

Corporate Governance Statement 2025

Deutsche Pfandbriefbank Group

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Corporate Governance Statement

The "Corporate Governance Statement" was not part of the audit carried out by the external auditors.

Declaration of Compliance with the German Corporate Governance Code by the Management Board and Supervisory Board pursuant to Section 161 AktG

The shares of Deutsche Pfandbriefbank AG ("pbb") have been listed on the Frankfurt Stock Exchange since 16 July 2015. Since then, pbb has been subject to the reporting obligation pursuant to section 161 of the AktG. All declarations of conformity are available on the Company's website at www.pfandbriefbank.com/en/investors/mandatory-publications.html published.

In accordance with section 161 (1) sentence 1 of the AktG, the Management Board and Supervisory Board of pbb must declare at least once a year that the recommendations of the Government Commission on the "German Corporate Governance Code" ("GCGC") have been and are being complied with, or which recommendations have not been or are not being applied and why not ("comply or explain").

The last Declaration of Conformity issued by the Management Board and Supervisory Board was dated 21 February 2025, and was based on the version of the German Corporate Governance Code presented by the "Government Commission on the German Corporate Governance Code" on 28 April 2022 and published in the Federal Gazette on 27 June 2022. In this respect, the Management Board and Supervisory Board of pbb declare that since the last Declaration of Conformity was issued, all recommendations of the Government Commission on the "German Corporate Governance Code" in the valid version of 28 April 2022 have been complied with, and continue to be complied with, with the following exceptions:

Recommendation B.3 In deviation from the three-year term of office stipulated for initial appointments in accordance with Section 11 (3) sentence 1 of the Supervisory Board's rules of procedure and recommendation B.3 of the GCGC, the Supervisory Board decided to appoint Mr Kay Wolf as a member of the Management Board for a period of five years from 1 February 2024 on the recommendation of the Executive and Nomination Committee. Both the Executive and Nomination Committee and the Supervisory Board focused on the stable and long-term development of the company - particularly in light of the challenging property market development. After weighing up the corresponding opportunities and risks and on the basis of Kay Wolf's qualifications and experience, the Supervisory Board therefore decided in favour of an (initial) appointment with a term of five years. The same considerations apply to Andreas Schenk's successor, Mr Jörn Joseph, who was appointed as the new CRO with effect from 1 June 2025. Here, too, an initial appointment with a term of five years was agreed.

Recommendation D.4 According to section D.4, the Supervisory Board shall form a Nomination Committee composed exclusively of shareholder representatives, which nominates suitable candidates to the Supervisory Board for its proposals to the Annual General Meeting for the election of Supervisory Board members. pbb has established an Executive and Nomination Committee (PNA), which - in addition to proposing Supervisory Board members to the Annual General Meeting for election - also fulfils the other tasks of a nomination committee in accordance with section 25d (11) of the KWG. These include conducting an annual review of the composition and efficiency of the Management Board and Supervisory Board, developing an objective to promote the underrepresented gender on the Supervisory Board and Management Board, including a strategy for implementation, identifying candidates to fill a position on the Management Board and advising the Management

Board on fundamental issues relating to the strategic development of the company. The committee thus fulfils numerous tasks that go beyond the preparation of election proposals for shareholder representatives on the Supervisory Board and for which, in the interests of both good corporate governance and the inclusion of different ideas, interests and viewpoints, it also appears appropriate not to appoint shareholder representatives alone to this important committee. For these reasons, the Supervisory Board decided at its meeting on 8 May 2024 to also appoint an employee representative to the PNA and elected an employee representative to the PNA with effect from 8 August 2024. There has therefore been a deviation from recommendation D.4 since 8 August 2024. In order to nevertheless take this recommendation into account, Section 2 (1c) of the rules of procedure for the PNA has stipulated since 21 February 2025 that the Supervisory Board's election proposals to the Annual General Meeting are only to be prepared by the shareholder representatives on the PNA.

Recommendation G.10 With regard to the provision of section G.10 of the GCGC, according to which a member of the Management Board should only be able to dispose of long-term variable remuneration amounts granted after four years, pbb declares a deviation. Parts of the deferred variable remuneration may be paid out before the end of this period. However, pbb would like to point out the following in this regard:

The multi-year nature and sustainability of the variable remuneration intended by the GCGC is achieved by measuring and paying out performance in accordance with the mandatory requirements of the German Regulation on Remuneration in Financial Institutions (Institutsvergütungsverordnung – “InstVergV”), which ultimately goes far beyond the recommendations of the GCGC in terms of the long-term orientation of the remuneration.

On the one hand, the target achievement relevant for the variable remuneration of the members of the Management Board at the level of the institution depends on the success of the institution in three consecutive financial years.

Secondly, the payment structure provides for the variable remuneration to be divided into a payment portion and a deferral portion. The disbursement portion amounts to 40% of the variable remuneration, the deferral portion to 60%.

50% of the payout shares are granted in cash when the payout conditions are met. The remaining 50% is paid out after a holding period of one year, whereby this amount is adjusted in line with the development of pbb's share price (sustainability component).

