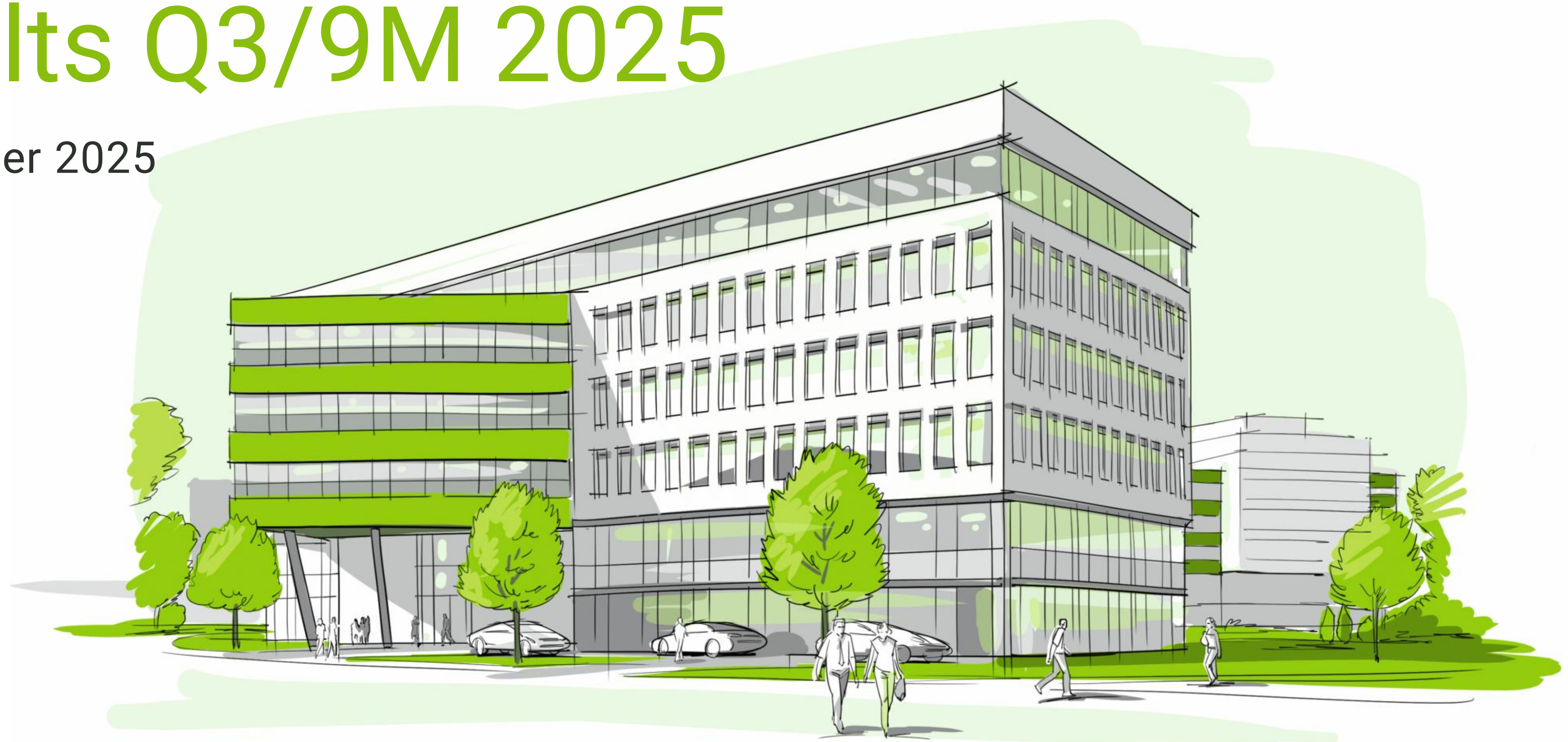
pbb DEUTSCHE PFANDBRIEFBANK

# ANALYST PRESENTATION
## Results Q3/9M 2025

13 November 2025



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# KEY MESSAGES

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## → Execution of Strategy 2027 on track

- → New business RoTE of ~9% in 9M/25 (Q3/25: 7%) accretive for Strategy 2027 targets
- → On track for closing of acquisition of Deutsche Investment for Q1/26, regulatory approvals granted
- → Implementation of US exit progressing well

## → Transition to higher portfolio profitability and quality underway

- → Profitable and growing new business (9M/25: € 4.0 bn, +61% y-o-y) not yet compensating reduced REF portfolio (09/25: € 27.6 bn), especially reflecting de-risking of US and development portfolio
- → Operating expenses down by -3% y-o-y to € 189 mn (Q3/25: -9% y-o-y, € 63 mn)
- → Adjusted PBT of € 79 mn in 9M/25 (reported: € -235 mn) – in Q3/25 PBT of € 14 mn

## → Solid capitalisation and liquidity maintained

- → CET1 ratio at 15.4% in Q3/25 – SREP capital ratio requirements for 2026 unchanged
- → Effect from acquisition of Deutsche Investment on CET1 ratio of ≤30 bp expected in Q1/26
- → Funding agenda 2025 successfully completed including some pre-funding – liquidity comfortable with LCR of 209%

# MARKET SENTIMENT

## CRE markets stabilised, but recovery slower than expected

### Growth risks in Europe abating, ECB rates on hold this year

- Economy keeps defying tariff headwinds
- Inflation supports an easy monetary policy stance
- Government yields look poised to climb

### CRE market recovery slower than expected

- CRE investment market recovery slow and uneven
- Elevated long-term rates limit future yield compression
- “Flight to Quality" continues across all sectors

# STRATEGY 2027

## Three key pillars and three key approaches

WHAT?

| RE FINANCE SOLUTIONS | RE INVESTMENT SOLUTIONS | NON-CORE |
|---|---|---|
| Diversification and increase in profitability | pbb invest and Originate & Cooperate | Value preserving run-down of Non-Core portfolio |

HOW?

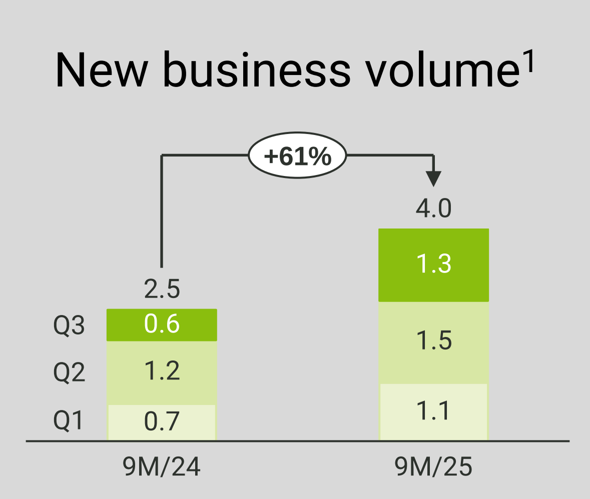
**Flexible, international and efficient platform**
Flexible, international and efficient operating model using new technology as basis for growth beyond the core

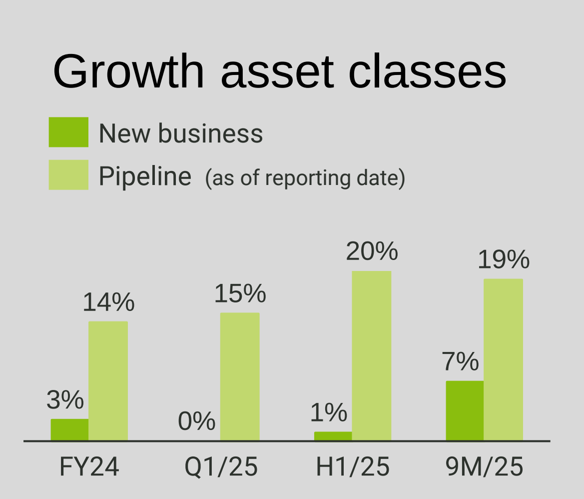
**Organic and inorganic growth**
Use of existing capabilities and opportunistic acquisitions to expand and strengthen market positioning

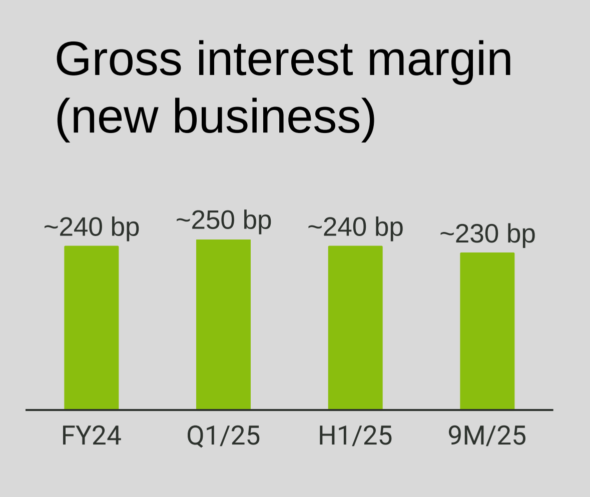
**European Bank**
Enhanced focus on European market and pbb's regional strengths

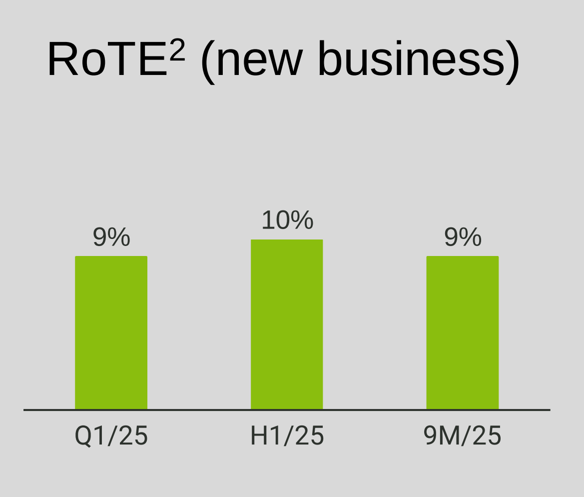
# STRATEGY 2027

## RE Finance Solutions (REFS) - Diversification and increase in profitability




- → pbb transforms into a pure European player, further leveraging its deep market expertise
- → New business growing:
  - € 4.0 bn up by 61% vs. 9M/24 (Q3/25: +117% y-o-y)
  - RoTE of 9% (Q3/25: 7%)
  - Share of new commitments up to 44% (H1/25: 23%)
  - Share of growth asset classes increased to 7% in 9M/25 (H1/25: 1%)
  - Share of office declined to 32% in Q3/25 (6M/25: 51%)
- → Portfolio in transition:
  - € 27.6 bn down by -5% (Q3/24: € 29.1 bn)
  - De-Risking (US & Developments) not yet compensated
- → Outlook FY 2025:
  - New business € 5.5-6.0 bn
  - REF Portfolio between € 27.5-28.0 bn

1. Including extensions >1 year 2. Based on total costs

# FOCUS: US PORTFOLIO

## Implementation of US exit progressing well

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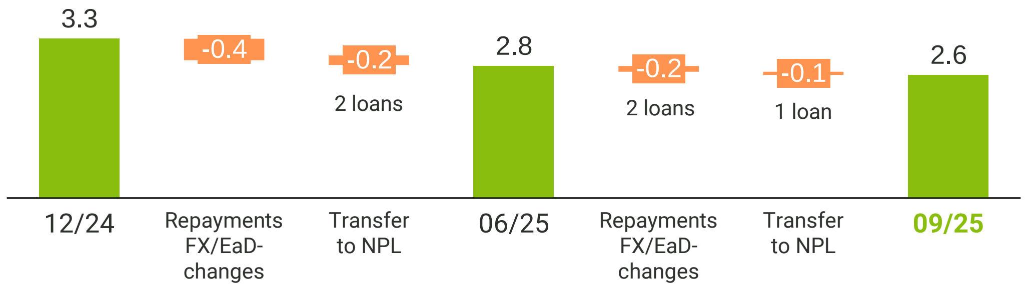
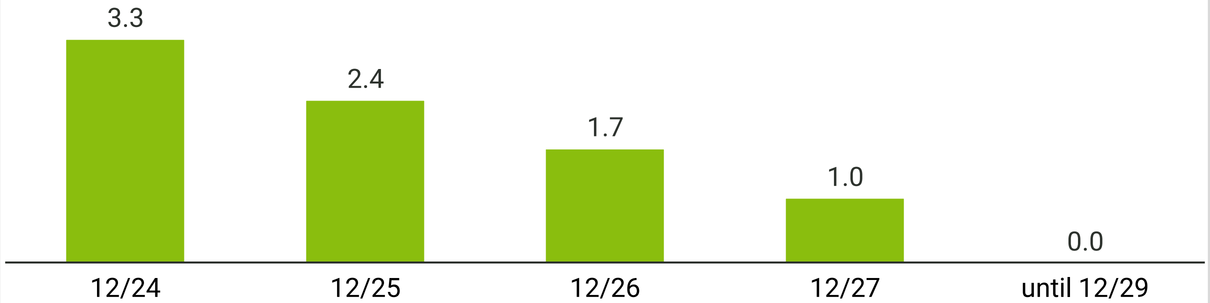
### Performing Portfolio € bn (EaD, Basel III, 2025: Basel IV)



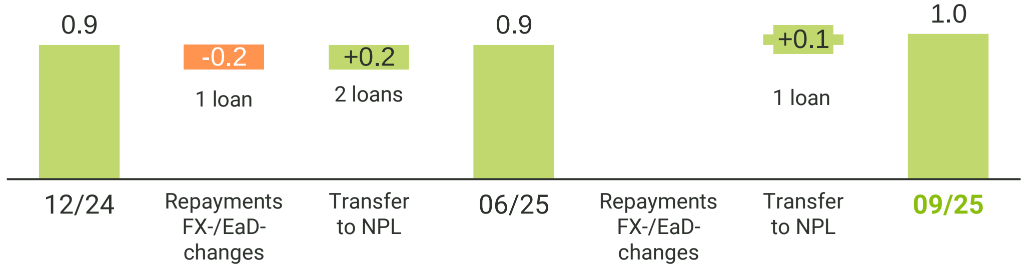

| | 12/24 | Repayments FX/EaD-changes | Transfer to NPL | 06/25 | Repayments FX/EaD-changes | Transfer to NPL | 09/25 |
|---|---|---|---|---|---|---|---|
| Stage 1&2 LLP | € 84 mn | | | € 137 mn | | | € 135 mn |
| Coverage Ratio[1] | 2.6% | | | 5.0% | | | 5.3% |

### Performing portfolio: expected contractual run-down[2]

(€ bn, EaD, Basel IV)




### Non-performing Portfolio € bn (EaD, Basel III, 2025: Basel IV)




| | 12/24 | Repayments FX-/EaD-changes | Transfer to NPL | 06/25 | Repayments FX-/EaD-changes | Transfer to NPL | 09/25 |
|---|---|---|---|---|---|---|---|
| Stage 3 LLP | € 138 mn | | | € 292 mn | | | € 297 mn |
| Coverage Ratio[1] | 20.8% | | | 40.6% | | | 38.0% |

→ Execution of US exit well on track and to accelerate over the next 3-9 months using full toolbox

→ Performing portfolio:
- Reduction of € 0.7 bn to € 2.6 bn (12/24: € 3.3 bn)
- Repayments of € 0.2 bn expected for Q4/25
- Market currently explored for accelerated run-down / risk shielding for a portfolio of up to € 2 bn performing loans

→ Non-performing portfolio:
- € +0.1 bn due to one new NPL
- Wind down and sales initiated

→ Portfolio accounts for € 36 mn NII in 9M/25 (Q3/25: € 10 mn)[3]

Note: Figures may not add up due to rounding

1. Coverage Ratio= (LLP + FV LLP)/book value 2. Contractual maturities: using max. maturities incl. extension options

3. Net interest income based on net revenue margin, considering initial funding costs at deal closing

# STRATEGY 2027

## RE Investment Solutions (REIS) – focus on acquisition of Deutsche Investment

### Deutsche Investment

- Full value chain (360° approach)
- AUM of ~ € 3 bn
- Fee Income of € 34 mn in 2024

Closing in Q1/26

### pbb invest

In-depth discussions with potential investors

### Originate & Cooperate

Partner network ✓
Products ✓
Team ✓

### pbb invest

→ Acquisition of Deutsche Investment progressing according to plan

- Regulatory approvals granted
- Integration project well underway
- On track for closing early Q1/26

→ In-depth discussions with potential investors on debt product progressing

### Originate & Cooperate

→ Partner network established, product range and team operationally ready

# AGENDA

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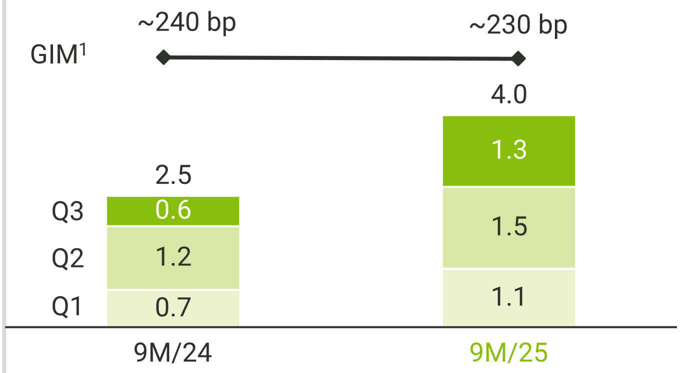
# OPERATING & FINANCIAL OVERVIEW

## Focus on profitability – transition underway

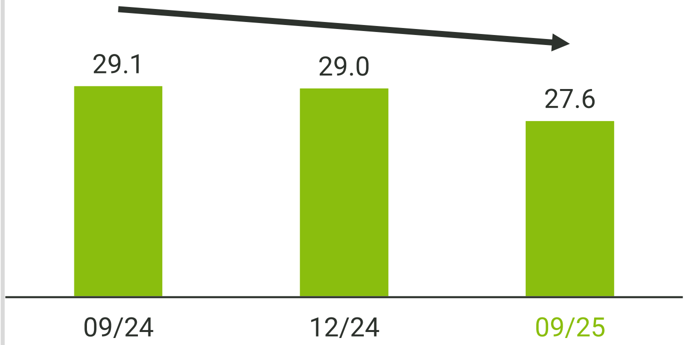
### REF new business

€ bn (commitments, incl. extensions > 1 yr.)



