

Information on agenda item no. 5 (“Election to the Supervisory Board”)

In accordance with sections 96 (1) and 101 (1) of the German Stock Corporation Act (*Aktiengesetz* – “AktG”), sections 4 (1) and 1 (1) of the German One-Third Co-Determination Act (*Drittelbeteiligungsgesetz* – “DrittelbG”) in conjunction with article 8 (1) of the Company’s Articles of Association, the Supervisory Board is composed of six members elected by the shareholders and three members elected by the employees. Oliver Puhl has resigned his mandate as a member of the Supervisory Board elected by the shareholders with effect from 19 May 2022. At the joint request of the Management Board and the Supervisory Board of the Company, Prof. Dr Kerstin Hiska Hennig was court-appointed as a member of the Supervisory Board by resolution of 19 July 2022. Her mandate will expire at the end of the 2023 Annual General Shareholders’ Meeting. The mandate of Dr Günther Bräunig, Chairman of the Supervisory Board, will also expire at the end of the 2023 Annual General Shareholders’ Meeting.

Therefore, two members of the Supervisory Board are to be elected by the Annual General Shareholders’ Meeting.

The Supervisory Board proposes to elect

- Dr Louis Hagen, attorney (*Rechtsanwalt*), Starnberg, Germany,
- and
- Prof. Dr Kerstin Hiska Hennig, university professor, Schmitten, Germany,

as shareholder representatives to the Supervisory Board. The appointments are made for a term of office until the end of the Annual General Shareholders’ Meeting which decides on discharge for the third financial year after the start of the term of office; the financial year in which the term of office begins is not included. It is intended that, after the election, the Supervisory Board will elect from among its members Dr Louis Hagen as chair of the Supervisory Board provided that he is elected to the Supervisory Board.

The following paragraph outlines the succession planning process and the reasons for proposing the aforementioned candidates.

The Supervisory Board has set different appointment or election dates for members of the Management Board and Supervisory Board alike to minimise the risk of substantial loss of know-how, and to ensure that both the Management Board and the Supervisory Board are capable of acting at all times. The Supervisory Board, and especially the Executive and Nomination Committee, also continuously monitors and refines the mid- to long-term succession planning. In line with the Suitability Policy, the Supervisory Board, when making proposals to the Annual General Shareholders’ Meeting for the election of new shareholder representatives, ensures beforehand that the proposed candidates fulfil the statutory, regulatory, professional and personal requirements applicable to the respective position, and that when taking into account the knowledge of the respective candidate, specific objectives for the composition of the Supervisory Board derived from the profile of skills and expertise for the entire Board are (or would be) complied with. The Executive and Nomination Committee and the Supervisory Board have mainly based their election proposal on the following criteria to evaluate individual suitability, and consider all criteria to be fulfilled by both candidates:

- Sufficient level of knowledge, skills and experience
- Good reputation, sincerity and integrity
- Impartiality and independence
- Adequate time availability
- Compliance with the mandate restriction, in particular in accordance with Article 91 (3) CRD IV and section 25d (3) of the German Banking Act (*Kreditwesengesetz* – “KWG”) (Supervisory Board)
- No actual or potential conflicts of interest
- Recommendations C.1 to C.12 of the German Corporate Governance Code

The proposal also takes into account the individual requirements profile for Supervisory Board members, as stipulated in pbb’s internal Suitability Policy, as well as the objectives resolved by the Supervisory Board for its composition (including the target (minimum) quota for the under-represented sex in each case) and stipulated in the Supervisory Board’s published profile of skills and expertise. The individual requirements profile comprises the following criteria in particular:

- Functional expertise
- Sector expertise
- Seniority
- Interpersonal skills
- Other experience (for a person chairing the Supervisory Board, the qualification as senior manager within the meaning of the German Banking Act (*Kreditwesengesetz* – “KWG”) is of particular

importance, as is management experience as Chief Executive Officer or long-standing management board member at a bank)