The deferral period for the deferral portion is five years in total. In the five years following the determination of the variable remuneration, the Supervisory Board decides annually on the granting of one-fifth of the deferral component (ex-post risk adjustment) as part of a retrospective review of the variable remuneration. There is no entitlement to the remuneration components concerned until the end of the respective deferral period. If the deferred remuneration components become an entitlement, half of the respective deferral portion is paid out in cash. The other half is retained for a further year and is in turn adjusted in line with the development of pbb's share price (sustainability component).

With effect from 1 January 2018, the conditions for a clawback option for variable remuneration already paid out were also contractually agreed with the members of the Executive Board.

In addition, the recommendation in section G.10 of the GCGC stipulates that the variable remuneration amounts granted to a Management Board member should be predominantly invested in shares of the company or granted on a share-based basis. Insofar as this provision no longer applies to the long-term variable remuneration amounts, pbb declares a deviation, as only half of the variable remuneration is not predominantly share-based.

Munich, 13 February 2026

The Management Board

The Supervisory Board

Corporate Governance Report

pbb is a European specialist bank for commercial real estate finance and is one of the largest issuers of Pfandbriefe, with an outstanding issue volume of almost €21 billion. pbb's shares have been listed in the Prime Standard segment of the Regulated Market of the Frankfurt Stock Exchange since 16 July 2015. The shares are included in the SDAX®. pbb holds at least one Annual General Meeting per year, through which shareholders can participate in shaping their company. As a so-called significant institution, pbb is subject to direct supervision by the European Central Bank and the Single Resolution Board.

pbb has summarised the material regulations applicable within the pbb Group in an "Internal Governance" framework. In addition to the Management Board and Supervisory Board, this framework is also available to all employees and deals, among other things, with the composition and working methods of the supervisory and management bodies and their committees, the internal control guidelines, the Code of Conduct and the handling of conflicts of interest.

RECOMMENDATIONS OF THE GERMAN CORPORATE GOVERNANCE CODE

The company's current and previous declarations of compliance with the German Corporate Governance Code ("GCGC") in accordance with Section 161 AktG are permanently available on the company's website at www.pfandbriefbank.com/en/investors/mandatory-publications.html accessible.

DESCRIPTION OF THE WORKING METHODS OF THE SUPERVISORY BOARD AND MANAGEMENT BOARD

The Management Board informs the Supervisory Board and its committees regularly and promptly about the economic and financial development of pbb Group. The meetings also include reports on the risk situation, risk management, new business, the liquidity strategy and important events which are of material significance for the assessment of the situation and development, as well as for the management of the Company.

The members of the Management Board are also in regular contact with the Chairmen of the Supervisory Board and the committees about important developments. The Supervisory Board and its committees also regularly discuss developments in the lending business and lending policy as a whole, all reportable credit exposures, risk development, risk management, business policy orientation and market developments and trends in the lending and deposit business.

MANAGEMENT BOARD

The Management Board is responsible for managing pbb in accordance with the law, the Articles of Association and the Rules of Procedure for the Management Board. In addition, it is subject to the self-imposed regulations of the internal Code of Conduct applicable to all employees, which is published on the Company's website.

In the year under review, the members of pbb's Management Board were each responsible for the following departments:

- > Kay Wolf, CEO, CRO (from 16 March 2025 to 31 May 2025)
- > Dr Pamela Hoerr, Real Estate Investment Solutions
- > Thomas Köntgen, Deputy Chairman, Real Estate Finance Solutions
- > Jörn Joseph, CRO (from 1 June 2025)
- > Andreas Schenk, CRO (until 15 March 2025)
- > Marcus Schulte, CFO and Treasurer

Andreas Schenk, the former CRO, and the Bank's Supervisory Board reached an amicable agreement during the contract extension talks that Andreas Schenk leaves pbb on 15 March 2025 to pursue new professional challenges. Jörn Joseph was appointed to the Management Board as the new CRO with effect from 1 June 2025.

Furthermore, Thomas Köntgen will not seek a further contract extension after his term expires on 11 May 2026, following more than 11 years on the pbb Management Board, and will leave the bank on the best of terms to pursue new challenges. Barkha Mehmedagic has been appointed as his successor and will join pbb on 1 March 2026, initially as General Representative. Subject to the necessary regulatory approvals, she is scheduled to take over the Real Estate Finance Solutions (REFS) division of the Management Board on 1 June 2026 after a period of training.

The members of the Management Board are obliged to act in pbb's best interests, may not pursue personal interests in their decisions, are subject to a comprehensive non-competition clause during their work for pbb, and may not utilise business opportunities to which the Company is entitled for their own benefit. Management Board members must immediately disclose any potential conflicts of interest to the Chair of the Supervisory Board and the Chair of the Management Board and inform the other Management Board members accordingly. No such cases arose in the reporting year.

pbb does not grant loans to members of the Management Board.

In 2025, Kay Wolf (total value EUR 55,594.15), Dr Pamela Hoerr (total value EUR 27,119.99), Jörn Joseph (total value EUR 54,594.72) and Marcus Schulte (total value EUR 54,700.00) each acquired shares in pbb. To the best of pbb's knowledge, the other members of the Management Board and persons closely associated with them did not hold, acquire or dispose of any shares in the company or related financial instruments to a reportable extent during the reporting year. pbb publishes reports on directors' dealings on an ongoing basis at <https://www.pfandbriefbank.com/en/investors/mandatory-publications/directors-dealings-management-and-supervisory-board/>.