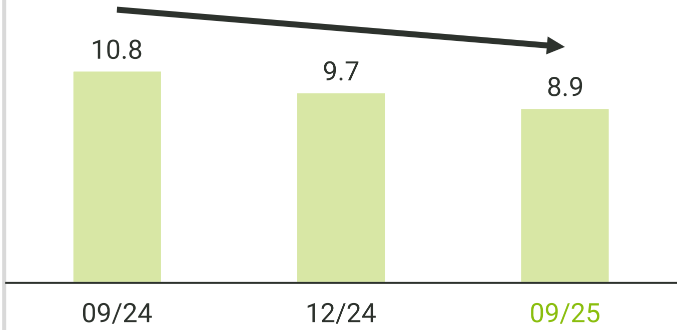

- Selective new business with strict focus on profitability
- New business volume in 9M/25 up by 61% y-o-y
- Avg. gross interest margin slightly down as expected
- RoTE of ~9% ytd accretive for profitability targets 2027

### REF portfolio € bn (financing volume)



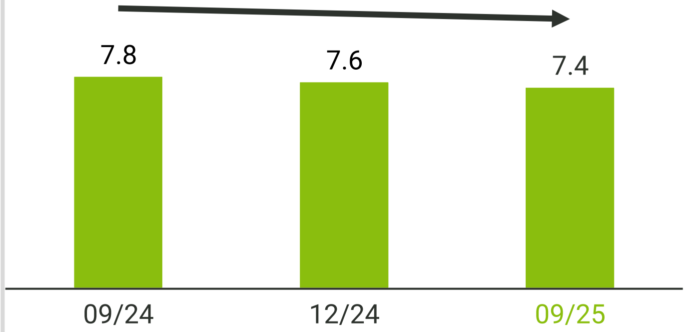

- Reduced portfolio volume reflects selective new business focus and USD-effect (€ -0.5 bn ytd)
- US portfolio rundown – transition into more profitable European portfolio underway
- Avg. gross portfolio margin further up by ~4% ytd. (~8% since 2024)

### Non-Core portfolio € bn (financing volume)




- Reduction due to maturities and ongoing selective asset sales
- Ongoing value-preserving optimisation

### Funding – retail deposits € bn




- Volume managed to needs
- Focus on cost efficiency and optimisation

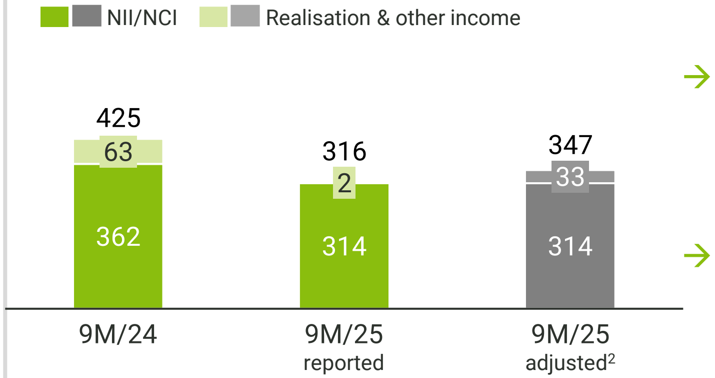
Note: Figures may not add up due to rounding

1. Gross interest margin

# OPERATING & FINANCIAL OVERVIEW

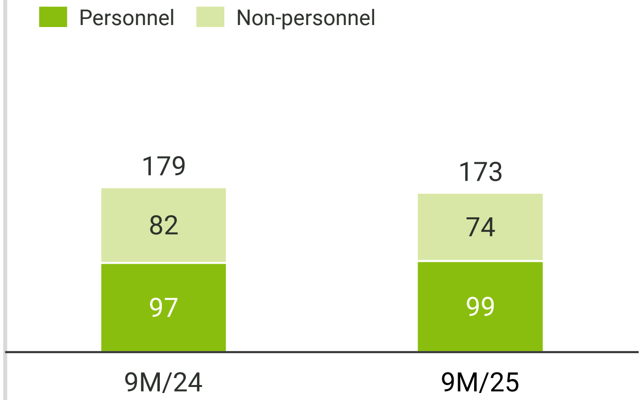
## Financial performance impacted by one-off US risk charges in Q2/25

### Operating income € mn (IFRS)



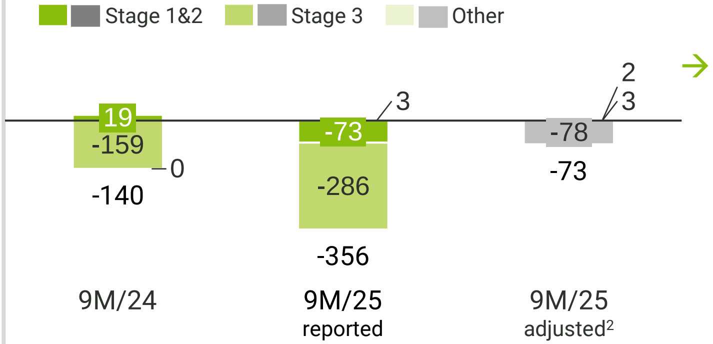

- Operating income impacted by one-off US fair value[1] risk charges of € -31 mn in Q2/25
- NII/NCI down y-o-y due to reduced portfolio volume, funding cost transition and capital optimisation
- Realisation & other income (adjusted[2]) reflects lower income from active balance sheet management

### General admin. expenses € mn (IFRS)



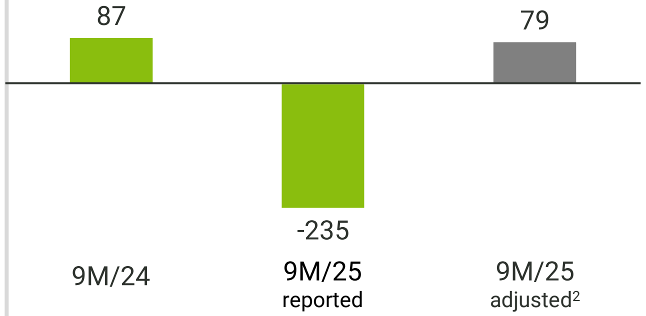

- After finalisation of IT-transformation in 2024, GAE down vs. 9M/24 as expected, despite ongoing investments into strategic transformation
- In Q4/25, GAE uplift expected mainly from costs related to US exit and ongoing investment in strategic transformation

### Net income from risk provisioning € mn (IFRS)




- LLP significantly up in 9M/25 due to one-off US risk charges of € -283 mn in Q2/25
- Adjusted for Q2/25 one-off, LLP significantly down by ~48% y-o-y

### Pre-tax profit € mn (IFRS)




- Adjusted[2] PBT at € 79 mn for 9M/25 – positive PBT of € 14 mn in Q3/25 as expected
- Reported loss before tax of € -235 mn in 9M/25 due to one-off US risk charges of € -314 mn in Q2/25

Note: Figures may not add up due to rounding
1. Fair value including at equity accounting 2. Excl. one-off US risk charges in Q2/25

# OPERATING & FINANCIAL OVERVIEW

## Transition impacting Q3/25 topline whilst expenses remain well managed

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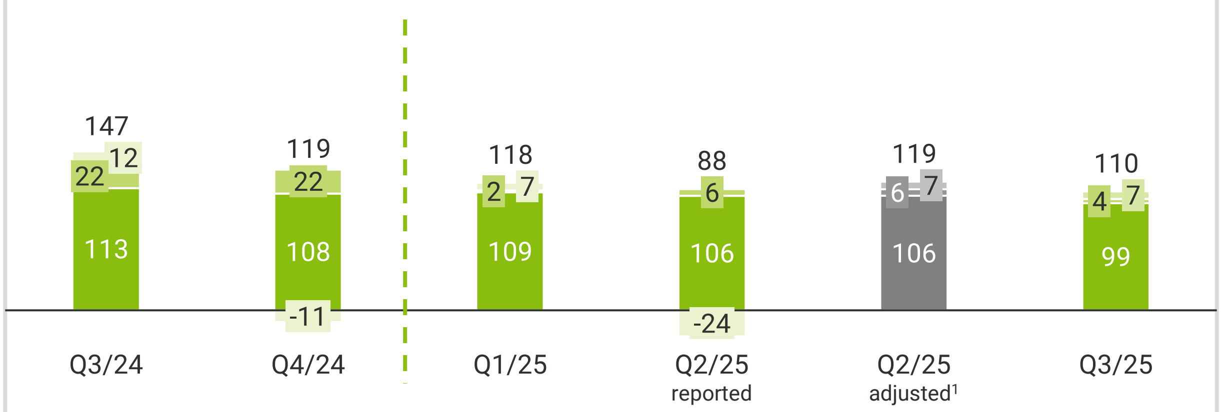
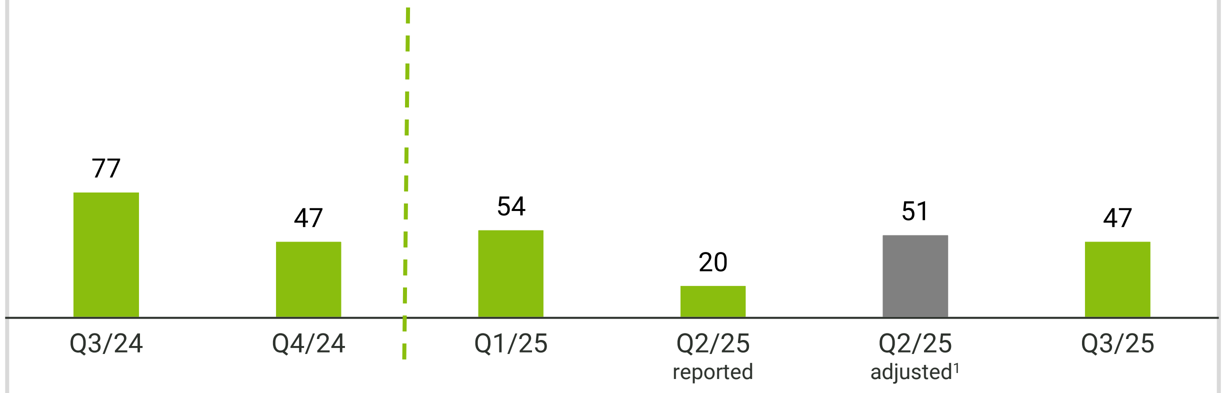
### Operating income € mn (IFRS)




### Pre-provision profit € mn (IFRS)




→ Operating income mainly impacted by lower NII and no NCI q-o-q[2]

- NII down by € -5 mn q-o-q due to
  - Higher portfolio margins not fully compensating lower portfolio volume
  - Ongoing funding transition plus temporary funding excess
  - Costs from optimisation of capital structure (T2 issuance)
- No NCI (Q2/25: € 2 mn)
- Realisation income slightly down q-o-q to € 4 mn (Q2/25: € 6 mn) mainly driven by prepayment fees
- Adjusted[1] other income stable at € 7 mn (positively affected by payment from insurance settlements[3], partially reduced by negative fair value result[4])

→ Total expenses down by € -5 mn to € 63 mn in Q3/25 (Q2/25: € 68 mn)

→ Adjusted[1] pre-provision profit of € 47 mn therefore rather resilient in Q3/25 (Q2/25 adjusted[1]: € 51 mn)

Note: Figures may not add up due to rounding 1. Excl. US fair value risk charges in Q2/25 2. compared to Q2/25 adjusted 3. Resolution on the settlement with the D&O insurers regarding claims for damages against former members of the company's executive bodies approved by AGM 2025 4. Incl. credit related effects; incl. € 657 mn REF loans accounted at FVtPL

# OPERATING & FINANCIAL OVERVIEW

## Operating expenses well managed

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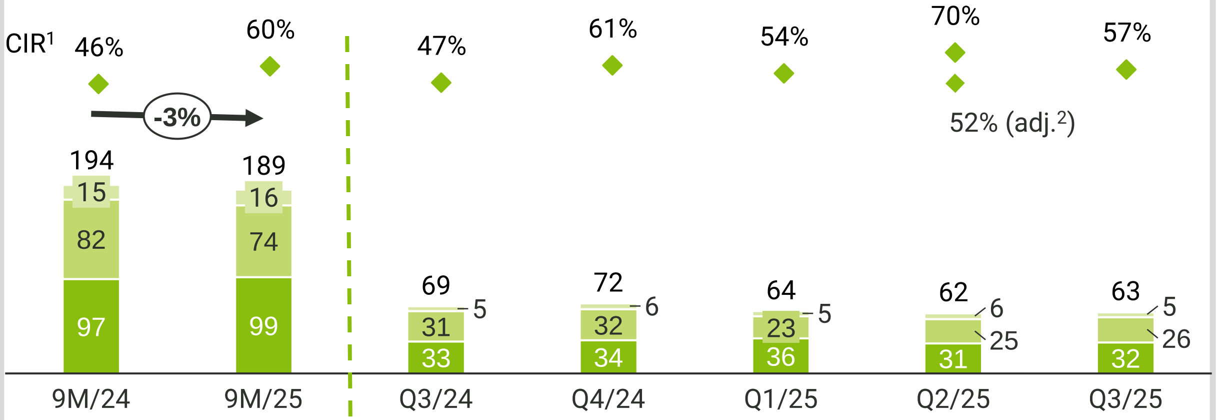
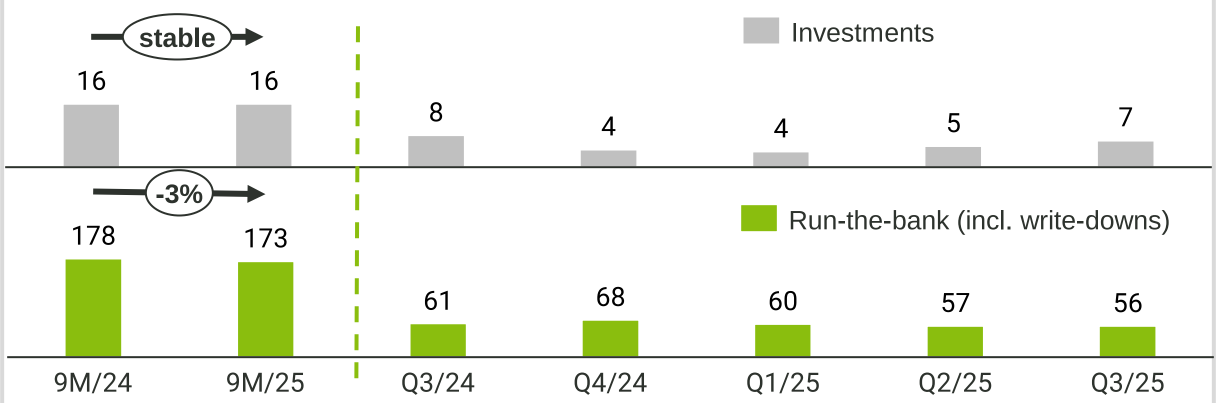
### Operating expenses € mn (IFRS)




- → Operating expenses well managed q-o-q, ongoing investments into strategic initiatives leads only to a small increase in Q3/25
  - Non-personnel costs impacted by increased investments, mainly for US exit and organisational alignment to Strategy 2027
  - Personnel costs on regular level, Q2/25 benefitted from release of provisions (€ 1mn)
- → On a y-o-y basis operating expenses down by -3% (9M/25) and -9% (Q3/25)
  - Non-personnel costs down y-o-y by -10% (9M/25) and -16% (Q3/25)
  - Personnel costs well managed despite inflationary pressure
- → CIR impacted by lower operating income y-o-y

### Focus: run-the bank vs. investments € mn (IFRS)




- → Run-the-bank costs down by 3% y-o-y in 9M/25 through strict cost discipline
- → Stable ongoing investments
  - Investments for IT transformation 2024 finished
  - Ongoing investments into Strategy 2027 transformation mainly into
    - Diversification of profitability and portfolio (Deutsche Investment acquisition, US portfolio exit)
    - Organisational alignment to Strategy 2027
- → In Q4/25, moderate uplift expected, mainly from costs related to US exit and ongoing investment in strategic transformation

Note: Figures may not add up due to rounding

1. CIR = (General and administrative expenses + net income from write-downs and write-ups on non-financial assets)/operating income 2. Excl. US fair value risk charges in Q2/25

