management, which it had previously discussed in depth with the Board of Management.

Topics considered in Supervisory Board meetings

During the past financial year, the Supervisory Board held one constituent meeting and four regular meetings in order to continuously advise and monitor the management of Münchener Hypothekbank in accordance with the requirements incumbent upon it by law and under the Bank's Articles of Association. The main topics and focus of its deliberations included the business, risk, digital and IT strategies, the risk situation, business development and planning, regulatory issues, governance and long-term succession planning for the Board of Management and the Supervisory Board.

The Board of Management kept the Supervisory Board up to date with regular, detailed verbal and written reports on key matters at the Bank. The Board of Management reported on the position of the Bank, the development of business, key financial indicators and the review of the Bank's business and risk strategy. In addition, the current liquidity situation and measures to control liquidity were explained to the Supervisory Board, and it was provided with detailed reports on the risk situation, measures to control risks and the Bank's risk management system. The Supervisory Board also obtained comprehensive reports on the status of strategic and operational planning. It was involved in all key decisions and always had ample opportunity to critically examine the reports and proposed resolutions submitted by the Board of Management and to put forward its views. Current developments on the property market and in private and commercial property financing were monitored and discussed. During the Supervisory Board meetings, considerable attention was also devoted to the continuously increasing regulatory requirements and their implementation.

Resolutions requiring adoption at the Delegates Meeting were prepared together with the Board of Management. Annual meetings were once again held between the Joint Supervisory Team, the Chairman of the Supervisory Board and the Chairs of the various Supervisory Board committees. In addition, representatives of the ECB and the Joint Supervisory Team presented the results of the annual Supervisory Review and Evaluation Process and the supervisory recommendations to the Supervisory Board and discussed them with it.

The Chairman of the Supervisory Board and the Chairs of the Supervisory Board committees also regularly obtained information by speaking directly with key function holders in coordination with the Board of Management.

Evaluation of the Supervisory Board

The Supervisory Board conducted the annual evaluation of the Board of Management and the Supervisory Board based on the approved guidance for carrying out the suitability assessment and on conflicts of interest. The preparatory work was conducted by the Nomination Committee in accordance with the regulations of section 25d of the German Banking Act (Kreditwesengesetz, KWG). The results were discussed within the Supervisory Board in August 2025 and documented in the reports on the suitability assessment and the efficiency review. It was found that the structure, size, composition and performance of the Board of Management and the Supervisory Board, as well as the knowledge, skills and experience of the Board of Management and Supervisory Board, both as a whole and in terms of their individual members, comply with legal requirements and those defined in the Bank's Articles of Association.

Succession plans for the Board of Management and the Supervisory Board were drawn up based on the suitability assessment and efficiency review, and measures to increase the efficiency of the Supervisory Board's activities were defined. In line with the existing onboarding and training concept, the Supervisory Board attended training sessions on current regulatory topics and legal developments. Training sessions were also planned and conducted for the Supervisory Board committees.



Collaboration with the Board of Management

The Chairman of the Supervisory Board was in regular close contact with the Chairman of the Board of Management, discussing important matters and decisions in face-to-face meetings.

In addition, the Chairman of the Board of Management reported to the Chairman of the Supervisory Board continuously and regularly between the individual meetings on all major developments within the Bank.

Overall, the Board of Management fulfilled its duty to provide information in a regular, timely and comprehensive manner.

Activities of the Supervisory Board committees

The Supervisory Board has established four committees. These are the Nomination Committee, the Audit Committee, the Risk Committee and the Remuneration Control Committee. The committees reported regularly on their activities in the Supervisory Board meetings.

Seven meetings of the **Nomination Committee** were held in the reporting year. In addition to regular Board of Management and Supervisory Board matters, it also addressed, in particular, the suitability assessment and efficiency review of the management bodies and preparation for succession planning for the Board of Management and the Supervisory Board. In this regard, the Nomination Committee dedicated particular attention to the selection of a new Supervisory Board member to fill a vacancy that will arise in April 2026. The structured process included identifying and selecting appropriate candidates and

interviewing them. On the basis of a suitability assessment, a candidate was selected who will be proposed to the Delegates Meeting in April 2026 for election to the Supervisory Board.

The **Audit Committee** held three meetings, during which it discussed the monitoring of the conduct and the results of the audit of the annual financial statements and of the management report. Other topics included the Bank's internal control system, reports prepared by the Audit department and by the Compliance function, the results of external audits and banking supervisory expectations, the monitoring of the introduction of new accounting policies and the accounting process, the issues and requirements discussed during meetings with banking supervisory authorities, and the quality assessment of the audit of the annual financial statements.