To pbb's knowledge, the members of the Management Board and persons closely related to them did not hold any shares in the company or related financial instruments to a reportable extent in the year under review.

COMPOSITION AND ORGANISATION OF THE SUPERVISORY BOARD

The Supervisory Board continuously monitors the Management Board and regularly advises it on the management of the company. In accordance with the Articles of Association, it consists of nine members, six of whom are to be elected by the shareholders and three by the employees in accordance with One-third Employee Participatio Act (Dritteltbeteiligungsgesetz – “DritteltBG”).

The current election periods and terms of office of the shareholder representatives on the Supervisory Board end for Gertraud Dirscherl at the end of the Annual General Meeting in 2026, which resolves on the discharge for the 2025 financial year, for Dr Louis Hagen and Prof Dr Kerstin Hennig at the end of the Annual General Meeting in 2027, which resolves on the discharge for the 2026 financial year, and for Karim Bohn at the end of the Annual General Meeting in 2027, which resolves on the discharge for the 2026 financial year. Louis Hagen and Prof Dr Kerstin Hennig at the end of the Annual General Meeting in 2027, which resolves on the discharge for the 2026 financial year, and for Karim Bohn at the end of the Annual General Meeting in 2028, which resolves on the discharge for the 2027 financial year. The terms of office for Hanns-Peter Storr and Britta Lehfeldt, who were re-elected or elected for the first time at the Annual General Meeting on 5 June 2025, will end at the close of the Annual General Meeting in 2029, which will decide on the discharge for the 2028 financial year. Susanne Klöß-Braekler resigned from the Supervisory Board as shareholder representative on 5 June 2025; the Annual General Meeting elected Britta Lehfeldt as her successor.

The terms of office of the employee representatives on the Supervisory Board, Olaf Neumann, Jennifer Wendels and Theresia Kirmaier, will end at the close of the Annual General Meeting in 2026, which will decide on the discharge for the 2025 financial year. Georg Kordick resigned from the Supervisory Board at his own request at the end of the Annual General Meeting on 5 June 2025. Theresia Kirmaier, elected by the employees as a replacement member, took over as employee representative on the Supervisory Board with effect from 5 June 2025.

The following persons were members of the Supervisory Board in the 2025 financial year:

Name	Main activity	Mandates in statutory supervisory bodies of large corporations or other material mandates in supervisory bodies in 2025
Age as of 31 December 2025 Function on the Supervisory Board First appointment	Function in the committees of the Supervisory Board	
Dr Louis Hagen 67 years Chairman 25.5.2023	Lawyer and former Chairman of the Management Board of Münchener Hypothekenbank eG Chairman of the Executive and Nomination Committee and of the Remuneration Control Committee; Member of the Audit Committee and of the Risk Management and Liquidity Strategy Committee	LBBW Asset Management Investment entity mbH, Stuttgart - Member of the Supervisory Board Baader Bank AG, Unterschleißheim - Member of the Supervisory Board (Chairman of the Supervisory Board from 30 January 2025)
Hanns-Peter Storr 66 years Deputy Chairman 12.5.2021	Entrepreneur Chairman of the Risk Management and Liquidity Strategy Committee; Member of the Audit Committee and of the Executive and Nomination Committee (from 5 June 2025)	BHW Bausparkasse AG, Hameln - Member of the Supervisory Board
Karim Bohn 54 years Member 30.11.2023	Chief Financial Officer of Canyon Bicycles GmbH Member of the Audit Committee and of the Risk Management and Liquidity Strategy Committee	-
Gertraud Dirscherl 67 years Member 2.2.2022	Entrepreneur Chairwoman of the Audit Committee; Member of the Remuneration Control Committee, of the Risk Management and Liquidity Strategy Committee and of the Executive and Nomination Committee	Hans DEHN SE, Neumarkt i.d. Oberpfalz - Member of the Supervisory Board DEHN SE, Neumarkt i.d. Oberpfalz - Member of the Supervisory Board
Prof Dr Kerstin Hennig 61 years Member 19.7.2022	Professor Frankfurt School of Finance & Management Member of the Risk Management and Liquidity Strategy Committee	DWS Grundbesitz GmbH, Frankfurt am Main - Member of the Supervisory Board and from June 2025 Chairwoman of the Audit Committee Ehret & Klein AG, Starnberg - Member of the Supervisory Board (13 February 2024 to 31 January 2025)
Susanne Klöß-Braekler 61 years Member (until 5.6.2025) 12.5.2021	Independent supervisory and advisory board member, investor, senior advisor Member of the Executive and Nomination Committee and of the Remuneration Control Committee (until 5 June 2025)	ING-DiBa AG, Frankfurt am Main - Chairwoman of the Supervisory Board Oddo BHF SE, Frankfurt am Main - Member of the Supervisory Board Cembra Money Bank AG, Zurich - Member of the Board of Directors
Theresia Kirmaier 55 years Employee representative (from 5.6.2025) 5.6.2025	Bank employee Member of the Executive and Nomination Committee (from 5 June 2025)	-
Georg Kordick 65 years Employee representative (until 5.6.2025) 22.2.1990	Bank employee Member of the Executive and Nomination Committee (until 5 June 2025)	-
Britta Lefeldt 60 years Member (from 5.6.2025) 5.6.2025	Supervisory Board Member Member of the Remuneration Control Committee (from 5 June 2025)	V-Bank AG, Munich - Member of the Supervisory Board
Olaf Neumann 49 years Employee representative 12.5.2021	Bank employee Member of the Audit Committee	-
Jennifer Wendels 32 years Employee representative 1.10.2024	Bank employee Member of the Remuneration Control Committee	-

The Supervisory Board has established four committees to efficiently fulfil its control tasks: an Executive and Nomination Committee, an Audit Committee, a Risk Management and Liquidity Strategy Committee and a Remuneration Control Committee.