# OPERATING & FINANCIAL OVERVIEW

## Risk provisioning in Q3/25 mainly driven by legacy German development loans

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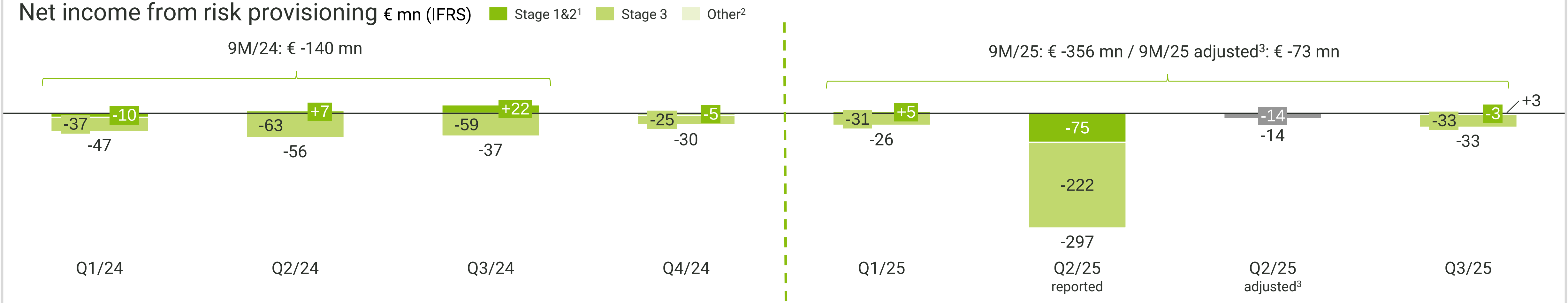
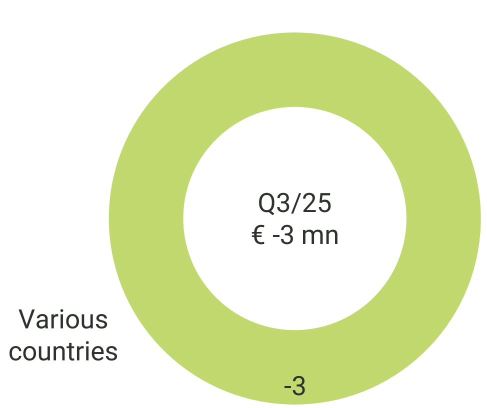
### Net income from risk provisioning € mn (IFRS)



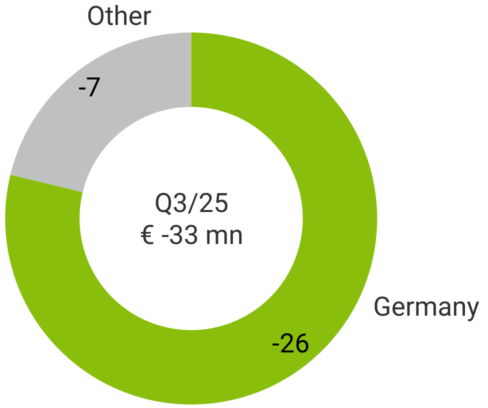

→ LLP of € -33 mn in Q3/25 mainly reflecting LLP for legacy NPL loans

- Stages 1&2: € -3 mn net additions mainly from macroeconomic scenario update across countries
- Stage 3: € -33 mn net additions mainly driven by 2 legacy German development loans (support of construction finishing and preparation of exit) and 1 new European office NPL (€ -6 mn)
  Risk provisioning needs for one new US NPL covered by existing US risk charges
- € 3 mn from modification effects for performing loans

### Stage 1&2 € mn (IFRS)




### Stage 3 € mn (IFRS)




1. Incl. provisions in off balance sheet lending business 2. Recoveries from written-off financial assets 3. Excl. € -283 mn one-off US risk charges in Q2/25

# OPERATING & FINANCIAL OVERVIEW

## REF NPL coverage ratio stable at ~30%

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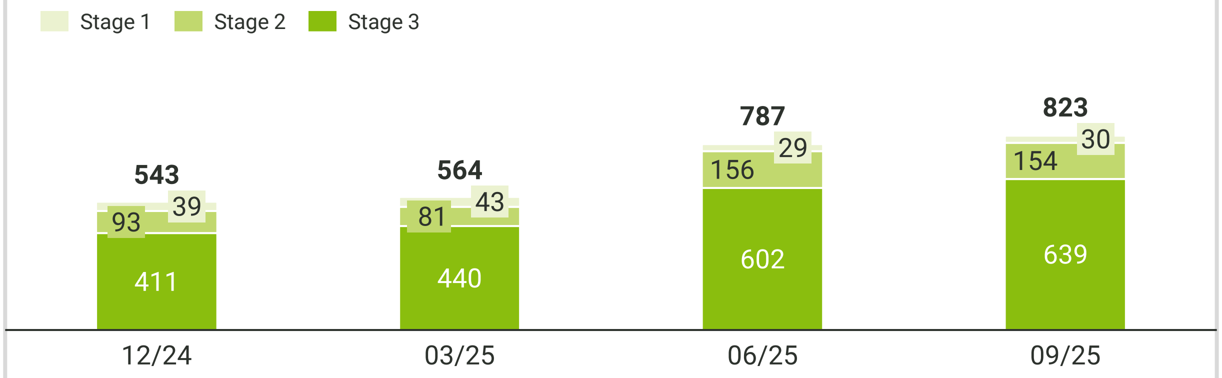
### Balance sheet loss allowances € mn

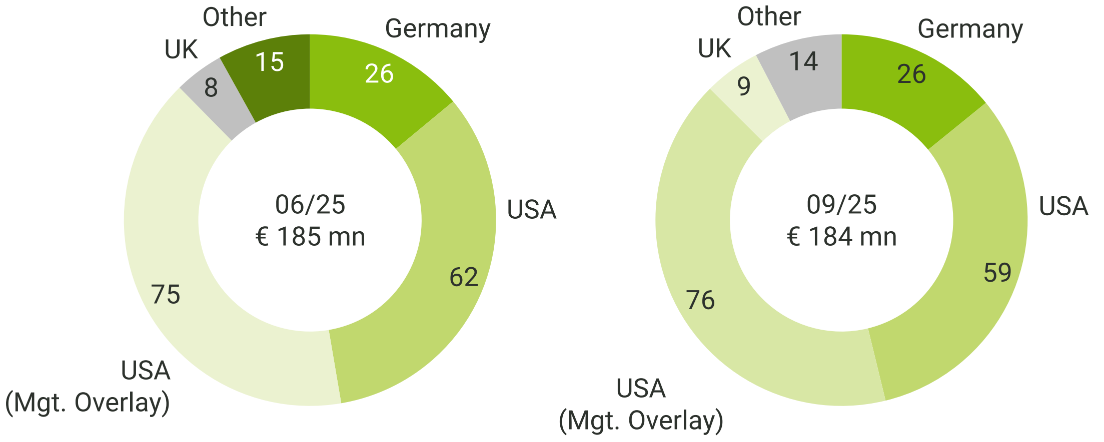



→ Stages 1&2: € -1 mn net decrease – negative model effects (mainly macroeconomic effects) overcompensated by other effects (e.g. rating changes, FX, stage 3 transfers)

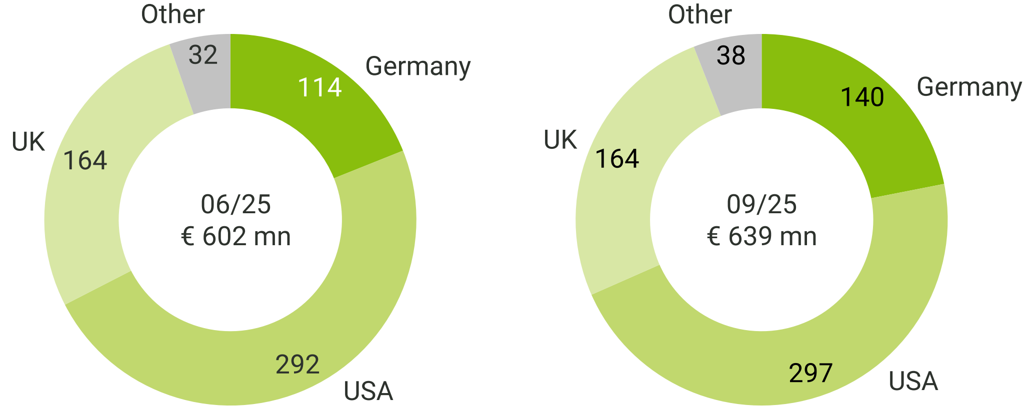
→ Stage 3: € 37 mn net increase mainly driven by LLP for 2 legacy German developments, 1 new European office NPL and transfer of LLP from stage 1&2 to stage 3 (1 new US NPL loan)

→ REF NPL coverage ratio[1] stable at ~30% (06/25: ~30%, 03/25: ~23%)

### Stage 1&2 € mn (IFRS, reported)




### Stage 3 € mn (IFRS, reported)




Note: Figures may not add up due to rounding

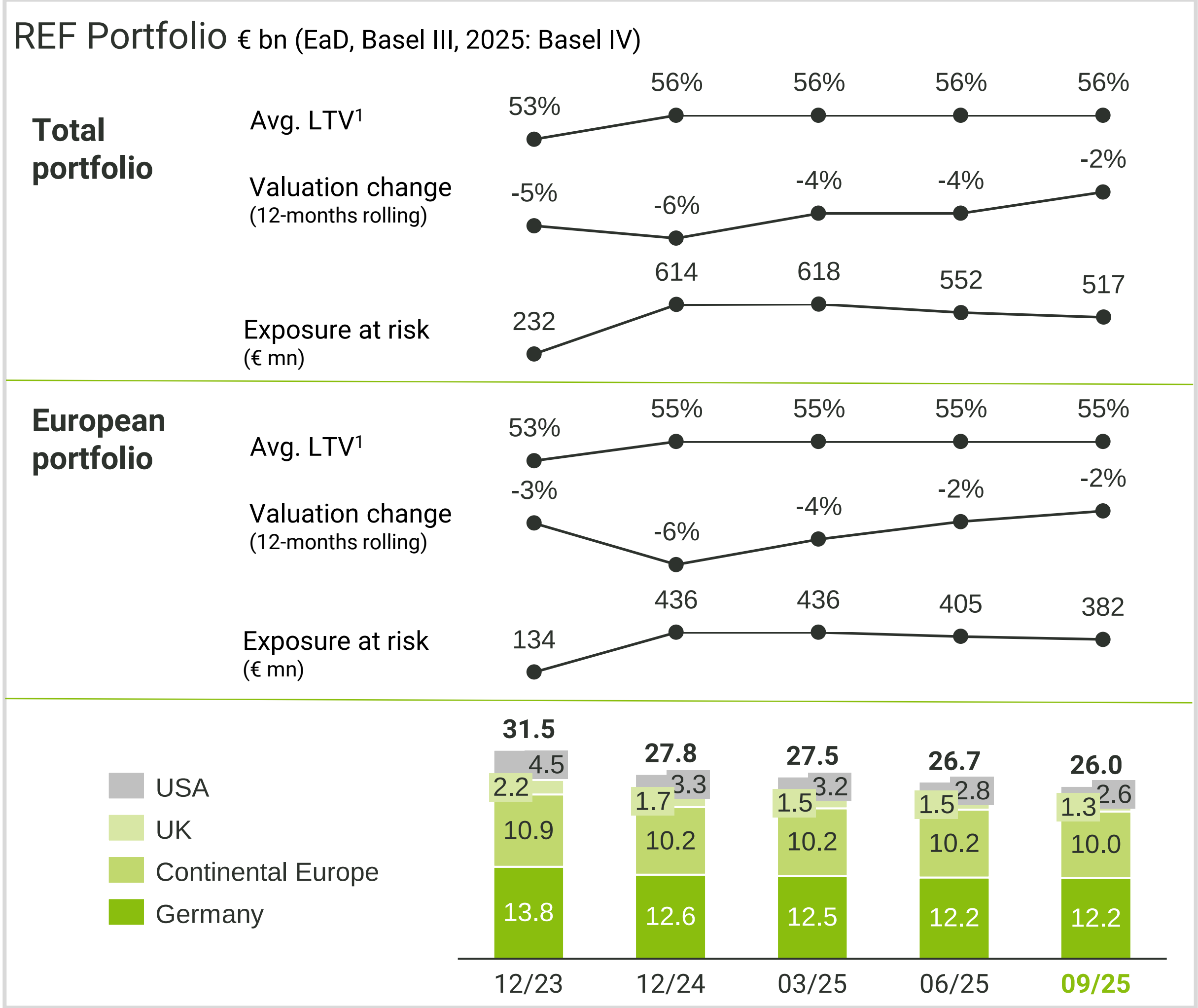
1. Based on total loss allowances stage 3

# AGENDA

1. Operating &d Financial Overview
2. Portfolio Quality
3. Capital & Funding
4. Summary & Outlook
5. Appendix

# REF PORTFOLIO PERFORMING

## Bottoming out of CRE markets and portfolio transition continue to show




→ With CRE markets gradually bottoming out and our active portfolio transition underway, the quality of the performing portfolio stabilised further

→ Ongoing improvement of performing portfolio KPI in Q3/25

- Avg. LTV[1] further stabilised
- Valuation adjustments (12-months rolling) below peak and further improved
- When looking at layered LTV, also the exposure at risk declined again q-o-q

Note: Figures may not add up due to rounding

1. Performing investment loans only, based on commitments

# NPL coverage ratio stable at ~30%

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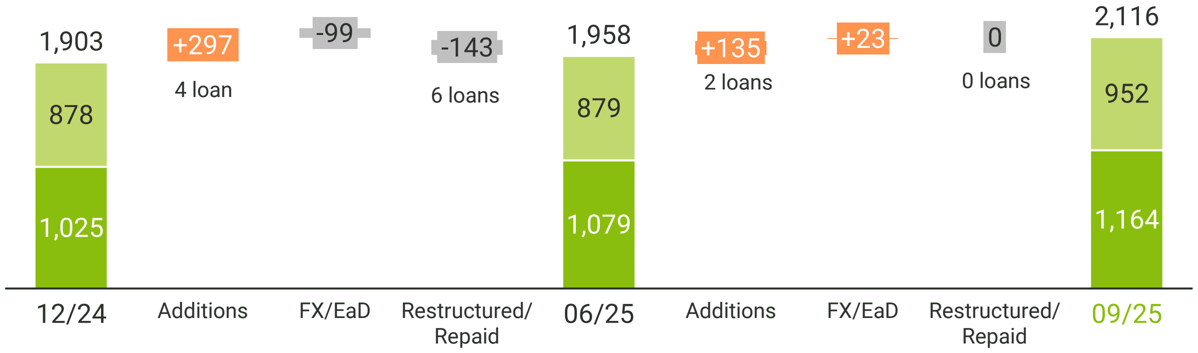
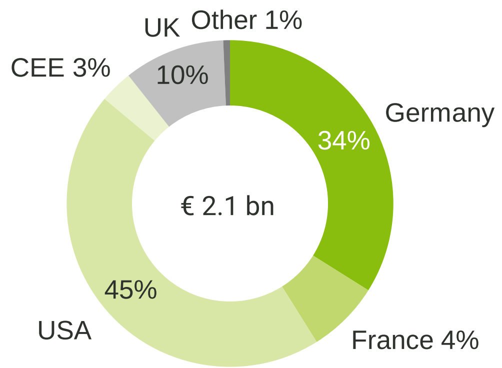
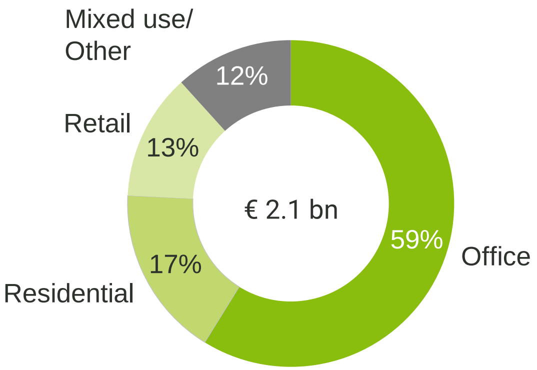
## NPL Portfolio € mn (EaD, Basel III, 2025: Basel IV)




## Regions 30/09/2025
(EaD, Basel IV)




## Property types 30/09/2025
(EaD, Basel IV)




→ Increase of NPL portfolio of € 158 mn in Q3/25 driven by addition of 2 office loans and EaD-effects on legacy NPL, only partially compensated by FX-effects (€ -6 mn)

→ Addition of two NPL of € 135 mn
- 1 US office loan, € 68 mn – LLP covered by one-off US risk charges from Q2/25
- 1 European office loan, € 67 mn, LLP € 6 mn

→ 100% of the portfolio reviewed/revalued in last 12 months – avg. value change of -11%[1] (Q2/25: -17%)

→ NPE[2] ratio 4.9% – up in Q3/25 due to increase of NPL over slightly lower total portfolio (06/25: 4.7%)

→ NPL coverage ratio of ~30% quite stable due to increased stage 3 LLP of € 639 mn (06/25: ~31%) – European portfolio coverage 29% (06/25: 29%)

Note: Figures may not add up due to rounding
1. On the portfolio part, for which a revaluation was necessary 2. Non-Performing Exposure ratio = Non-performing loans and bonds / total portfolio (EaD); NPL ratio (EBA definition) 09/25: 6.2%, 06/25: 5.7%, 03/25: 5.2%, 12/24: 5.1%, 09/24: 4.4% (NPL ratio = gross carrying amount of non-performing loans and Advances (incl. loans in forbearance cure-period) / total gross carrying amount of loans and advances)