The **Risk Committee** convened seven meetings. The Board of Management provided the Committee with detailed reports on the development of markets in which the Bank provides property financing. The Committee also addressed the regulatory environment, risk strategy, risk governance, legal risks and ICT risks. Furthermore, it considered and authorised loans requiring approval and took note of any reportable transactions. The Board of Management moreover presented individual exposures of significance for the Bank to the Committee and discussed them with the Committee. Detailed reports were also provided on the provision and management of liquidity and on funding. As part of this process, the risk types associated with the Bank's business were discussed and examined in detail. In addition to credit risks, these primarily include market, liquidity, operational, ESG and ICT risks, taking into account risk-bearing capacity in accordance with the German Minimum Requirements for Risk Management (Mindestanforderungen an das Risikomanagement, MaRisk). Reports on the Bank's risk situation were regularly submitted to the Committee and explained in detail by the Board of Management, the Head of Risk Controlling and

the Head of Non-Financial Risk Management. Another key issue in 2025 was the Bank's risk situation in light of developments and challenges on the property market and in private and commercial property financing.

The four meetings of the **Remuneration Control Committee** addressed the Bank's remuneration systems, the targets and remuneration of members of the Board of Management and all related issues. The Committee determined the appropriateness of Münchener Hypothekbank's remuneration systems and submitted the results of the appropriateness test to the Supervisory Board.

Annual financial statements

With the termination of Münchener Hypothekbank's membership of DGRV – Deutscher Genossenschafts- und Raiffeisenverband e.V., Berlin, as of 25 April 2025, DGRV's position as the responsible cooperative auditing association for Münchener Hypothekbank pursuant to sections 54 and 55 of the German Cooperatives Act (Genossenschaftsgesetz, GenG) also came to an end. Following Münchener Hypothekbank's withdrawal from DGRV, Genossenschaftsverband Bayern e.V. (GVB) is entitled to exercise the right of audit, since GVB is the association of which Münchener Hypothekbank has been a member for the longest period of time. GVB, as the statutory auditing association, once again engaged BWGV – Baden-Württembergischer Genossenschaftsverband e.V. to audit the accounting records, the annual financial statements and the management report for the 2025 financial year. BWGV performed the audit and issued an unqualified audit opinion. No reservations were raised. The auditors reported extensively on the key findings of the audit during a meeting of the Audit Committee. They were also available to provide additional information. The auditing association's audit report on the statutory audit pursuant to



section 53 GenG, including the audit of Münchener Hypothekbank's financial statements for 2025, was made available in good time to each member of the Supervisory Board for their information. The Supervisory Board discussed the results of the audit during a meeting held jointly with the Board of Management and attended by the auditor, and satisfied itself that the annual financial statements had been properly prepared and audited. The results of the audit are also reported at the Delegates Meeting.

The annual financial statements, the management report (as supplemented by non-financial reporting in partial application of the European Sustainability Reporting Standards), and the Board of Management's proposal for the appropriation of profit were examined and approved by the Supervisory Board. The Supervisory Board recommends that the Delegates Meeting approve the annual financial statements for 2025 – as explained – and endorse the Board of Management's proposal for the allocation of net income. The proposal complies with the provisions of the Bank's Articles of Association.

Changes to the Supervisory Board and Board of Management

Dr Wolfgang Seel, Chairman of the Board of Management of VR-Bank Neu-Ulm eG, was elected as a new member of the Supervisory Board of Münchener Hypothekbank. Gregor Scheller, bank director (retired), stepped down from the Supervisory Board at the end of his term.

Overall, the Supervisory Board of Münchener Hypothekbank is well-suited to perform its duties thanks to its expertise, specialist and industry knowledge and experience.

The composition of Münchener Hypothekbank's Board of Management remained unchanged during the year under review.

Development of Münchener Hypothekbank during the year under review

In the year under review, Münchener Hypothekbank continued to develop its business successfully in a market environment that remained difficult and achieved a healthy result. The increase in new business and net income confirm the viability of the business strategy, which ensures stability and profitability even under challenging conditions. Its consistent implementation creates a reliable basis for the Bank's sustainable ongoing development.

The Supervisory Board thanks the Board of Management for its trusting and constructive collaboration. We would also like to thank all employees for their hard work and dedication during the year under review.