The committees were composed as follows in the 2025 financial year.

The **Executive and Nomination Committee** consists of the following members:

Dr Louis Hagen (Chairman), Gertraud Dirscherl, Susanne Klöß-Braekler (until 5 June 2025), Theresia Kirmaier (from 5 June 2025), Georg Kordick (until 5 June 2025)

The **Audit Committee** consists of the following members:

Gertraud Dirscherl (Chairwoman), Karim Bohn, Dr Louis Hagen, Olaf Neumann and Hanns-Peter Storr

The **Risk Management and Liquidity Strategy Committee** consists of the following members:

Hanns-Peter Storr (Chairman), Karim Bohn, Gertraud Dirscherl, Dr Louis Hagen and Prof Dr Kerstin Hennig

The **Remuneration Control Committee** consists of the following members:

Dr Louis Hagen (Chairman), Gertraud Dirscherl, Susanne Klöß-Braekler (until 5 June 2025), Britta Lehfeldt (from 5 June 2025) and Jennifer Wendels

The Executive and Nomination Committee deals with strategic and current Group issues as well as Executive Board matters, for which it submits corresponding proposals to the full Supervisory Board. In addition, it advises the Supervisory Board both regularly and on an ad hoc basis on issues relating to personnel/succession planning for the Management Board and the individualisation of Management Board contracts, and submits corresponding recommendations to the Supervisory Board. To ensure long-term succession planning for the Management Board, the Executive and Nomination Committee regularly works with the members of the Management Board to further develop the respective requirement profiles and, on an ad hoc basis, to analyse the potential of possible candidates. This is based on the internal suitability policy and the guideline for promoting diversity. It also prepares the annual evaluation of the effectiveness of the fulfilment of the duties of the Management Board, the Supervisory Board and its committees, which also includes the ongoing assessment of individual and collective suitability, and derives any need for action from this. It also deals with the implementation of the quota set for the underrepresented gender on pbb's Supervisory Board and Management Board, and with proposals for the replacement of Supervisory Board members to be elected by the shareholders.

The Audit Committee deals with issues relating to the accounting and auditing of pbb Group and pbb. It is responsible for preparing and monitoring the audit of the annual and consolidated financial statements, the interim financial reports as well as the reports of Internal Audit and the auditors on the internal and external audit findings. The Audit Committee also discusses the impact of current regulatory issues with the Management Board and deals with the auditor's mandate, audit planning, independence and fees. It submits proposals to the Supervisory Board for the appointment of the auditor and prepares the Supervisory Board's proposal to the Annual General Meeting for the election of the auditor. The Audit Committee is also responsible for monitoring the effectiveness of the internal control system and the key controls in place. It receives regular reports on ongoing legal disputes, compliance-relevant issues, data protection/IT security, noteworthy accounting issues and the audit planning of the internal audit department and its implementation. Each member of the Audit Committee can obtain information directly from the heads of those central departments of the company that are responsible for the tasks relating to the Audit Committee in accordance with section 107 (3) sentence 2 of the AktG via the committee chairman.

The RLA supports the Supervisory Board's control of risk and liquidity management, deals with the risk strategy, reviews the Management Board's risk reporting and is involved in the credit approval process to the extent defined by the rules of procedure. It regularly discusses the new business, liquidity and refinancing situation and deals with all types of risk in the banking business, such as credit, market, liquidity and operational risk, taking into account the risk-bearing capacity. It also deals with the syndication business, salvage acquisitions and development financing, credit loss allowances for credit-impaired financial assets, capital adequacy reporting in accordance with the SolvV, country limits, asset/liability management and the results of regulatory audits. In addition, the RLA deals with individual loan cases, insofar as these require approval in accordance with the Management Board's rules of procedure, new business, regular resubmissions and approvals of applications for amendments.

The Remuneration Control Committee is responsible for the appropriate structuring of the remuneration systems for the members of the Executive Board and employees and prepares corresponding resolutions for the Supervisory Board. It deals with the remuneration report, the target agreements for the members of the Executive Board and the review and identification of risk-taker functions.

Objectives for the composition and competence profile for the Supervisory Board and their implementation

In accordance with recommendation C.1 of the GCGC, the Supervisory Board has set specific objectives for its composition in its rules of procedure, and has adopted a profile of skills and expertise for the entire Board. These are published on pbb's website. These documents are supplemented by a catalogue of criteria for new Supervisory Board members to be appointed, which specifically takes into account the company-specific and professional requirements. Furthermore, the Supervisory Board has adopted a guideline on the appointment process and suitability assessment for Management Board and Supervisory Board members as well as for employees in key functions ("Suitability Policy"), which summarises the relevant regulations and further specifies them - for example, with regard to the ongoing assessment of individual and collective suitability. This is supplemented by a guideline for promoting diversity on the Management Board and Supervisory Board.