# FOCUS: DEVELOPMENT PORTFOLIO

## No new NPL, but idiosyncratic risks in legacy NPL still to be managed

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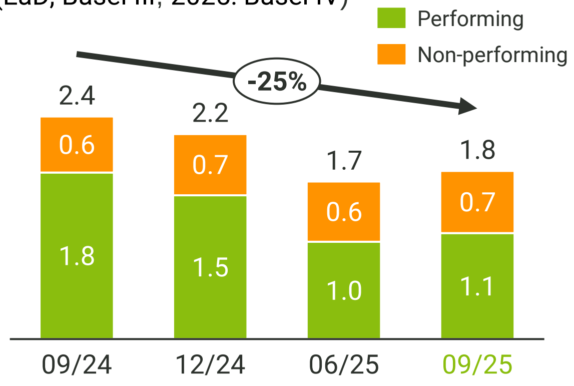
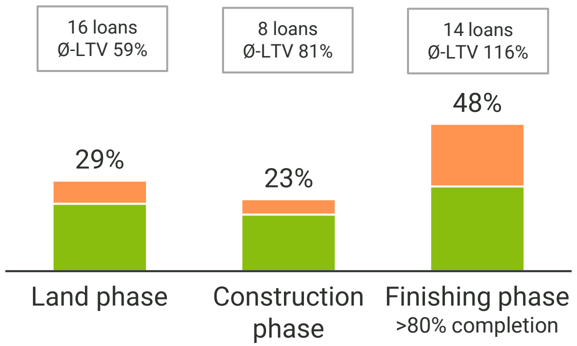
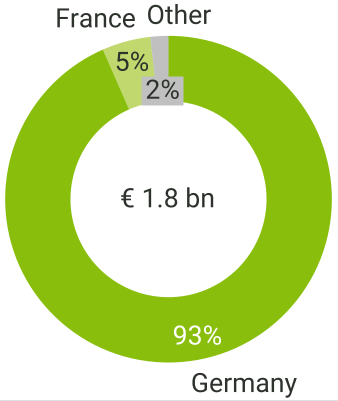
**Portfolio** € bn
(EaD, Basel III, 2025: Basel IV)



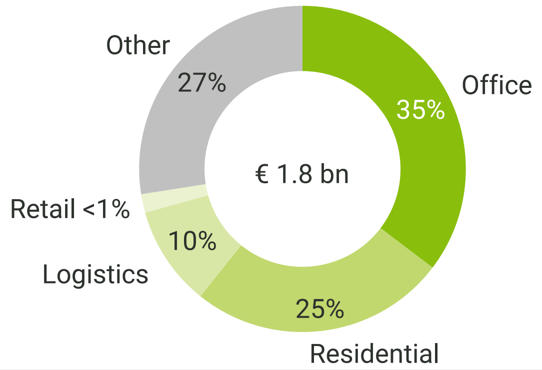

**Phase** 30/09/2025
(commitments, Basel IV)




**Regions** 30/09/2025
(EaD, Basel IV)




**Property types** 30/09/2025
(EaD, Basel IV)




Note: Figures may not add up due to rounding

→ Portfolio reduced by 25% y-o-y and 18% ytd with slight increase in Q3/25

- 4 loans (€ 155 mn) repaid/transferred to investment loans in Q3/25 (9M/25: 14 loans, € 710 mn)
- 3 new development loans (€ 182 mn) in Q3/25 (9M/25: 5 loans, € 237 mn)

→ Environment remains challenging for legacy development NPL

- Focus on completion of properties in construction and finishing phase requires ongoing support to mitigate downside risk and ensure exit
- Stage 3 LLP of € -26 mn in Q3/25 for 2 legacy German development loans to support
  - construction finishing
  - preparation of exit

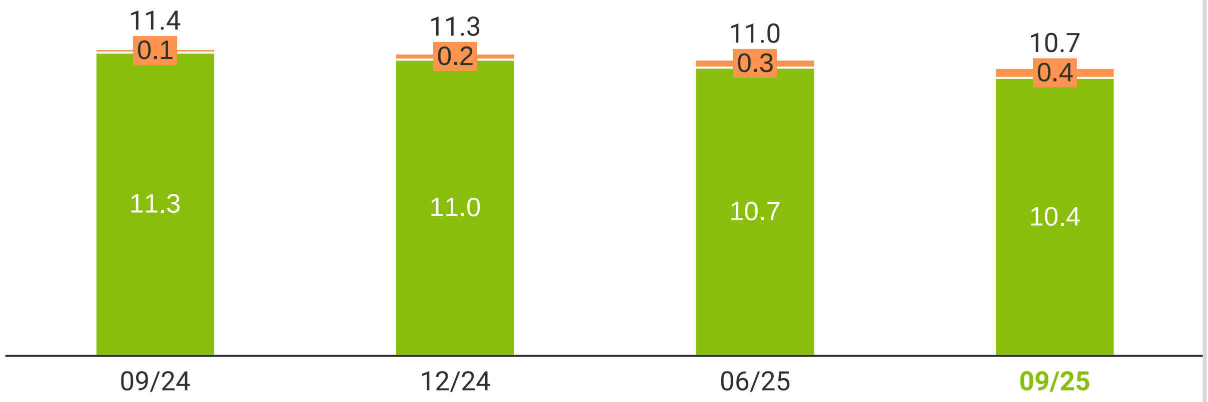
→ Increase of NPL volume by € 20 mn to € 663 mn in Q3/25 to support finishing/exit strategy of existing NPL

- No new NPL, no NPL repaid (9M/25: 2 loans, € 39 mn, land phase)
- Coverage ratio of ~21% (06/25: ~18%, 12/24: ~15%)
- Only German loans in very good locations
- 3 cases land phase, 1 construction phase (mixed use) and 2 finishing phase (residential & office)

# FOCUS: EUROPEAN OFFICE PORTFOLIO

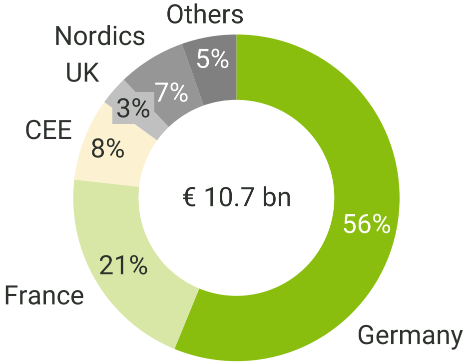
## Stabilisation in core locations, few selective sub-markets difficult

### Portfolio € bn (EaD, Basel III, 2025: Basel IV)

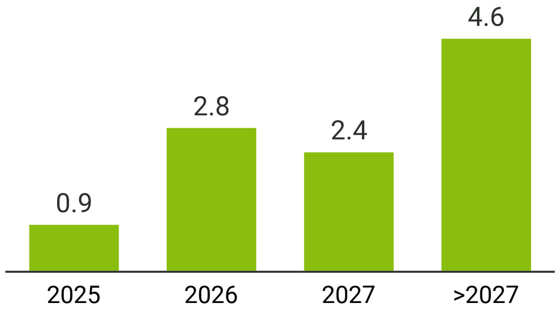



- → Office Europe portfolio reduced by € 0.3 bn in Q3/25 (9M/25: € 0.6 bn)
  - Repayments & others € 0.2 bn
  - Transfer of 1 European office loan € 67 mn to NPL (9M/25: 3 loans, € 166 mn)
- → NPL portfolio of € 0.4 bn comprises a few single cases in selective sub-markets and one German development loan – NPL coverage ratio: 12%
- → 100% of total office portfolio reviewed/revalued in last 12 months – avg. value change slightly improved to -2%[1]
- → LTV stress metrics stable:
  - Exposure at risk: slightly down at ~3.0% of portfolio[2] (06/25: ~3.3%)
  - Coverage ratio: ~8% via existing total stage 1&2 LLP of € 24 mn (06/25: ~8%)

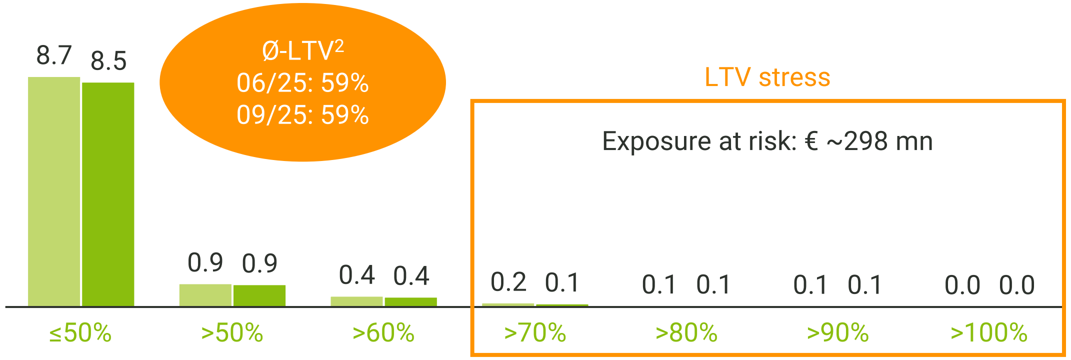
### Regions 30/09/2025
(EaD, Basel IV)




### Maturities 30/09/2025
(€ bn, EaD, Basel IV)




### Layered LTV – based on performing investment loans only
€ bn (commitments, Basel III, 2025: Basel IV)




Note: Figures may not add up due to rounding
1. On the portfolio part, for which a revaluation was necessary
2. performing investment loans, based on commitments

# AGENDA

# CAPITAL

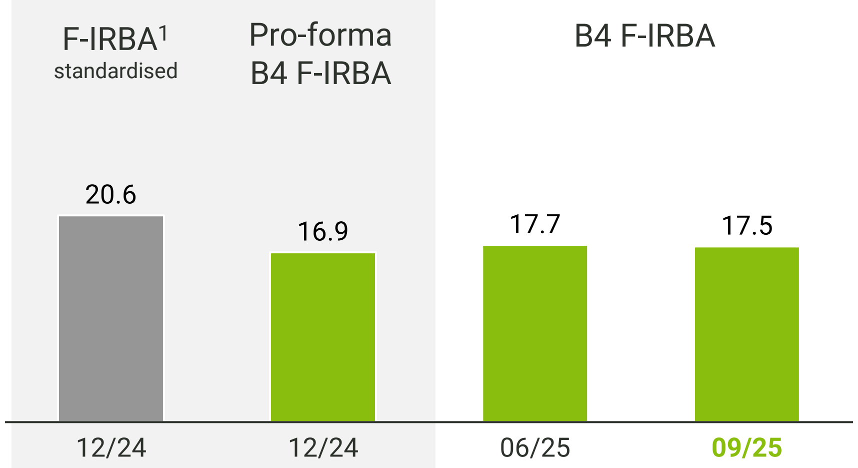
## Solid capitalisation enables strategic transformation

DEUTSCHE PFANDBRIEFBANK

### Basel IV: capital and leverage ratios (IFRS)

| | Transitional period: F-IRBA[1] standardised | Pro-forma B4 F-IRBA | B4 F-IRBA | |
|---|---|---|---|---|
| % | 12/24[2] | 12/24[2] | 06/25[3] | 09/25[3] |
| CET 1 | 14.4 | 16.8 | 15.3 | 15.4 |
| Own funds | 17.2 | 20.2 | 18.0 | 19.7 |
| Leverage ratio | 7.5 | | 7.3 | 7.2 |

RWA € bn (IFRS)




→ Solid capitalisation with CET1 ratio at 15.4% as of 09/25

- RWA slightly down in Q3/25, decrease mainly due to re-/prepayments, FX- and portfolio effects
- Effect from acquisition of Deutsche Investment on CET1 ratio of ≤30 bp expected in Q1/26

→ Own Funds ratio increased to 19.7% due to Tier2 buyback and new issuance in Q3/25

→ SREP capital ratio requirements[4] for 2026 unchanged

- CET 1 ratio 9.83%
- Own Funds Ratio 14.75%

→ Maintain ambition level of ≥14% CET 1 ratio through the cycle despite volatile and uncertain market environment

Note: Figures may not add up due to rounding

1. B3 F-IRBA calibrated to standardised risk parameters 2. Incl. full-year result, post proposed dividend 2024 3. Incl. interim result, post dividend 2024

4. SREP requirement: 4.5% P1R + 1.83% P2R + 2.5% Capital Conservation Buffer + 1.00% anticipated additional buffer (CCyB + SyRB)

# FUNDING AND LIQUIDITY

## Funding agenda 2025 successfully completed with some pre-funding

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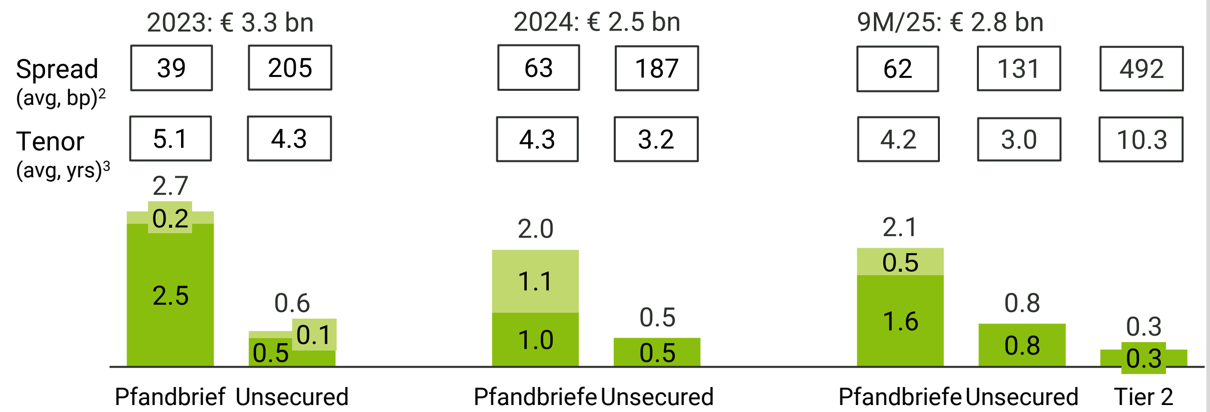
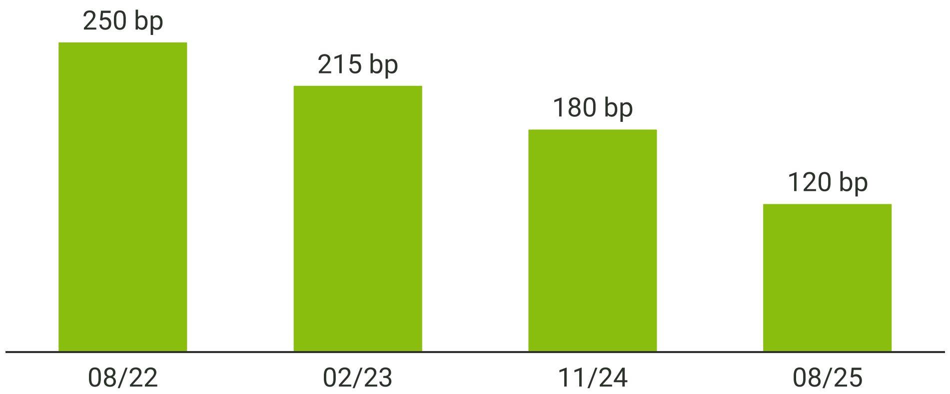
### New long-term funding[1]



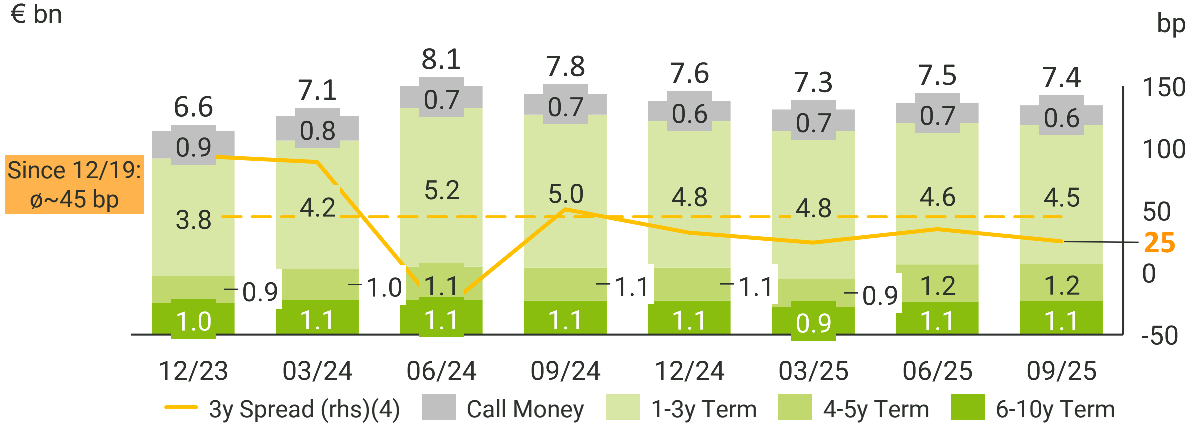

### Transaction Highlights 2025

- → Two successful and well-oversubscribed Mortgage Pfandbrief Benchmarks, as well as cost-effective taps and issuance in foreign currency
  - Avoided issuance at peak levels but still elevated in line with the rest of the market compared to QE times though funding costs have declined over the course of the year
- → Successful Tier 2 issuance of € 300 mn, following an 8-year absence
- → Green Senior Preferred € 750 mn, 3 year at MS +120 bp, lowest spread since 2022
- → LCR at 209%, liquidity above € 5 bn

### Primary unsecured issuance spread development vs. Mid-swaps




### Spread development Retail Deposits




Note: Figures may not add up due to rounding

1. Excl. retail deposit business and "own-use" Pfandbriefe 2. vs. 3M Euribor, issuance spread 3. Initial weighted average maturity 4. Spread vs. 3m EURIBOR for 3-year-term

