

Declaration
of Compliance with the German Corporate Governance Code
pursuant to section 161 of the AktG

Since 16 July 2015, pbb shares have been listed on the Frankfurt Stock Exchange. Since that date, pbb has been subject to disclosure requirements pursuant to section 161 of the AktG. Its first-time Declaration of Compliance with the German Corporate Governance Code (the “Code”) dated 14 August 2015, as well as all subsequent Declarations of Compliance, are available on the company’s website:

<https://www.pfandbriefbank.com/en/investors/mandatory-publications.html>. The most recent Declaration of Compliance issued by the Management Board and the Supervisory Board was dated 24 March 2017.

Pursuant to section 161 (1) sentence 1 of the AktG, the Management Board and the Supervisory Board of pbb shall declare, on an annual basis, that the company has complied with, and continues to comply with, the recommendations of the Government commission “German Corporate Governance Code”, or which recommendations have not been (or are not being) complied with, stating reasons for any non-compliance (the concept of “comply or explain”).

Accordingly, the Management Board and the Supervisory Board of pbb declare that pbb complied with the recommendations of the Government Commission “German Corporate Governance Code” (as amended on 7 February 2017) during the 2017 financial year, and continues to do so.

Munich, 23 March 2018

The Management Board

The Supervisory Board