Implementation of the objectives set out in the Supervisory Board's profile of skills and expertise is updated within the ongoing suitability check, and outlined in the qualification matrix which is part of the published Corporate Governance Statement. According to the matrix, the shareholder representatives on the Supervisory Board currently meet the objectives regarding the Board's composition:

| | Dr Günther Bräunig | Hanns-Peter Storr | Susanne Klöß-Braekler | Gertraud Dirscherl | Dr Thomas Duhnkrack | Prof. Dr Kerstin Hennig |
|--|--------------------|--|--|--|--|--|
| Personal suitability | | | | | | |
| Year of first appointment | 2009 | 2021 | 2021 | 2022 | 2015 | 2022 |
| Independence | | X | X | X | X | X |
| No Overboarding ¹ | X | X | X | X | X | X |
| Diversity | | | | | | |
| Sex | Male | Male | Female | Female | Male | Female |
| Date of birth | 1955 | 1959 | 1964 | 1958 | 1954 | 1964 |
| Educational background | Lawyer | Banker, degree in economics (<i>Diplom-Ökonom</i>) | Degree in business administration (<i>Diplom-Kauffrau</i>) | Degree in economics (<i>Diplom-Volkswirtin</i>), certified public accountant | Degree in business administration (<i>Diplom-Kaufmann</i>) | Degree in business administration (<i>Diplom-Kauffrau</i>) |
| Professional skills and expertise² | | | | | | |
| Business model / real estate know-how | X | X | X | X | X | X |
| International business experience, esp. in Europe and the US | X | X | X | X | X | X |
| Capital markets experience | X | X | X | X | X | X |
| Technology / digitalisation, incl. IT security and data protection | X | X | X | X | | X |
| Accounting expert | X | X | X | X | X | X |
| Auditing ³ | X | X | X | X | X | X |
| Risk management, including climate-related and environmental risks | X | X | X | X | X | X |
| Sustainability ⁴ | X | X | X | X | X | X |
| Compliance and Internal Audit | X | X | X | X | X | |
| Law / corporate governance | X | X | X | X | X | |

¹ as defined in section 25d (3) of the KWG

² Criterion met, based on a self-assessment by the Supervisory Board. A cross corresponds to the levels "medium" or "high" and therefore to the ability to understand the facts and make informed decisions, based on existing knowledge, experience and CPD measures.

³ Within the meaning of section 100 (5) of the AktG and including sustainability reporting

⁴ Especially environmental matters, social responsibility, and good corporate governance

An external HR advisor supported the Supervisory Board and the Executive and Nomination Committee in their search for the Supervisory Board candidates. Various candidates were identified and interviewed based on the criteria mentioned above. Prof. Dr Hiska Hennig and Dr Louis Hagen also introduced themselves personally to the Executive and Nomination Committee and the Supervisory Board, based upon which both the committee and the Supervisory Board as a whole considered the individual requirements and the objectives for collective composition of the Supervisory Board to be fulfilled.

Due to her many years of experience in international real estate project development and as university professor and Head of Real Estate Economics at the European Business School, Prof. Dr Hennig fulfils the requirements profile set by the Supervisory Board exceptionally well. Prof. Dr Hennig's in-depth real estate expertise and scientific background make her an ideal match for the Supervisory Board, especially with regard to the Risk Management and Liquidity Strategy Committee. She also offers valuable ESG expertise.

Dr Louis Hagen's long-term mandate (2009 to 2022) as member of the management board and later CEO of Münchener Hypothekenbank eG, along with his long-term capacity as President of the Association of German Pfandbrief Banks (vdp), provide him with a high level of sector expertise, seniority, and management experience. His excellent knowledge of the Pfandbrief business together with his management expertise not only make him an ideal addition for the Supervisory Board's profile of skills and expertise, but also position him as the predestined successor to Dr Günther Bräunig as Chairman of the Supervisory Board. As a final note, Dr Hagen further possesses the particular skills and expertise currently covered by Dr Günther Bräunig in the qualification matrix.