# AGENDA

# SUMMARY & OUTLOOK

- Execution of Strategy 2027 on track
- Closing of acquisition of Deutsche Investment on course for Q1/26
- New business up by 61% to € 4.0 bn with RoTE of 9%
- REF-Portfolio at € 27.6 bn – European business volume not yet compensating for de-risking of US- and Development Portfolio
- Implementation of US exit progressing well
- Strong liquidity and solid capitalisation with CET1 ratio of 15.4%
- 2025 results primarily impacted by the transformation and de-risking of REF portfolio
- Guidance for full-year 2025:
  - New business volume expected at € 5.5-6.0 bn
  - REF Portfolio between € 27.5-28.0 bn
  - Positive PBT expected for Q4/25; depending on progress of de-risking, full-year PBT in range of € -210 mn to, even under very severe developments, not less than € -265 mn expected (adjusted[1] € 50 mn to € 105 mn)

1. Excl. one-off US risk charges of € 314 mn in Q2/25

# AGENDA

# APPENDIX

# REAL ESTATE FINANCE SOLUTIONS

## pbb to become a truly European player

Published on 13/08/25

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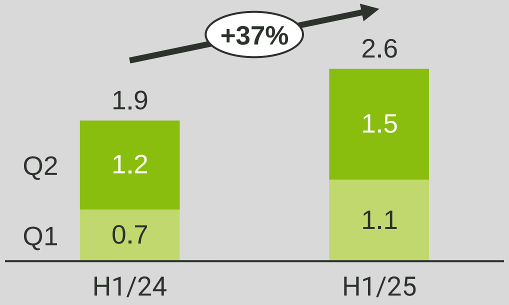
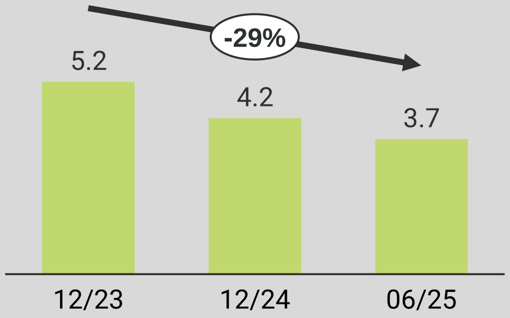
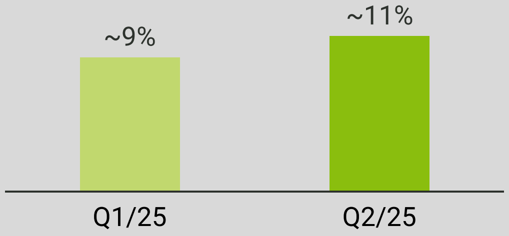
### New business volume[1]
(€ bn)



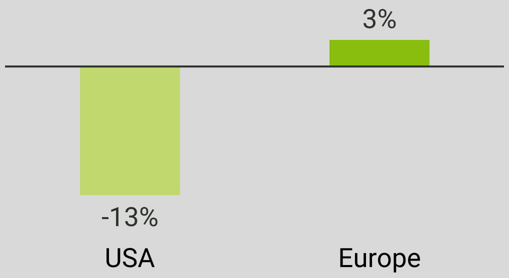

### US portfolio
(€ bn, EaD)




### RoTE new business




### RoTE REF portfolio
(2024)




→ Growth of new business in Europe accelerates; GIM at high level of ~240 bp maintained and expected to have peaked; RoTE of new business above expectation; on track to achieve targeted 2027 portfolio profitability

→ Reduction in US portfolio continued (-29% since 2023); strategic decision to accelerate exit from US market will mitigate downside risks on this high-risk profile portfolio

- US share 12% of total portfolio, but 45% of total NPLs
- NPE ratio[1] ~24% (European REF portfolio ~4%)
- High capital consumption of ~100% RWA density (1.7x compared to Europe) makes capital deployment inefficient
- RoTE of US portfolio (2024: ~-13%) no more accretive for ≥8% profitability target 2027

→ New business volume for full-year 2025 expected at € 6.5-7.5 bn with REF Portfolio by year-end 2025 between € 28-29 bn

1. Commitments, incl. extensions > 1 year

# REAL ESTATE FINANCE SOLUTIONS

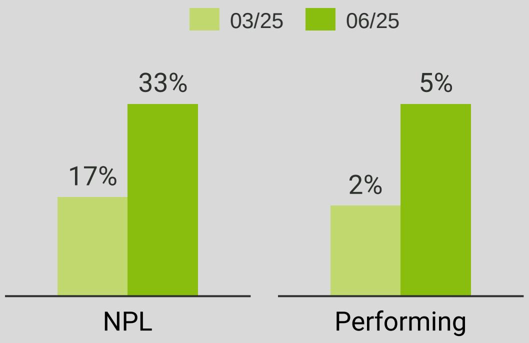
Published on 13/08/25

## US exit with significant one-off charges – however, CET1 ratio impact limited to -40 bp

### US risk charges

€ -314 mn
(Q2/25)

### US coverage ratios[1]

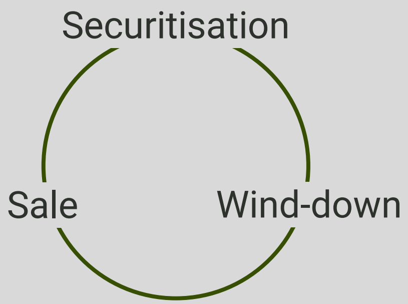



- → Q2/25 performance of US performing book solid; LTV stable at 67%, exposure at risk reduced by 19% q-o-q
- → Portfolio now marked at expected exit costs with total one-off US risk charges of € -314 mn in Q2/25
- → Coverage for US portfolio significantly increased in Q2/25
- → Effect on CET1 ratio of -40 bp as one-off risk charges are compensated by existing capital deduction items booked in previous quarters
- → Execution of US exit to accelerate over the next 6-12 months using various instruments

### CET1 ratio effect

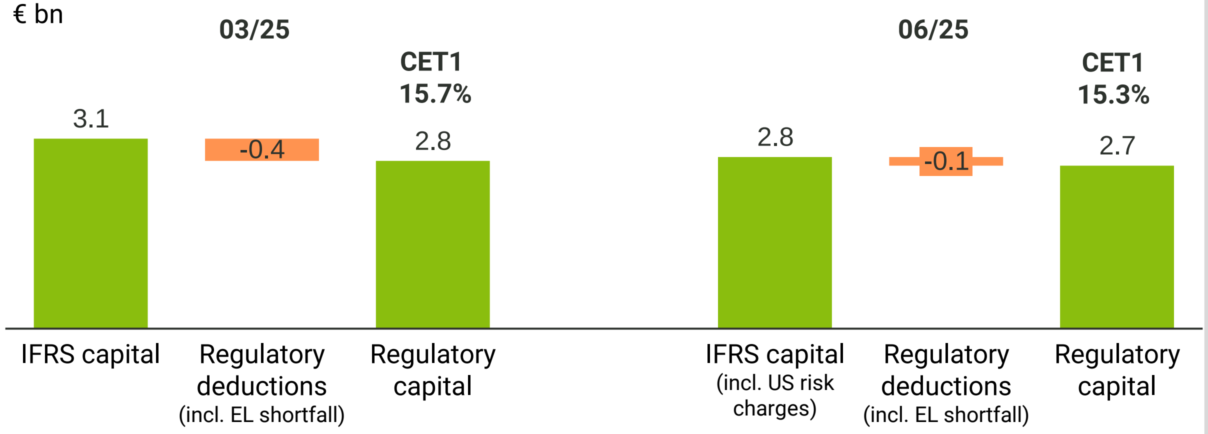
-40 bp
(Q2/25)

### Tool-box




### Capital effect (CET1)

€ bn




Note: Figures may not add up due to rounding
1. NPL coverage ratio: stage 3 US loss allowances/ US NPL portfolio (EaD); Performing coverage ratio: stage 1&2 loss allowances / performing US portfolio (EaD)

# REAL ESTATE INVESTMENT SOLUTIONS

## pbb acquires Deutsche Investment Group

Published on 13/08/25

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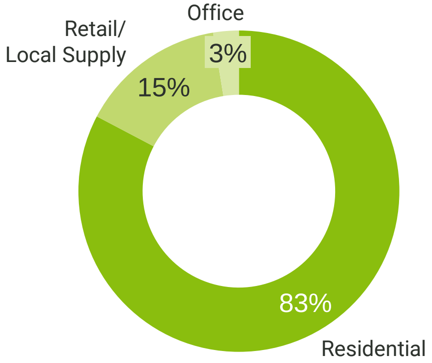
### Key Facts
(2024)

- AuM € 3 bn[1]
- 11 Funds / 1 individual mandate
- ~470 properties (excl. third-party business) and ~13,000 residential and commercial units
- 7 offices in Germany

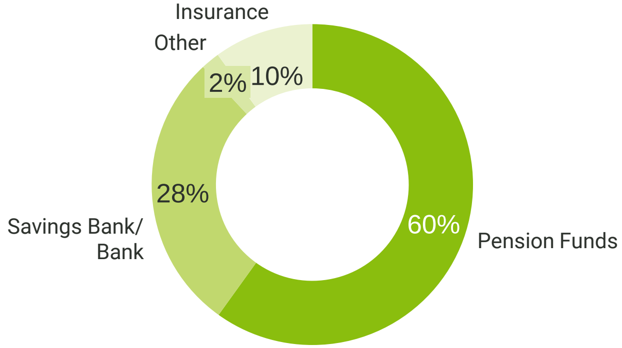
### Strategic presence

- Berlin & Hamburg: headquarters & center of expertise residential assets
- Nuremberg: center of expertise retail assets
- Local market presence: Dresden, Dusseldorf, Frankfurt and Leipzig

### AuM: Property type
31/12/2024 (square meters)




### AuM: Investor type
31/12/2024




→ Deutsche Investment Group provides full value chain (360° approach), combining RE Investment / Asset Management with integrated property & facility management

→ Focus and expertise on future-proof asset class German Residential (83% of AuM) with a strong company track record of 25 years

→ Well diversified, institutional-only, Germany focused investor base

→ pbb to acquire all or majority stakes in RE Investment Management activities as well as 89.9% stake in regulated, Germany-based KVG

→ Agreement to retain senior management team / key personnel for the next years

1. Total Assets under Management of regulated entity/ KVG

# REAL ESTATE INVESTMENT SOLUTIONS

Published on 13/08/25

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## Deutsche Investment Group – excellent strategic fit and cornerstone for Strategy 2027

| Fee Income[1] | Fee Income CAGR[1] |
|---|---|
| € 34 mn (2024) | +7% |
| **EBITDA[2]** | **AuM CAGR[3]** |
| € ~5 mn | +9% |

→ Deutsche Investment Group – essential contribution to Strategy 2027 targets
- € 3 bn AuM[3] materially contribute to pbb invest target of € 4-6 bn AuM in 2027
- >30m p.a. fee income (100% recurring in 2024) with solid CAGR track record underpins Strategy 2027 target of >10% on operating income
- Solid track record on profitability - acquisition expected to be EpS & RoTE accretive in 2026

→ Purchase price in the mid double-digit million EUR range including multi-year variable & performance related components

→ No own book investments required – efficient capital use for acquisition of up to 30 bp CET1

→ Deutsche Investment Group offers product, geographic and investor synergies with pbb invest's organic growth ambitions

→ Acquisition related costs largely reflected in H1/25 figures; integration costs expected to be within Strategy 2027 targets

→ Closing not expected before Q1/26 and subject to closing conditions such as regulatory approval

1. Total in-scope businesses; 2021-2024 2. Weighted avg. 2021-24 of total in-scope businesses 3. Total Assets under Management of regulated entity/ KVG; 2021-2024

# Key Performance Indicators for 2027

| OPERATING INCOME | FEE INCOME | CIR |
|---|---|---|
| € ~600 mn | ~10% | <45% |

| RoTE[1] | CAPITAL DISTRIBUTION | CET-1 RATIO[3] |
|---|---|---|
| 8% | ≥50% (incl. share buybacks)[2] | >15.5% |

Note: 1) Return on Tangible Equity (before tax); RoTE excl. deferred taxes, goodwill & other intangible assets 2) Distribution based on IFRS group profit after tax and AT1 coupon; share buybacks are subject to prior approval by the ECB 3) Management ambition level unchanged at ≥14% through the cycle

# RoTE definition

| | Return on Tangible Equity (RoTE) | 9M/25 | |
|---|---|---|---|
| RoTE before tax (IFRS) | Profit before tax[1) ] minus AT1-coupon / IFRS equity[2)] minus AT1-capital[2)] minus goodwill and other intangible assets[2)] minus deferred tax income assets[2)] | € -338 mn[1)] / € 2,821 mn[2)] | -12.0% |
| RoTE after tax (IFRS) | Net income after tax attributable to shareholders[1)] minus AT1-coupon / IFRS equity[2)] minus AT1-capital and non-controlling interests[2)] minus goodwill and other intangible assets[2)] | € -328 mn[1)] / € 2,945 mn[2)] | -11.1% |

| | Return on Equity (RoE) | 9M/25 | |
|---|---|---|---|
| RoE before tax (IFRS) | Profit before tax[1)] minus AT1-coupon / IFRS equity[2)] minus AT1-capital[2)] | € -338 mn[1)] / € 2,993 mn[2)] | -11.3% |
| RoE after tax (IFRS) | Net income after tax attributable to shareholders[1)] minus AT1-coupon / IFRS equity[2)] minus AT1-capital and non-controlling interests[2)] | € -328 mn[1)] / € 2,993 mn[2)] | -10.9% |

**Please note: OCI and Cash Flow Hedge-Reserve are not deducted in the denominator**

1) Annualized during the year. 2) Average is the arithmetic mean based on the amount at the beginning of the year and the amounts as disclosed at the quarterly reporting dates of the current financial year.

# APPENDIX

1. Strategy 2027
2. Financials
3. REF New Business
4. Portfolio profile
5. Funding & Ratings
6. ESG

Contact Details

# KEY FIGURES
## pbb Group

DEUTSCHE PFANDBRIEFBANK

| Income statement (€ mn) | 2023 | Q1/24 | Q2/24 | Q3/24 | Q4/24 | 2024 | Q1/25 | Q2/25 | Q3/25 | 9M/25 |
|---|---|---|---|---|---|---|---|---|---|---|
| Net interest income | 482 | 125 | 121 | 113 | 106 | 465 | 107 | 104 | 99 | 310 |
| Net fee and commission income | 3 | 1 | 2 | 0 | 2 | 5 | 2 | 2 | 0 | 4 |
| Net income from fair value measurement | 0 | -3 | -1 | 8 | -7 | -3 | 3 | -19 | -11 | -27 |
| Net income from realisations | 85 | 23 | 12 | 22 | 22 | 79 | 2 | 6 | 4 | 12 |
| Net income from hedge accounting | 1 | 4 | 2 | -2 | -1 | 3 | 2 | 0 | 2 | 4 |
| Impairments on equity method entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -11 | 0 | -11 |
| Net other operating income | 32 | -4 | -4 | 6 | -3 | -5 | 2 | 6 | 16 | 24 |
| Operating Income | 603 | 146 | 132 | 147 | 119 | **544** | **118** | **88** | **110** | **316** |
| Net income from risk provisioning | -212 | -47 | -56 | -37 | -30 | -170 | -26 | -297 | -33 | -356 |
| General and administrative expenses | -249 | -58 | -57 | -64 | -66 | -245 | -59 | -56 | -58 | -173 |
| Expenses from bank levies and similar dues | -25 | -2 | -1 | -1 | 0 | -4 | 0 | -3 | 0 | -3 |
| Net income from write-downs and write-ups on non-financial assets | -27 | -5 | -5 | -5 | -6 | -21 | -5 | -6 | -5 | -16 |
| Net income from restructuring | 0 | 0 | 0 | 0 | 0 | **0** | **0** | -3 | 0 | -3 |
| Pre-tax profit | 90 | 34 | 13 | 40 | 17 | **104** | **28** | **-277** | **14** | **-235** |
| Income taxes | 1 | -5 | -2 | -6 | -1 | -14 | -4 | 11 | 1 | 8 |
| Net income | 91 | 29 | 11 | 34 | 16 | **90** | **24** | **-266** | **15** | **-227** |
| EpS[1] | 0.51 | 0.17 | 0.03 | 0.21 | 0.07 | 0.48 | 0.13 | -2.03 | 0.07 | -1.83 |
| Key ratios (%) | 2023 | Q1/24[8] | Q2/24[8] | Q3/24[8] | Q4/24[8] | 2024[8] | Q1/25[8] | Q2/25[8] | Q3/25[8] | 9M/25[8] |
| CIR[2] | 45.8 | 43.2 | 47.0 | 46.9 | 60.5 | 48.9 | 54.2 | 70.5 | 57.3 | 59.8 |
| RoE before tax | 2.1 | 3.6 | 0.9 | 4.4 | 1.4 | 2.6 | 2.8 | -37.9 | 1.1 | -11.3 |
| RoE after tax | 2.2 | 3.0 | 0.6 | 3.6 | 1.3 | 2.1 | 2.3 | -36.4 | 1.2 | -10.9 |
| RoTE before tax | | 3.8 | 0.9 | 4.6 | 1.5 | 2.7 | 2.9 | -40.1 | 1.2 | -12.0 |
| RoTE after tax | | 3.0 | 0.6 | 3.7 | 1.3 | 2.1 | 2.3 | -37.0 | 1.2 | -11.1 |
| Balance sheet (€ bn) | 12/23 | 03/24 | 06/24 | 09/24 | 12/24 | | 03/25 | 06/25 | 09/25 | |
| Total assets | 50.9 | 48.9 | 46.0 | 45.2 | 44.2 | | 42.3 | 42.4 | 42.6 | |
| Equity | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | | 3.4 | 3.1 | 3.2 | |
| Financing volume | 43.5 | 42.8 | 41.0 | 39.9 | 38.7 | | 38.5 | 37.2 | 36.5 | |
| Regulatory capital ratios[3] | 12/23 | 03/24 | 06/24 | 09/24 | 12/24 | | 03/25 | 06/25 | 09/25 | |
| RWA (€ bn) | 18.5 | 18.8 | 20.9 | 20.4 | 20.6 | | 17.9 | 17.7 | 17.5 | |
| CET 1 ratio – phase in (%) | 15.7[4] | 15.2[5] | 14.0[5,6] | 14.5[5,6] | 14.4[7] | | 15.5[9] | 15.3[10] | 15.4[10] | |
| Tier 1 ratio – phase in (%) | 17.3[4] | 16.7[5] | 15.4[5,6] | 15.9[5,6] | 15.9[7] | | 17.2[9] | 17.0[10] | 17.1[10] | |
| Personnel | 12/23 | 03/24 | 06/24 | 09/24 | 12/24 | | 03/25 | 06/25 | 09/25 | |
| Employees (FTE) | 806 | 808 | 791 | 784 | 778 | | 776 | 791 | 795 | |