The Supervisory Board and the Executive and Nomination Committee of the Supervisory Board take into account the objectives for the composition and the requirements set out in the diversity concept as part of the selection process and the nomination of candidates for the Supervisory Board. The objectives, including the profile of skills and expertise and the diversity concept, were taken into account in the election proposals to the Annual General Meeting. In the opinion of the Supervisory Board, its current composition fulfils the composition objectives and complies with the skills profile and diversity concept. The Supervisory Board members have the professional and personal qualifications deemed necessary. In addition to the requirements to be fulfilled by each Supervisory Board member, the Supervisory Board believes that the shareholder representatives cover the qualifications required for the Supervisory Board as a whole as follows:

	Dr Louis Hagen	Hanns-Peter Storr	Karim Bohn	Britta Lehfeldt	Gertraud Dirscherl	Prof Dr Kerstin Hennig	Theresia Kirmaier	Olaf Neumann	Jennifer Wendels
Personal suitability									
Year of first order	2023	2021	2023	2025	2022	2022	2025	2021	2024
Independence	x	x	x	x	x	x	x	x	x
No overboarding ¹	x	x	x	x	x	x	x	x	x
Diversity									
Gender	Male	Male	Male	Female	Female	Female	Female	Male	Female
Year of birth	1958	1959	1971	1965	1958	1964	1970	1976	1993
Educational background	Banker, Lawyer	Banker, Economist	Diploma in business administration	Diploma in business administration	Economist, Auditor	Diploma in business administration	Banker, Business Economist (SGD)	Lawyer	Management Assistant for Insurance & Finance, Master of Science
Professional competences ²									
Business model / Real Estate Finance	x	x	x	x	x	x	x	x	x
Real Estate Investment Management	x	x	x		x	x		x	

¹ pursuant to Section 25d (3) KWG

² Criterion fulfilled according to the Supervisory Board's self-assessment. A cross corresponds to the stages "medium" or "high" and thus the ability to understand the respective issues well and make informed decisions on the basis of existing knowledge, experience and further training.

International business experience, especially Europe and USA	x	x	x	x	x	x	x	x	
Capital market experience	x	x	x	x	x	x	x	x	x
Technology / digitalisation incl. IT security and AI	x	x	x	x	x	x	x	x	x
Data Security and Data Governance	x	x	x	x	x	x	x	x	x
Accounting	x	x	x	x	x	x	x	x	x
Final examination ³	x	x	x	x	x	x	x	x	x
Risk management incl. climate and environmental risks	x	x	x	x	x	x	x	x	x
Sustainability ⁴	x	x	x	x	x	x	x	x	x
Compliance (Non-Financial Risk & Control) and Internal Audit	x	x	x	x	x	x	x	x	x
Legal / Corporate Governance	x	x	x	x	x	x	x	x	x

In principle, more than half of the shareholder representatives on the Supervisory Board should be independent of the company, its Management Board and any controlling shareholders in the opinion of the Supervisory Board. The Supervisory Board should also not include more than two former members of the Management Board. Former members of the Management Board should not chair the Supervisory Board or chair a committee. Taking into account the criteria from recommendation C.7 of the GCGC, the Supervisory Board considers all Supervisory Board members for 2025 to be independent. The Supervisory Board does not include any former members of the company's Management Board. With regard to the fulfilment of the requirements regarding age and diversity, we also refer to the explanations below.

ACTIVITIES AND GOVERNANCE OF THE SUPERVISORY BOARD

In the reporting year, the Supervisory Board was always satisfied that the management measures taken by the Management Board were lawful, appropriate and proper. The Management Board fulfilled its information and reporting obligations and informed the Supervisory Board and its committees regularly, promptly and comprehensively in written and verbal form about events and measures relevant to the company. This also included information on deviations in the course of business from planning. The members of the Supervisory Board always had sufficient opportunity to critically analyse the reports and proposed resolutions submitted by the Management Board in the committees and in plenary sessions and to make their own suggestions. At the meetings of the Supervisory Board and its committees, experts and persons providing information are also called in as required to discuss individual items. In accordance with recommendation D.6 of the GCGC, the Supervisory Board also met regularly without the Management Board being present.

In particular, the Supervisory Board intensively discussed and reviewed the plausibility of all business transactions of significance to the company on the basis of written and oral reports from the Executive Board. This also includ-

³ within the meaning of Section 100 (5) AktG and including sustainability reporting

⁴ in particular the environment, social responsibility and good corporate governance

ed the decision regarding the planned withdrawal from the US REF business. As part of this, a Significant Risk Transfer (SRT) was successfully completed at the end of 2025.

The members of the Supervisory Board are generally responsible for the training and further education measures required for their tasks. They receive appropriate support from the company. In addition, regular training courses for the Supervisory Board and Management Board are organised in advance of the ordinary Supervisory Board meetings in the form of presentations by external speakers. In the 2025 financial year, this annual training programme included four training measures on the topics of share-based remuneration systems for management boards, BCBS 239, digitalisation of the credit process and DORA.