Munich, April 2026

Münchener Hypothekbank eG

Dr Hermann Starnecker

Chairman of the Supervisory Board



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Agenda – General (Delegates) Meeting

ON 17 APRIL 2026 AT 10:30 A.M.

1. Report by the Board of Management on the 2025 financial year
2. Report by the Supervisory Board on its activities
3. Report on the result of the statutory audit
4. Discussion on the audit report and resolution on the extent of publication of the audit report
5. Resolution on
 - a) the adoption of the annual financial statements and the management report for the 2025 financial year
 - b) the appropriation of profits
 - c) the formal approval of the actions of the Board of Management and the Supervisory Board for the 2025 financial year
6. Elections to the Supervisory Board
 - a) By-election of a member of the Supervisory Board for the remainder of the term of office until 2028
 - b) Election of a new member of the Supervisory Board
7. Any other business

The members of the Delegates Meeting (as at 1 January 2026)

Matthias Berkessel	Michael Otto Knecht	Franz Schmid
Horst H. Bertram	Norbert Lautenschläger	Andreas Schmidt
Thomas Bierfreund	Martin Leis	Dr Marc Schmieder
Dietmar Dertwinkel	Dr Ursula Lipowsky	Johann Schöpfel
Eva Irina Doyé	Thomas Ludwig	Carsten Schüler
Jürgen Edel	Jan Mackenberg	Thorsten Schwengels
Bernhard Failer	Karl Magenau	Peter Sedlmeir
Johannes Freundlieb	Kirsten Waldemar Meeß	Roland Seidl
Rainer Geis	Hans-Jörg Meier	Mario Seitz
Josef Geserer	Gregor Mersmann	Dr Andreas Sommer
Christian Glasauer	Markus Merz	Martin Spils
Helmut Graf	Tobias Meurer	Jörg Stahl
Bernd Griese	Franz D. Meurers	Thomas Standar
Markus Gschwandtner	Jens Ulrich Meyer	Thomas Stolper
Konrad Hallhuber	Markus H. Müller	Josef Strahberger
Joachim Hausner	Jürgen Nachtnebel	Remo Teichert
Herbert Hermes	Frank Nissen	Stefan Terveer
Ralf Heß	Oliver Ohm	Martin Traub
Dr Michael Hies	Martina Peña	Markus Urban
Johannes Hofmann	Karsten Petersen	Chris Wallbaum
Konrad Irtel	Jens Prößer	Dr Gerhard Walther
Herbert Jauchmann	Jan Hendrik Reese	Dr Korbinian Weisser
Michael Joop	Christiane Reher	Martin Wissing
Carsten Jung	Stefan Rinsch	Michael Zaigler
Herbert Kellner	Irmgard Sachsenmaier	Andreas Zeiselmaier
Manfred Klaar	André Schaffeld	Prof Leonhard Zintl
Robert Kling	Jan-Hendrik Schlüter	



Cooperative Advisory Committee (as at 1 January 2026)

Josef Geserer
Raiffeisenbank Oberpfalz Süd eG
Chairman

Friedhelm Beuse
Volksbank im Münsterland eG
Deputy Chairman

Otmar Knaus
VR-Bank Passau eG
Deputy Chairman

Frank Bertke
Volksbank eG (Löningen)

Gunnar Bertram
Volksbank Chemnitz eG

Christian Dietrich
Volksbank Glan-Münchweiler eG

Franz-Josef Echelmeyer
Volksbank Süd-Emsland eG

Ralf Gottschalk
Volksbank in der Region eG

Markus Gschwandtner
Raiffeisenbank Pfaffenhofen a. d. Glonn eG

Helmut Kundinger
Volksbank Raiffeisenbank Bayern Mitte eG

Thomas Ludwig
Volksbank Raiffeisenbank Nordoberpfalz eG

Mathias Lutz
VR-Bank Bonn Rhein-Sieg eG

Martina Palte
Berliner Volksbank eG

Johannes Paul
Raiffeisenbank im Oberland eG

Markus Prinz
Volksbank Lindenberg eG

Jan-Hendrik Schlüter
Raiffeisenbank eG (Owschlag)

Daniel Staiger
VR-Bank Alb-Blau-Donau eG

Andreas Thorwarth
Volksbank pur eG

Marc Trzcinski
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Nico Voigt
Volksbank Stendal eG

Stefan Waidelich
Volksbank Nordschwarzwald eG

Michael Weidmann
Sparda-Bank Hessen eG



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