Note: annual results audited, interim results Q1 2024/25 and Q3 2024/25 unaudited, interim results H1 2024/25 unaudited, but reviewed 1. After AT1 coupon (2023: € -23 mn, Q1-Q4/24 & Q1-Q3/25: pro-rata € -6 mn, 2024: € -25 mn) 2. CIR = (GAE + net income from write-downs and write-ups on non-financial assets)/operating income 3.Transition rules: Basel III, 2025: Basel IV 4. Incl. full-year result 5. Incl. Interim result, Q3/24 excl. interim result 6. Models calibrated towards standardised risk parameters 7. Incl. full-year result, post proposed dividend 2024 8. RoE according to new calculation method, OCI and Cash Flow Hedge-Reserve are not deducted in the denominator 9. Excl. Interim result, post proposed dividend 2024 10. Incl. Interim result, post dividend 2024

# KEY FIGURES
## Real Estate Finance (REF)

| Income statement (€ mn) | 2023[4] | Q1/24 | Q2/24 | Q3/24 | Q4/24 | 2024 | Q1/25 | Q2/25 | Q3/25 | 9M/25 |
|---|---|---|---|---|---|---|---|---|---|---|
| Net interest income | 437 | 116 | 113 | 107 | 102 | 438 | 102 | 99 | 95 | 296 |
| Net fee and commission income | 4 | 1 | 3 | 0 | 2 | 6 | 2 | 2 | 1 | 5 |
| Net income from fair value measurement | 0 | -2 | -1 | 5 | -4 | -2 | 3 | -20 | -10 | -27 |
| Net income from realisations | 44 | 10 | -11 | 7 | 5 | 11 | 2 | 2 | 3 | 7 |
| Net income from hedge accounting | 1 | 3 | 1 | -1 | -1 | 2 | 2 | 0 | 1 | 3 |
| Impairments on equity method entities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -11 | 0 | -11 |
| Net other operating income | 28 | -3 | -3 | 5 | -3 | -4 | 2 | 6 | 12 | 20 |
| Operating Income | 514 | 125 | 102 | 123 | **101** | **451** | **113** | **78** | **102** | **293** |
| Net income from risk provisioning | -213 | -47 | -56 | -37 | -31 | -171 | -26 | -297 | -33 | -356 |
| General and administrative expenses | -219 | -55 | -54 | -60 | -62 | -231 | -55 | -53 | -54 | -162 |
| Expenses from bank levies and similar dues | -17 | -1 | -1 | -1 | 0 | -3 | 0 | -2 | 0 | -2 |
| Net income from write-downs and write-ups on non-financial assets | -24 | -5 | -4 | -5 | -6 | -20 | -5 | -5 | -5 | -15 |
| Net income from restructuring | 0 | 0 | 0 | 0 | **0** | **0** | **0** | -3 | 0 | -3 |
| Pre-tax profit | 41 | 17 | -13 | 20 | **2** | **26** | **27** | **-282** | **10** | **-245** |
| **Key ratios (%)** | 2023 | Q1/24[5] | Q2/24[5] | Q3/24[5] | Q4/24[5] | 2024[5] | Q1/25[5] | Q2/25[5] | Q3/25[5] | 9M/25[5] |
| CIR[1] | 47.3 | 48.0 | 56.9 | 52.8 | 67.3 | 55.7 | 53.1 | 74.4 | 57.8 | 60.4 |
| RoE before tax | 0.7 | 1.5 | -2.6 | 1.8 | -0.5 | 0.1 | 2.7 | -39.3 | 0.6 | -12.0 |
| RoTE before tax | | 1.6 | -2.7 | 2.0 | -0.6 | 0.1 | 2.9 | -41.6 | 0.6 | -12.7 |
| **Key figures (€ bn)** | 12/23 | 03/24 | 06/24 | 09/24 | 12/24 | | 03/25 | 06/25 | 09/25 | |
| Equity[2,3] | 2.9 | 2.9 | 3.0 | 3.0 | 3.1 | | 3.1 | 2.8 | 2.8 | |
| RWA | 17.5 | 18.0 | 20.4 | 20.0 | 20.2 | | 17.5 | 17.3 | 17.2 | |
| Financing volume | 31.1 | 31.2 | 29.8 | 29.1 | 29.0 | | 28.9 | 28.2 | 27.6 | |

Note: annual results audited, interim results Q1 2024/25 and Q3 2024/25 unaudited, interim results H1 2024/25 unaudited, but reviewed 1. CIR = (GAE + net income from write-downs and write-ups on non-financial assets)/operating income 2. 2023: Excluding accumulated OCI from cash flow hedge accounting, financial assets at fair value through OCI, additional equity instruments (AT1 capital) and non-controlling interest ; 2024: Excluding additional equity instruments (AT1 capital) and non-controlling interest 3. 2023/24: equity allocated according to RWA 4. Adjusted according to IFRS 8.29 5. RoE according to new calculation method, OCI and Cash Flow Hedge-Reserve are not deducted in the denominator

# KEY FIGURES
## Non-Core (PIF & VP)

| Income statement (€ mn) | 2023[4] | Q1/24 | Q2/24 | Q3/24 | Q4/24 | 2024 | Q1/25 | Q2/25 | Q3/25 | 9M/25 |
|---|---|---|---|---|---|---|---|---|---|---|
| Net interest income | 45 | 9 | 8 | 6 | 4 | 27 | 5 | 5 | 4 | 14 |
| Net fee and commission income | -1 | 0 | -1 | 0 | 0 | -1 | 0 | 0 | -1 | -1 |
| Net income from fair value measurement | 0 | -1 | 0 | 3 | -3 | -1 | 0 | 1 | -1 | 0 |
| Net income from realisations | 41 | 13 | 23 | 15 | 17 | 68 | 0 | 4 | 1 | 5 |
| Net income from hedge accounting | 0 | 1 | 1 | -1 | 0 | 1 | 0 | 0 | 1 | 1 |
| Impairments on equity method entities | | | | | | | | 0 | 0 | 0 |
| Net other operating income | 4 | -1 | -1 | 1 | 0 | -1 | 0 | 0 | 4 | 4 |
| Operating Income | 89 | 21 | 30 | 24 | **18** | **93** | **5** | **10** | **8** | **23** |
| Net income from risk provisioning | 1 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| General and administrative expenses | -30 | -3 | -3 | -4 | -4 | -14 | -4 | -3 | -4 | -11 |
| Expenses from bank levies and similar dues | -8 | -1 | 0 | 0 | 0 | -1 | 0 | -1 | 0 | -1 |
| Net income from write-downs and write-ups on non-financial assets | -3 | 0 | -1 | 0 | 0 | -1 | 0 | -1 | 0 | -1 |
| Net income from restructuring | | | | | | | | 0 | 0 | 0 |
| Pre-tax profit | 49 | 17 | 26 | 20 | **15** | **78** | **1** | **5** | **4** | **10** |
| Key ratios (%) | 2023 | Q1/24[5] | Q2/24[5] | Q3/24[5] | Q4/24[5] | 2024[5] | Q1/25[5] | Q2/25[5] | Q3/25[5] | 9M/25[5] |
| CIR[1] | 37.1 | 14.3 | 13.3 | 16.7 | 22.2 | 16.1 | 80.0 | 40.0 | 50.0 | 52.2 |
| RoE before tax | 38.6 | 72.7 | >100.0 | >100.0 | >100.0 | >100.0 | 13.1 | 69.3 | 62.3 | 48.5 |
| RoTE before tax | | 77.2 | >100.0 | >100.0 | >100.0 | >100.0 | 13.9 | 73.4 | 66.4 | 51.5 |
| Key figures (€ bn) | 12/23 | 03/24 | 06/24 | 09/24 | 12/24 | | 03/25 | 06/25 | 09/25 | |
| Equity[2,3] | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | | 0.0 | 0.0 | 0.0 | |
| RWA | 0.6 | 0.5 | 0.2 | 0.2 | 0.2 | | 0.2 | 0.2 | 0.1 | |
| Financing volume | 12.4 | 11.6 | 11.2 | 10.8 | 9.7 | | 9.6 | 9.1 | 8.9 | |

Note: annual results audited, interim results Q1 2024/25 and Q3 2024/25 unaudited, interim results H1 2024/25 unaudited, but reviewed 1. CIR = (GAE + net income from write-downs and write-ups on non-financial assets)/operating income 2. 2023: Excluding accumulated OCI from cash flow hedge accounting, financial assets at fair value through OCI, additional equity instruments (AT1 capital) and non-controlling interest ; 2024: Excluding additional equity instruments (AT1 capital) and non-controlling interest 3. 2023/24: equity allocated according to RWA 4. Adjusted according to IFRS 8.29 5. RoE according to new calculation method, OCI and Cash Flow Hedge-Reserve are not deducted in the denominator

# BALANCE SHEET

## Balance Sheet IFRS, € bn

| Assets | 30/09/25 | 31/12/24 |
|---|---|---|
| Financial assets at fair value through P&L | 1.1 | 1.2 |
| thereof | | |
| Positive fair values of stand-alone derivatives | 0.2 | 0.5 |
| Debt securities | 0.1 | 0.1 |
| Loans and advances to customers | 0.8 | 0.6 |
| Financial assets at fair value through OCI | 1.4 | 1.3 |
| thereof | | |
| Debt securities | 1.4 | 1.3 |
| Loans and advances to customers | 0.0 | 0.0 |
| Financial assets at amortised cost (after credit loss allowances) | 35.8 | 39.2 |
| thereof | | |
| Debt securities | 1.9 | 2.5 |
| Loans and advances to other banks | 1.2 | 1.7 |
| Loans and advances to customers | 33.5 | 35.6 |
| Positive fair values of hedge accounting derivatives | 0.1 | 0.1 |
| Other assets | 4.2 | 2.3 |
| **Total Assets** | **42.6** | **44.2** |

| Liabilities & equity | 30/09/25 | 31/12/24 |
|---|---|---|
| Financial liabilities at fair value through P&L | 0.3 | 0.7 |
| thereof | | |
| Negative fair values of stand-alone derivatives | 0.3 | 0.7 |
| Financial liabilities measured at amortised cost | 38.5 | 39.4 |
| thereof | | |
| Liabilities to other banks (incl. central banks) | 1.9 | 2.9 |
| thereof | | |
| *Registered Mortgage Pfandbriefe* | *0.3* | *0.3* |
| *Registered Public Pfandbriefe* | *0.4* | *0.4* |
| Liabilities to other customers | 17.3 | 18.1 |
| thereof | | |
| *Registered Mortgage Pfandbriefe* | *3.3* | *3.5* |
| *Registered Public Pfandbriefe* | *3.9* | *4.3* |
| Bearer Bonds | 18.6 | 17.7 |
| thereof | | |
| *Mortgage Pfandbriefe* | *11.7* | *10.7* |
| *Public Pfandbriefe* | *1.6* | *1.7* |
| Subordinated liabilities | 0.6 | 0.6 |
| Negative fair values of hedge accounting derivatives | 0.5 | 0.5 |
| Other liabilities | 0.2 | 0.2 |
| Equity (attributable to shareholders) | 2.8 | 3.1 |
| AT1-capital | 0.3 | 0.3 |
| **Total liabilities & equity** | **42.6** | **44.2** |

Share of Pfandbriefe of refinancing liabilities

55%/53%

Note: Figures may not add up due to rounding

# APPENDIX

1. Strategy 2027
2. Financials
3. REF New Business
4. Portfolio profile
5. Funding & Ratings
6. ESG

Contact Details

# MARKET SENTIMENT

## Europe and Germany stabilising on low level

### Macro Economics

**Germany**

| 0.0% | 88.4 pts | € 500 bn |
|---|---|---|
| GDP growth in Q3 25 (-0.2% in Q2 25)[1] | Ifo Business Climate Index improved (87.7 pts in Sep) | infrastructure package is decided |

- GDP trending sidewards, business climate index improved, infrastructure investments concretising

**Eurozone**

| 0.2% | 2.1% | 96.8 pts |
|---|---|---|
| GDP growth in Q3 25 after 0.1% in Q2 25[2] | Inflation rate in the eurozone in Oct 25 (2024: ø 2.4%)[2] | Economic Sentiment Indicator (ESI) improved |

- GDP growth resilient– inflation remaining low, economic sentiment brightened recently

**USA**

| 3.8% | Up to 100% | 270 pts |
|---|---|---|
| GDP growth in Q2 25 after -0.6% in Q1 2025[3] | Tariffs threat on imports from China (before recent meeting) | Economic Policy Uncertainty Index –3 times above average |

- GDP and political situation volatile, volatility increases inflation and recession risks

### Real Estate Markets

**Germany**

| +13% | -1.81 pts | 46% |
|---|---|---|
| Rise in CRE transactions in Q3 25 compared to Q3 2024[4] | pbbIX bottoming out (Q3/25) compared to -1,83 pts (Q2/25) | Share of foreign investors in CFE (H3 24: 37%)[4] |

- Transactions rising stronger, share of foreign investors keeps picking up

**Europe**

| +11% | -5 bp | 75% |
|---|---|---|
| in CRE transactions in Q3 25 compared to Q3 24[4] | of yield compression across prime office so far in 2025[5] | of investors expect expanded investments by year end[4] |

- Expanding markets expected by year end, prime yields compressing slowly

**USA**

| +16% | 18.7% | 55 pts |
|---|---|---|
| in CRE transactions in Q3 25 compared to Q3 24[6] | Vacancy rate in Office Q3 25 – -30 bp compared to Q3 24[4] | Fear & Greed Index reflecting stagnant CRE sentiment[7] |

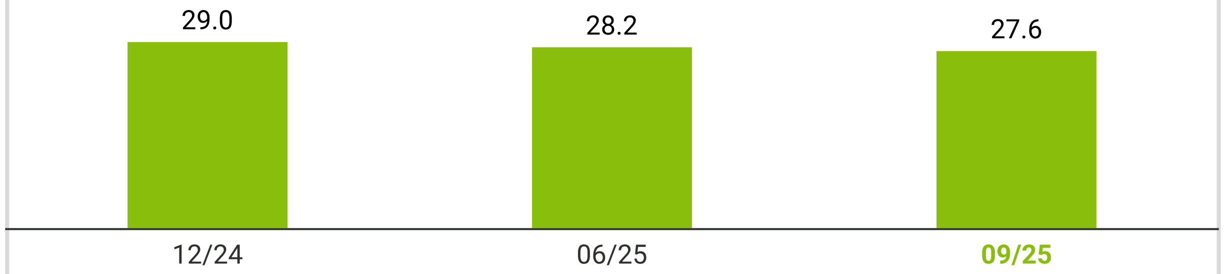
- Transactions recovering strongly, but high vacancy rates for office keep declining

1 Destatis / 2 Eurostat / 3 US Bureau of Economic Analysis / 4 CBRE / 5 Savills / 6 CoStar / 7 CRE Daily 

# REF NEW BUSINESS

## Selective new business volume with margins on elevated level

### Volume of REF portfolio in € bn
financing volume




- REF portfolio down by re-/prepayments and selective new business approach
- Avg. portfolio margin further up by ~4% ytd.
- New business volume of € 4.0 bn up by ~61% vs. 9M/24 (Q3/25: +117% y-o-y), although transaction markets still restrained
- Increased share of new commitments vs. extensions of 44% in Q3/25 (H1/25: 23%)
- New business profitability with RoTE of ~9% (Q3/25: ~7%) accretive for Strategy 2027 targets
- Diversification well in progress:
  - Share of growth asset classes ~7% of new business, share in deal pipeline ~19% (09/25)
  - Share of office declined to 32% in Q3/25  (6M/25: 51%)

### New business in € bn
commitments, incl. extensions > 1 year


| New Business | 9M/24 | 9M/25 |
|---|---|---|
| Share of extension >1 year (%) | 70 | 70 |
| Ø Gross interest margin (bp) [2] | ~240 | ~230 |
| Ø LTV[1] (%) | 55 | 62 |
| Ø Maturity[3] (years) | ~3.0 | ~3.3 |
| No. of Deals | 55 | 70 |