Conflicts of interest on the part of Supervisory Board members, in particular those arising from an advisory or executive function with customers, suppliers, lenders or other third parties, may arise for some members of the Supervisory Board from their mandates with third parties, in particular other credit institutions and property investors. If Supervisory Board members or related parties actually have or threaten to have conflicts of interest, particularly with regard to customer relationships and/or relationships with other banks, the Supervisory Board's rules of procedure provide for rules to manage and minimise these conflicts of interest, such as disclosure of the potential conflict of interest, non-exercise of voting rights or non-participation in relevant discussions during meetings of the Supervisory Board or the committee concerned. These requirements are supplemented by a bank-wide "Conflict of Interest Policy".

pbb does not grant loans to members of the Supervisory Board.

In March 2024, Dr Louis Hagen acquired shares in pbb with a total value of around EUR 21 thousand. To pbb's knowledge, the other members of the Supervisory Board and persons closely related to them did not hold any shares in the company or related financial instruments to a reportable extent in the year under review.

In the past financial year, the Supervisory Board reviewed the efficiency of its work in accordance with the requirements of Section 25d (11) KWG with external support, which also included an ongoing assessment of the individual and collective suitability of the Supervisory Board members based on a questionnaire. The results of the evaluation of the Supervisory Board and Management Board for 2025 were discussed at the Supervisory Board meeting on 13 February 2026, from which recommendations for action were derived and adopted. The requirements for the composition of the Supervisory Board in terms of expertise, age and diversity, as set out in the skills profile, are considered to be met overall.

On the Audit Committee, Gertraud Dirscherl, Hanns-Peter Storr, Karim Bohn and Dr Louis Hagen all fulfilled recommendation D.3 of the GCGC. In particular, they all have expertise in the areas of accounting and auditing as well as specialised knowledge and experience in the application of accounting principles and internal control and risk management systems. While Gertraud Dirscherl worked for many years as an auditor and partner at KPMG, among others, Dr Louis Hagen has many years of experience, including as a member and Chairman of the Management Board of Münchener Hypothekbank eG and on the Supervisory Board of various companies. Hanns-Peter Storr has many years of experience from his work on the Management Board of Deutsche Bank and Postbank. Karim Bohn has expertise in the field of accounting due to his work as Chief Financial Officer at GAGFAH S.A., Süddeutsche Wohnen Group, Patrizia AG and currently at Canyon Bicycles GmbH, among others. Accordingly, the Supervisory Board also fulfils the qualitative requirements of Section 100 (5) AktG.

SUCCESSION PLANNING AND GUIDELINES FOR THE SELECTION OF MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS

In order to minimise the risk of a significant loss of expertise and to ensure the Management Board and Supervisory Board's ability to act in the long term, the Supervisory Board has set different appointment and election dates for the members of both the Management Board and the Supervisory Board. In addition, the Supervisory Board, and in particular the Executive and Nomination Committee, continuously reviews and further develops the medium to long-term succession planning. For its proposals for the election of new shareholder representatives to the Annual General Meeting in accordance with the Suitability Policy, the Supervisory Board checks in advance that the respective candidate fulfils the legal, regulatory, professional and personal requirements for the mandate and that

the specific objectives for the composition of the Supervisory Board from the competence profile for the entire Board are or would be fulfilled, taking into account the individual knowledge of the specific candidate. It also ensures that the respective candidate is able to devote the expected amount of time required.

During the reporting period, Susanne Klöß-Braekler resigned from the Supervisory Board as shareholder representative on 5 June 2025. Britta Lehfeldt was elected as her successor at the Annual General Meeting on 5 June 2025. Georg Kordick resigned from his position as employee representative on the Supervisory Board at the end of the Annual General Meeting on 5 June 2025. Theresia Kirmaier, the elected substitute member for the employee representatives, took his place on the Supervisory Board with effect from 5 June 2025.

The Supervisory Board reached an amicable agreement with Andreas Schenk during the contract extension talks that Mr Schenk leaves pbb on 15 March 2025 to pursue new professional challenges. Jörn Joseph was appointed to the Management Board as the new CFO with effect from 1 June 2025.

With regard to Thomas Köntgen's contract expiring in May 2026, the Supervisory Board initiated a structured selection process at an early stage to find a suitable successor and ultimately found an ideal candidate in Ms Barkha Mehmedagic, currently at ING Germany. She will join pbb on 1 March 2026, initially as General Representative, and, subject to the necessary regulatory approvals, will take over the Real Estate Finance Solutions (REFS) division of the Management Board as soon as possible.

Further details on the work of the Supervisory Board are presented in the Report of the Supervisory Board, which is published in the Annual Report.

OTHER DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES

Transparency

Among other things, pbb provides all important information on the Group and annual financial statements, the half-yearly report, quarterly statements, the financial calendar and mandatory disclosures, such as voting rights and ad hoc disclosures, on its website. Regular information on current company developments is also provided as part of investor relations activities such as press/analyst conferences, roadshows and corporate communications. The Corporate Governance Statement, including the Declaration of Compliance with the German Corporate Governance Code, is permanently published on pbb's website.

Risk Management

Risk management and risk controlling are central tasks of overall bank management at pbb. The Management Board sets the framework for business activities in terms of risk appetite and risk-bearing capacity via the business and risk strategy. In monthly risk reports to the Management Board, the Bank's overall risk situation is comprehensively analysed and adjusted if necessary. The Supervisory Board is regularly informed in detail about the risk situation, at least once a quarter. Further details on pbb's risk management and control system can be found in the Risk and Opportunity Report, which is part of the published Annual Report.