1. New commitments; avg. LTV (extensions): 09/25: 58%, 09/24: 60% 2. Net of FX-effects; gross revenue margin: 09/25: ~260 bp, 09/24: ~270 bp 3. Legal maturities

# REF NEW BUSINESS
## Diversification supports management of the cycle

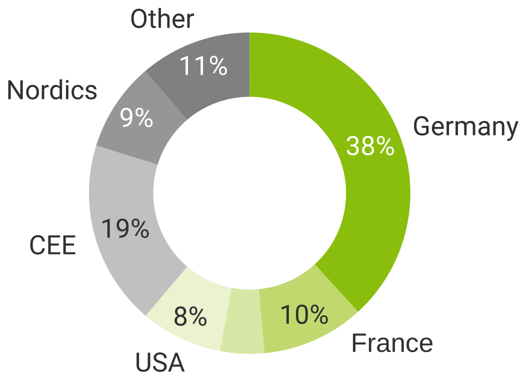
As of 30/09/25

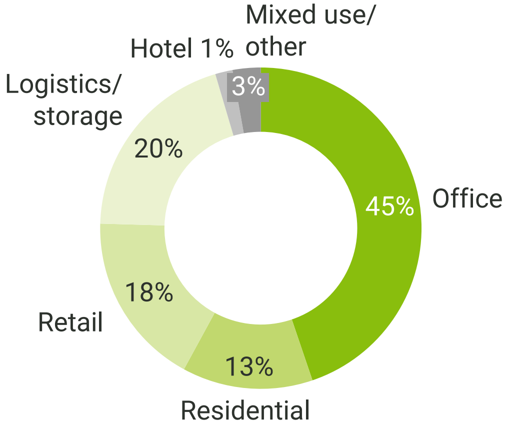
Regions

Property types

**€ 4.0 bn**

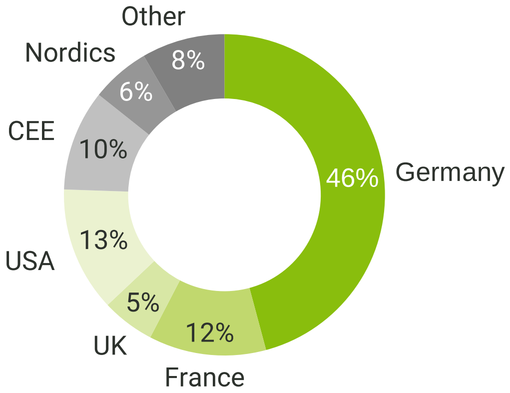
New business
Commitments,
incl. extensions > 1 year

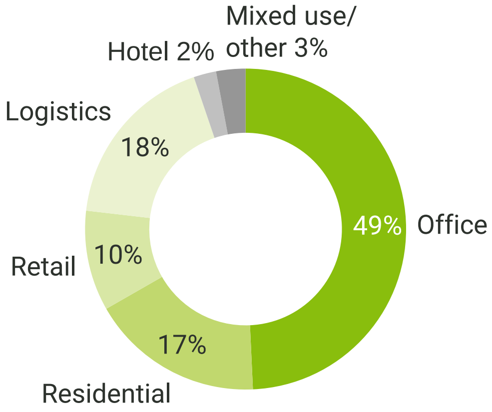



**€ 28.1 bn**

Portfolio
EaD, Basel IV




Note: Figures may not add up due to rounding

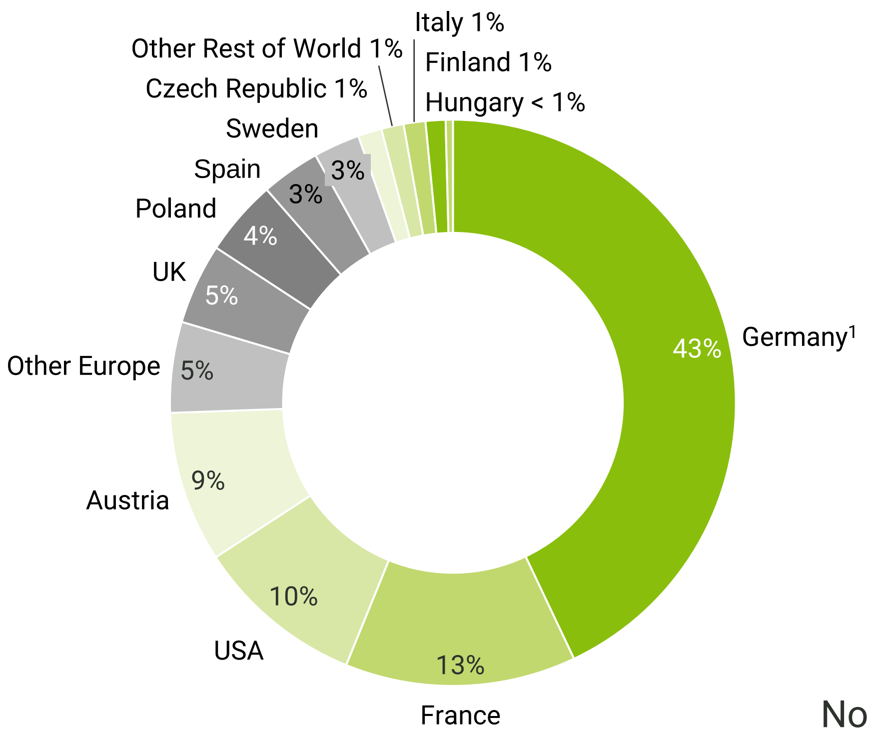
# APPENDIX

DEUTSCHE PFANDBRIEFBANK

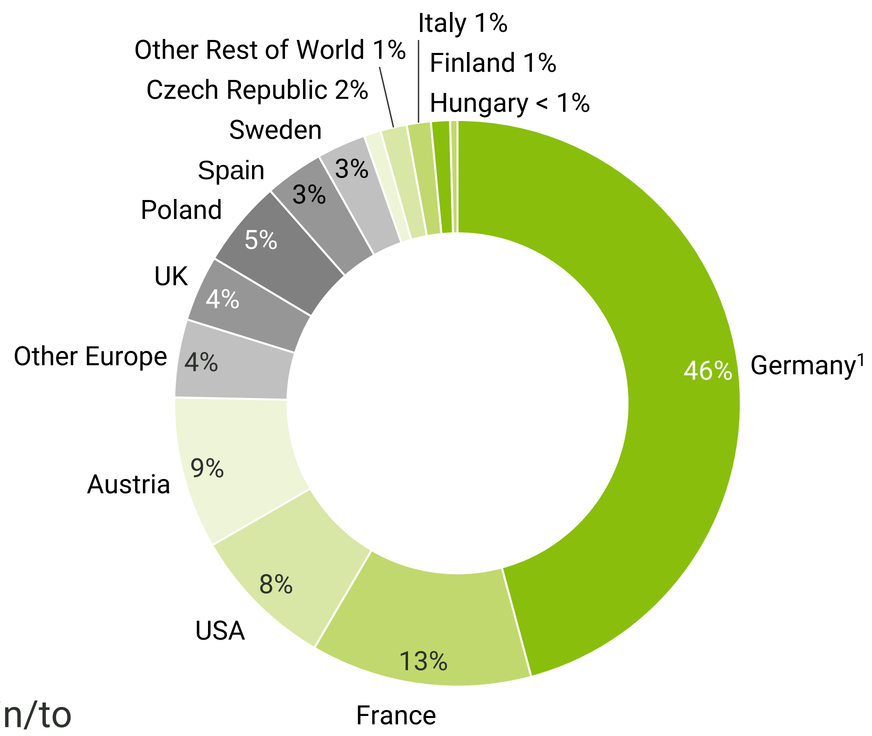
# PORTFOLIO
## Total portfolio

### Regions
EaD, 2024: Basel III, 2025: Basel IV

31/12/2024 / Total: € 43.9 bn




30/09/2025 / Total: € 43.2 bn

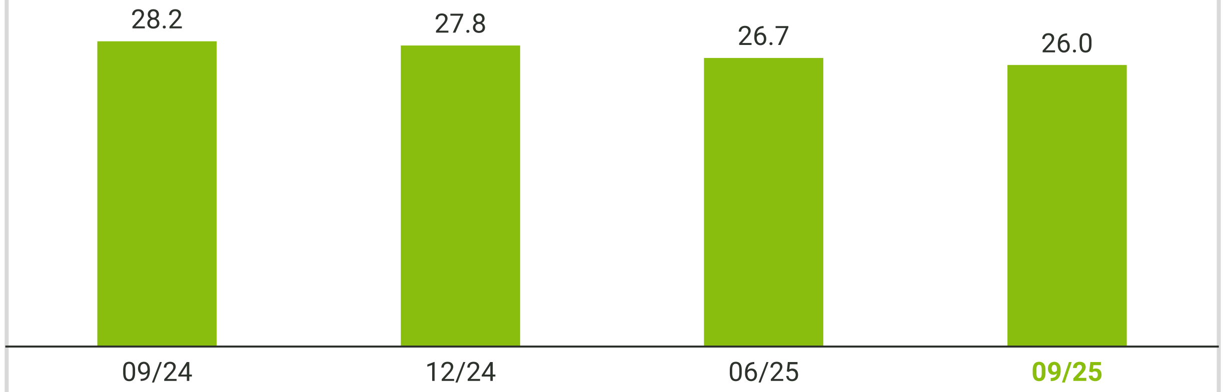



No direct exposure in/to Ukraine, Russia and Belarus

1. Incl. Bundesbank accounts (09/25: € 3.9 bn; 12/24: € 2.0 bn)
Note: Figures may not add up due to rounding

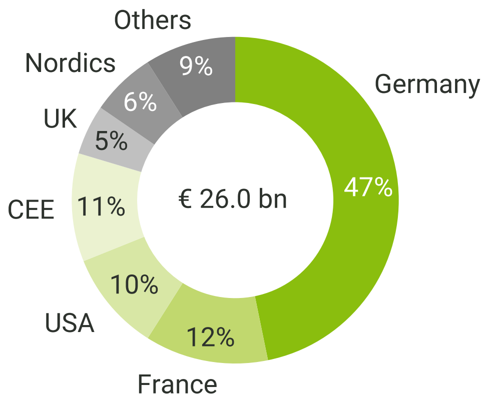
# REF PORTFOLIO PERFORMING
## Portfolio quality remains solid

### Performing Portfolio € bn (EaD, Basel III, 2025: Basel IV)

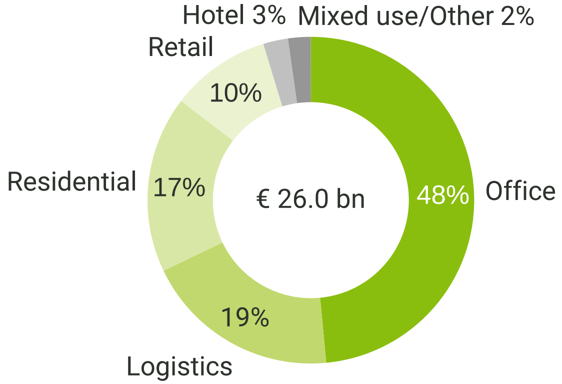



- → Performing REF portfolio reduced by € 0.7 bn in Q3/25 (9M/25: € 1.8 bn)
  - Repayments & others € 0.6 bn (9M/25: € 1.4 bn, incl. neg. USD-effect of € 0.5 bn)
  - Transfer to NPL € 0.1 bn (9M/25: € 0.4 bn)
- → Portfolio quality remains solid – focus on senior lending only
- → 100% of the portfolio reviewed/revalued in last 12 months – avg. value change of -2%[1]
- → Strong senior lending profile – ~87% of loan volume of our performing investment loans (commitments) collateralised at LTV ≤50%
- → LTV stress:
  - Exposure at risk: ~2.0% of portfolio[2] (9M/25: ~2.1%)
  - Coverage ratio: ~35% via existing total stage 1&2 LLP of € 183 mn (9M/25: ~33%)

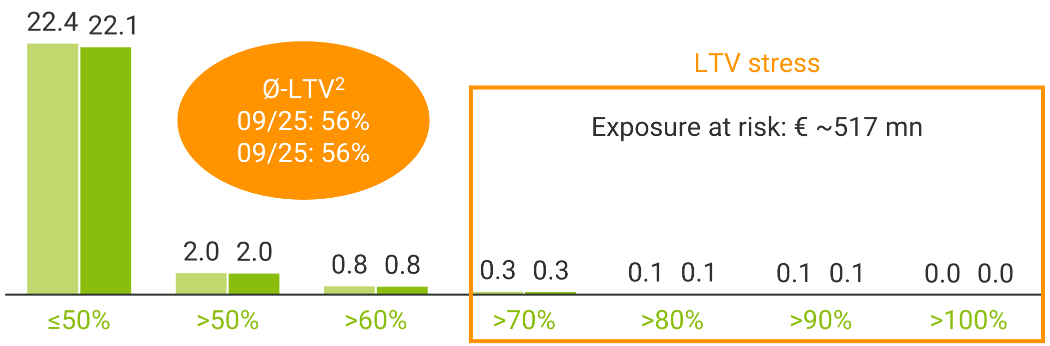
### Regions 30/09/2025
(EaD, Basel IV)




### Property types 30/09/2025
(EaD, Basel IV)




### Layered LTV – based on performing investment loans only
€ bn (commitments, Basel III, 2025: Basel IV)




Note: Figures may not add up due to rounding

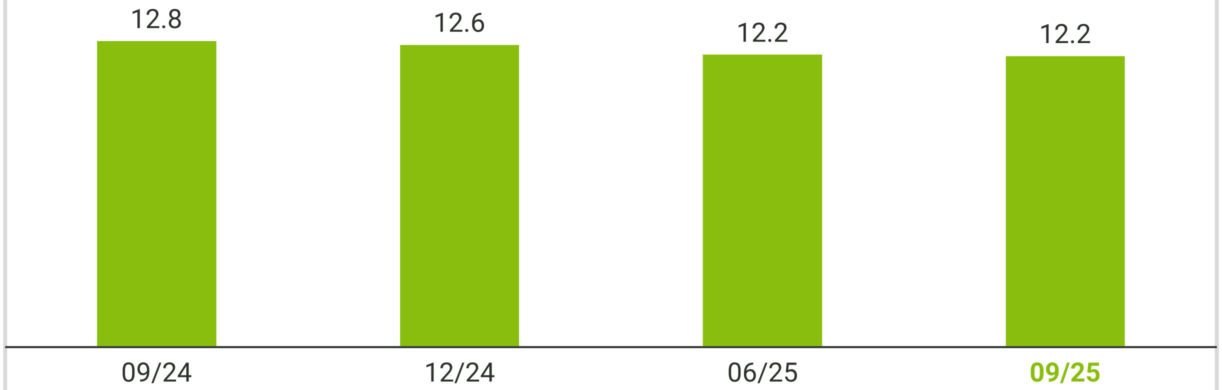
1. On the part, for which a revaluation was necessary
2. Performing investment loans, based on commitments

# FOCUS: GERMANY PERFORMING

## Well diversified, high-quality portfolio

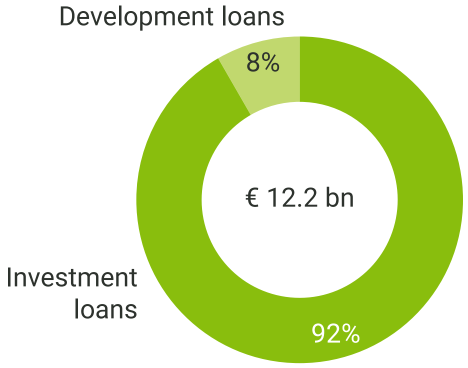
DEUTSCHE PFANDBRIEFBANK

### Performing Portfolio € bn (EaD, Basel III, 2025: Basel IV)

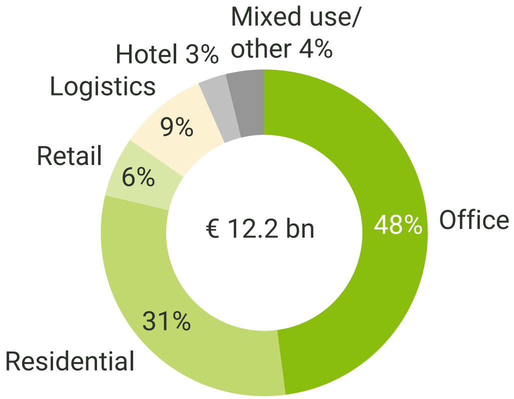



- → Performing German portfolio stable in Q3/25 (9M/25: reduced by € 0.4 bn)
  - No repayments & others (9M/25: € 0.4 bn)
  - No transfer to NPL (9M/25: 1 German office loan € 57 mn in Q1/25)
- → German CRE portfolio well diversified by region and property type, focus on big 5 cities
- → 100% of the portfolio reviewed/revalued in last 12 months – avg. value change of -4%[1]
- → LTV stress:
  - Exposure at risk: ~2.7% of portfolio[2] (9M/25: ~2.9%)
  - Coverage ratio: ~8% via existing total stage 1&2 LLP of € 26 mn (9M/25: ~8%)
- → German NPLs mainly limited to development loans (see page 19), only 1 investment office loan