Compliance Management System

Compliance at pbb aims to ensure compliance with all relevant national and international legal regulations and obligations (legal certainty), company-specific rules, guidelines and instructions (process reliability) as well as ethical and moral standards and norms or expectations (behavioural reliability). For this purpose, pbb has established a Group-wide Compliance Management System ("CMS"), which comprises all measures, structures and processes established within pbb to ensure compliance with the aforementioned rules.

The core area of standards to be complied with includes the CRR, the German Banking Act, the German Money Laundering Act, the German Securities Trading Act, the EU Market Abuse Regulation, the German Pfandbrief Act and the respective regulations and guidelines based on these. Numerous internal guidelines and instructions, such as pbb's comprehensive Compliance Management System guideline and the framework for the prevention of money laundering (prevention of money laundering and terrorist financing) and combating other criminal offences, are binding for all employees. By providing revolving training and advice to employees, as well as carrying out control activities, the Compliance division works towards internalising the rules and ensuring compliance with the

legal and other legal obligations considered material for pbb, as well as the requirements of the Compliance Management System.

A prerequisite for the effectiveness of the compliance management system is the promotion of an effective compliance culture. Transparent, fair, responsible and honest behaviour with the necessary degree of expertise, professionalism and integrity in our conduct towards each other and in our relationships with customers, business partners, competitors and the public is firmly anchored at pbb and forms the basis for our business success. The implementation of and compliance with the relevant statutory, regulatory and internal provisions and other relevant laws and regulations are fundamental prerequisites. Internally, pbb Group's Code of Conduct sets out the ethical and legal framework for behaviour towards each other and in relation to customers, business partners, competitors and the public. The Code of Conduct serves the purpose of voluntary self-regulation and comprises the indispensable requirements that pbb places on all employees. In addition, pbb Group has established a Human Rights Guideline, which supplements the Code of Conduct and defines the requirements that the Group places on itself and its stakeholders with regard to respecting and upholding human rights. A whistleblower system has been set up to enable the anonymised reporting of specific suspicions of violations or fraudulent or illegal activities.

For further details of pbb's compliance management system, please refer to the separate consolidated non-financial report.

Sustainability

Companies bear responsibility for their actions towards the environment in which they operate. pbb Group defines sustainability as the self-image of making a substantial contribution to securing the long-term future through its own actions, and taking into account the consequences for all of the Company's stakeholders as well as for society and the environment. The pbb Group is convinced that sustainable and responsible business practices based on law-abiding behaviour and high ethical principles, the assumption of social responsibility as well as the conservation of natural resources and climate protection are necessary conditions for securing the Company's future and increasing its value. Accordingly, pbb takes sustainability-related objectives into account in its corporate planning as well as in its internal control system and risk management system. The collection of sustainability-related data is of particular importance in this context. The ESG Committee is a material instrument for anchoring sustainability issues within the pbb Group. It is made up of the members of the Management Board, the relevant division heads and material members of the ESG programme management. This broad-based structure is intended to take account of sustainability requirements in the core business, as well as in the management of ESG risks. Further information on pbb's sustainability strategy can be found in the separate consolidated 2025 non-financial report published separately on pbb's website.

Remuneration Report

The remuneration report in accordance with Section 162 AktG explains the structure, organisation and amount of remuneration paid to the members of the Management Board and Supervisory Board. The remuneration for the Supervisory Board is presented in accordance with the Articles of Association and the individual remuneration components (monetary remuneration, fringe benefits and pensions) for the Management Board are presented in individualised form. It also provides an overview of the remuneration system for employees and describes the governance structure in the area of remuneration. For specific information on share option programmes and similar securities-based incentive systems, please refer to the remuneration report. The remuneration report can be viewed here:

https://www.pfandbriefbank.com/fileadmin/user_upload/downloads/investor_relations/reports/Verguetungsbericht_2025_en.pdf

This remuneration report does not include quantitative information on employee remuneration in accordance with Article 450 CRR in conjunction with Section 16 of the German Regulation on Remuneration in Financial Institutions (Institutsvergütungsverordnung - IVV). This information can be found in the Disclosure Report of the pbb Group:

<https://www.pfandbriefbank.com/en/investors/mandatory-publications/disclosure-report-in-accordance-with-eu-regulation-eu-n/>

Related Party Transactions

Transactions with related parties are presented in the notes to the consolidated financial statements. In addition, the Bank has established a procedure to identify related party transactions, which may require prior approval by the Supervisory Board in accordance with Sections 111a et seq. of the (AktG) and may also have to be disclosed.

Accounting and Financial Reporting

pbb applies the provisions of the German Commercial Code (Handelsgesetzbuch – “HGB”) for the accounting of the annual financial statements and the International Financial Reporting Standards (IFRS), as adopted by the European Union, for the accounting of the consolidated financial statements. The Management Board prepares the annual financial statements and consolidated financial statements. The Supervisory Board receives reports from the auditor on the results of the audit of the annual financial statements and consolidated financial statements. The Annual General Meeting elected Deloitte GmbH Wirtschaftsprüfungsgesellschaft (Deloitte) as the auditor of the annual and consolidated financial statements for the 2025 financial year. The Supervisory Board satisfied itself of the auditor's independence, commissioned the auditor and determined the focal points of the Supervisory Board's audit. The fees paid to the auditor are presented in the notes to the consolidated financial statements.

The auditors elected by the Annual General Meeting, Deloitte, audited the annual and consolidated financial statements of pbb as at 31 December 2025, as well as the combined management report, and issued unqualified audit opinions. The non-financial statement to be submitted is published as a separate consolidated non-financial report. As part of its audit duties, the Supervisory Board did not make use of the option of an external review of the content of the combined separate non-financial report this year. At its meeting on 10 November 2025, the Audit Committee decided to waive an external audit by an auditor or independent auditor.

The financial statement documents and the audit reports were sent to all members of the Supervisory Board in good time. The Audit Committee dealt with the financial statement documents at its meeting on 16 March 2026. The annual and consolidated financial statements, the summarised management report and the audit reports were discussed in detail with the Management Board and representatives of the auditor. Following its own review, the Supervisory Board did not raise any objections to the results of the auditor's audit and approved the consolidated financial statements prepared by the Management Board and adopted the annual financial statements at the balance sheet meeting on 17 March 2026. Please refer to the Supervisory Board's report for the audit procedures and results.

Diversity and disclosures in accordance with section 289f (2) nos. 4 to 6 HGB

In its Code of Conduct, which is published on the internet and elsewhere, pbb has committed itself to respecting all people regardless of age, gender, race, social background, abilities, sexual orientation and religion, and expressly welcomes and promotes the diversity of its employees, management and supervisory bodies. This is linked to the principle of equal opportunities and the rejection of any form of discrimination. Since 2010, pbb has been a signatory to the "Diversity Charter". Signatories to the Charter stand for an unprejudiced and open working environment characterised by mutual respect and appreciation of the diversity of society. Diversity in terms of age, gender, educational and professional background as well as internationality is an important prerequisite for pbb Group's competitiveness and sustainable corporate success.

As part of their long-term succession planning and when making decisions on the composition of the Supervisory Board and Management Board, the Management Board and Supervisory Board jointly take diversity into account. By diversity in the Management Board and Supervisory Board, pbb primarily understands different, complementary profiles, professional and life experiences - including international experience - as well as an appropriate representation of all genders in the bodies. The Supervisory Board has adopted guidelines on the composition and qualifications of the Management Board and Supervisory Board via its rules of procedure and catalogues of criteria regarding the professional and personal requirements for new Supervisory Board and Management Board members to be appointed. These are supplemented by a skills profile for the Supervisory Board and guidelines for assessing the suitability of Management Board and Supervisory Board members and for promoting diversity on the Management Board and Supervisory Board.

In principle, each candidate must be reliable and sufficiently qualified and must guarantee sufficient time availability to fulfil the mandate. In addition to professional expertise in terms of industry and management experience, candidates should be trustworthy individuals with integrity. The requirements for the independence of the mandate holders must also be taken into account during the selection process. If there are several suitable candidates, the objective of maximising diversity is also taken into account. If possible, the composition of the committees should also reflect pbb Group's international activities and the composition of the workforce.

There are specific requirements regarding the composition of the Supervisory Board and Management Board with regard to age and gender. As a rule, the members of the Management Board should not be older than 60. This requirement was met in the past reporting year 2025.

As a rule, the members of the Supervisory Board should not be older than 70 years of age and the term of office of a Supervisory Board member should generally end at the end of the Annual General Meeting following the member's 70th birthday. As a rule, the maximum term of office for members of the Supervisory Board should not exceed three full terms of office within the meaning of Section 102 (1) AktG. These regulations are currently complied with.

A material focus of the diversity concept pursued is on gender balance. In principle, pbb strives to ensure that the underrepresented gender is appropriately considered when filling management positions. Accordingly, the Supervisory Board last set or confirmed the following targets in May 2022, which are to be achieved by 30 June 2027:

- > Planning target for the proportion of women on the Supervisory Board: 30%
- > Planning target for the proportion of women on the Management Board: 20%

As at 31 December 2025, the proportion of women on the Supervisory Board was 56% and 20% on the Management Board. The targets for the proportion of women on both boards have therefore been met. In principle, the Supervisory Board remains committed to specifically considering the underrepresented gender when appointing new members or expanding the Management Board if they are suitable and qualified.

In April 2022, the Management Board also set the previous targets for the first and second management levels below the Management Board and increased them by 5% in each case. The target quotas until 30 June 2027 are therefore as follows:

- > Planning target for the proportion of women at first management level: 20%
- > Planning target for the proportion of women at second management level: 20%

The proportion of women at the first management level below the Management Board was 12.5%, and 14.8% at the second management level below the Management Board. With these target figures, pbb emphasises its commitment to increasing the number of women in management positions and to specifically consider women when filling vacant positions if they are suitable and qualified. Among other things, increased awareness of the topic across all levels and the establishment of a corresponding management and corporate culture contribute to this. In addition, pbb offers employees attractive work organisation conditions, in particular flexible working time models and the possibility of mobile working, which help to support the compatibility of family and career. Further details on this can also be found in the separate consolidated non-financial report.

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