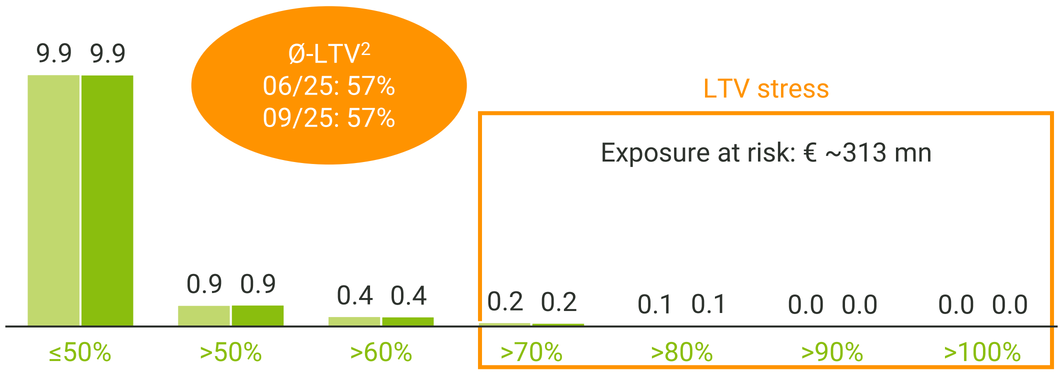
### Product class 30/09/2025 (EaD, Basel IV)




### Property types 30/09/2025 (EaD, Basel IV)




### Layered LTV – based on performing investment loans only
€ bn (commitments, Basel III, 2025: Basel IV)



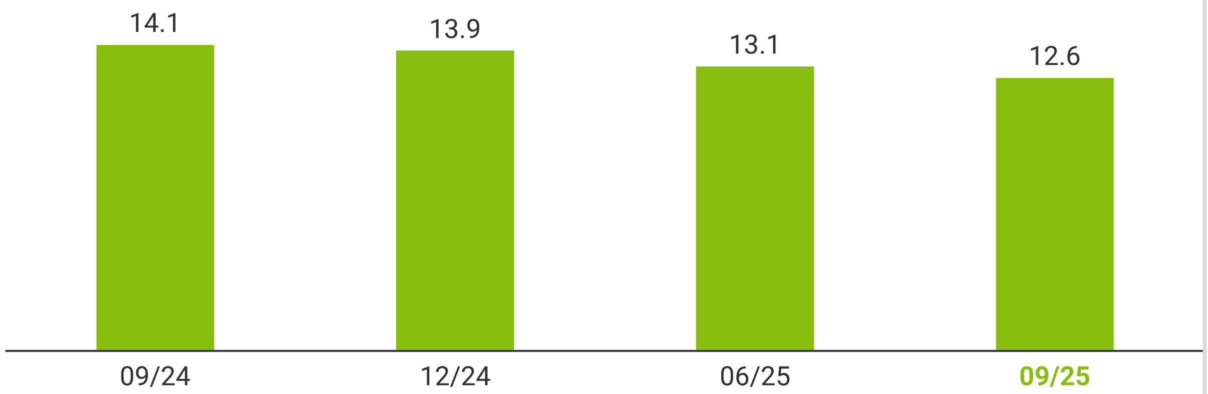

Note: Figures may not add up due to rounding

1. On the portfolio part, for which a revaluation was necessary
2. Performing investment loans, based on commitments

# FOCUS: OFFICE PERFORMING

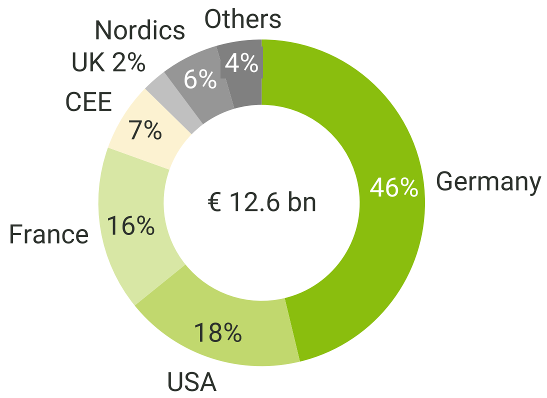
## Exposure at risk covered by 35%

### Performing Portfolio € bn (EaD, Basel III, 2025: Basel IV)

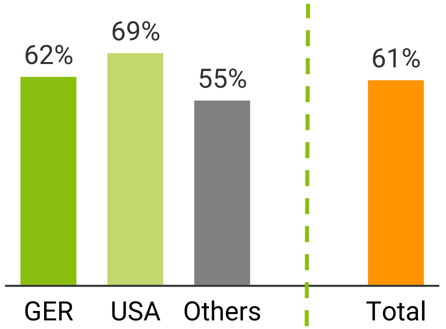



- Performing Office portfolio reduced by € 0.5 bn in Q3/25 (9M/25: € 1.3 bn)
  - Repayments & others € 0.3 bn (9M/25: € 0.9 bn, incl. neg. USD-effect of € 0.5 bn)
  - Transfer to NPL € 0.2 bn (9M/25: € 0.4 bn)
- European office structure is different from US office. Flight to quality trend remains intact, different home office behavior, different sponsor behavior, lower vacancies and less sensitive to short-term interest rate changes
- Focus on prime properties in core inner-city locations and strict risk parameters
- 100% of the portfolio reviewed/revalued in last 12 months – avg. value change of -2%[1] incl. FX-change
- LTV stress:
  - Exposure at risk: ~3.5% of portfolio[2] (9M/25: ~3.8%)
  - Coverage ratio: ~35% via existing total stage 1&2 LLP of € 151 mn (9M/25: ~33%)

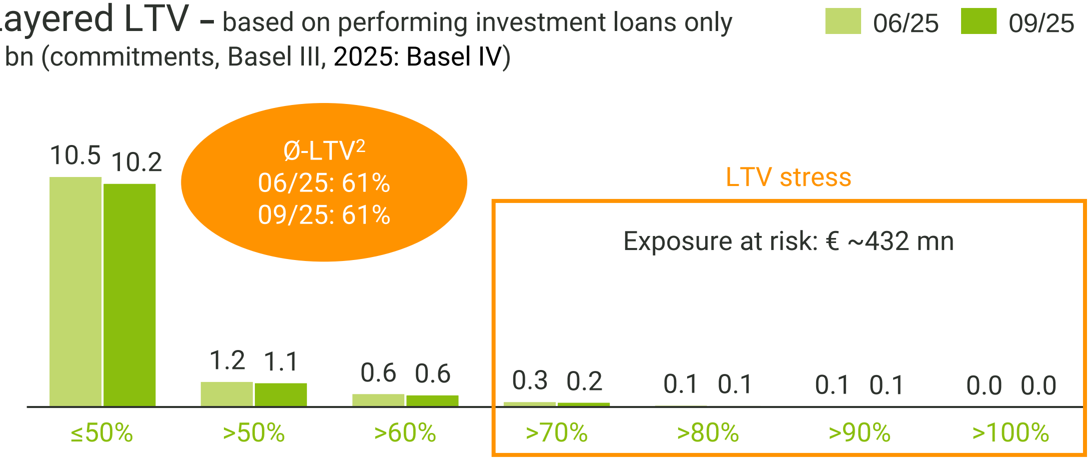
### Regions 30/09/2025
(EaD, Basel IV)




### Avg. LTV 30/09/2025
(Commitment, Basel IV)




### Layered LTV – based on performing investment loans only
€ bn (commitments, Basel III, 2025: Basel IV)

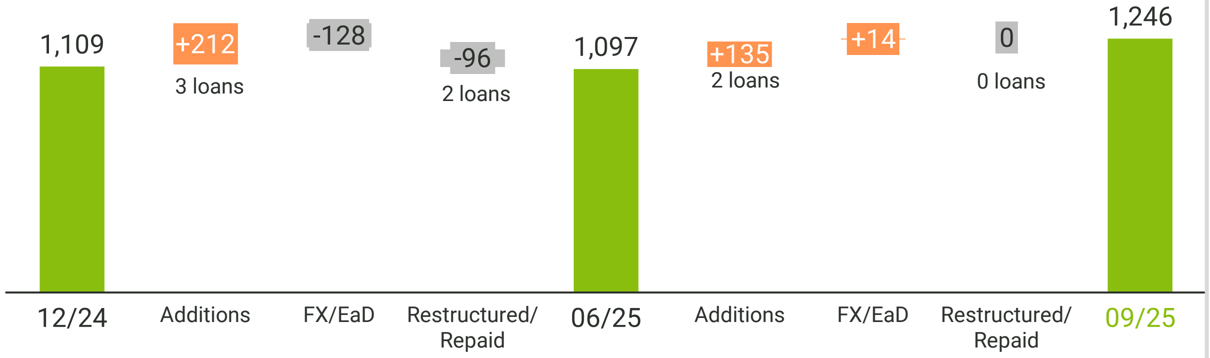



Note: Figures may not add up due to rounding
1. On the portfolio part, for which a revaluation was necessary
2. performing investment loans, based on commitments

# FOCUS: OFFICE NPL

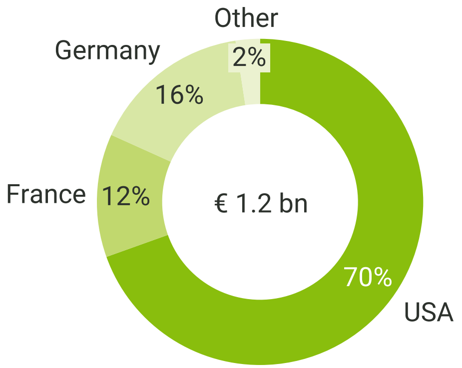
## Office NPL portfolio covered by ~27%

### Non-Performing Portfolio € mn (EaD, Basel III, 2025: Basel IV)

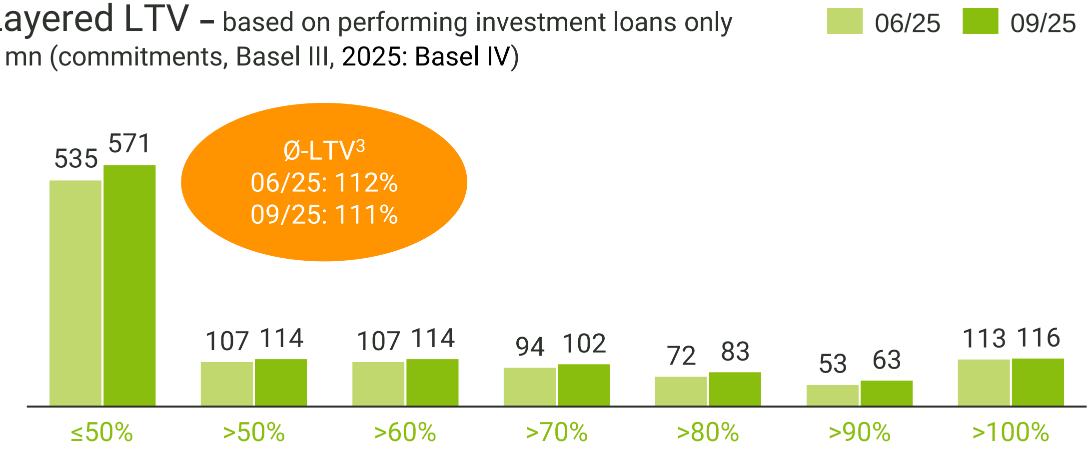



- → Office NPL portfolio increased by € 149 mn due to additions of 2 office loans and EaD-effects, only partial compensated by FX-effects (€ -2 mn)
  - 1 US office loan, € 68 mn – LLP covered by US risk charges in Q2/25
  - 1 European office loan, € 67 mn, LLP € -6 mn
- → 100% of the portfolio reviewed/revalued in last 12 months – avg. value change of -14%[1] incl. FX-change
- → Office NPE[2] ratio ~9% (9M/25: ~7.9%)
- → Coverage ratio of ~27% via existing stage 3 LLP of € 338 mn (9M/25: ~30%)

### Regions 30/09/2025 (EaD, Basel IV)




### Layered LTV – based on performing investment loans only
€ mn (commitments, Basel III, 2025: Basel IV)

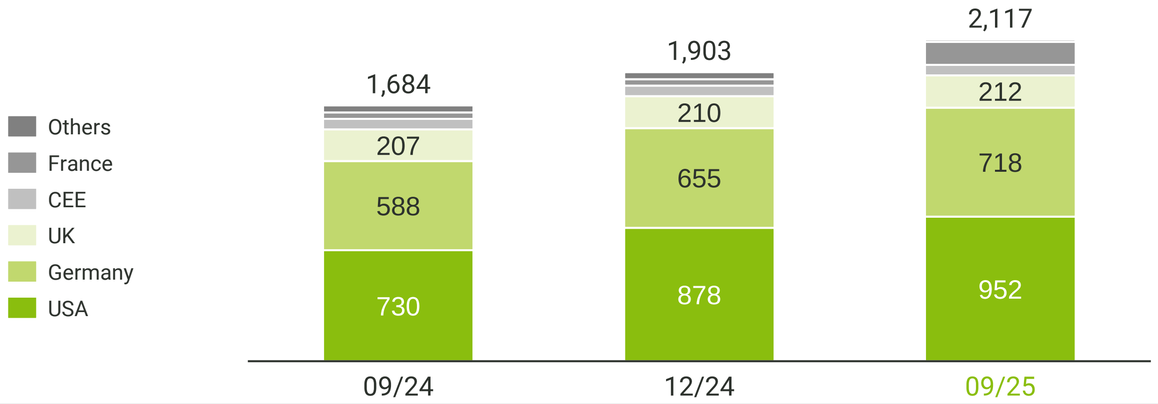



Note: Figures may not add up due to rounding
1. On the portfolio part, for which a revaluation was necessary
2. Non-Performing Exposure ratio = Non-performing loans and bonds / total Office portfolio (EaD)
3. Non-performing investment loans, based on commitments

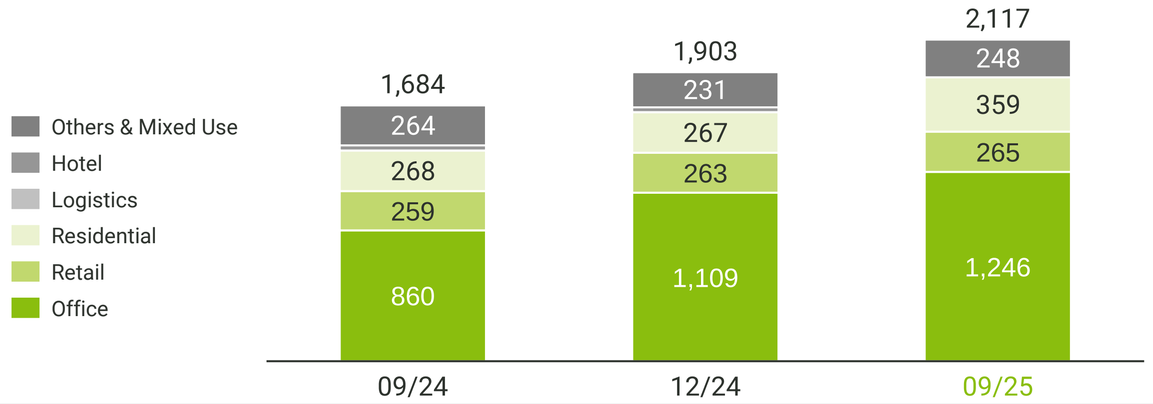
# NPL PORTFOLIO

## Active restructuring/work-out ongoing

### Geographical breakdown € mn (EaD, Basel III, 2025: Basel IV)




### Breakdown by property type € mn (EaD, Basel III, 2025: Basel IV)



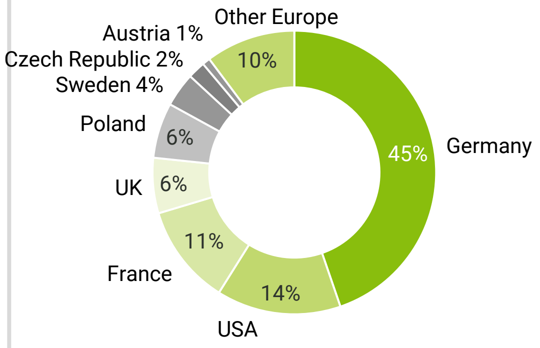

- → USA: Addition of 3 loans in 9M/25 (€ 266 mn) partially compensated by reduction of 1 loan (€ 70 mn) and FX/EaD-effects (€ 122 mn)
- → Germany: 1 new office loan (€ 57 mn) and EaD-changes of € 47 mn, partially compensated by repayment of 5 loans (€ 41 mn) in 9M/25
- → UK: Increase driven by FX-effects in 9M/25

- → Office: 5 new office loan (€ 333 mn) partially compensated by full repayment of 1 development loan (€ 26 mn), 1 US office loan (€ 70 mn) and FX/EaD-effects (€ 100 mn)
- → Retail: Increase driven by FX-effects (GBP)
- → Residential: Net increase mainly resulting from addition of 1 US loan (€ 90 mn)
- → Others: Increase resulting from FX-/EaD-changes

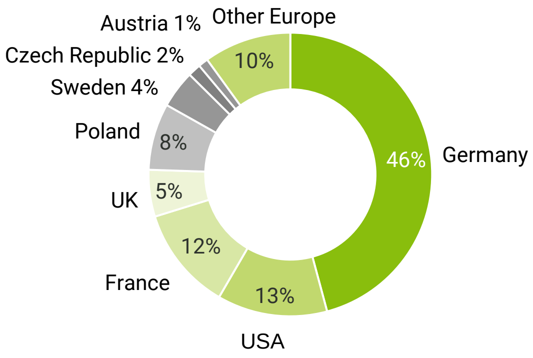
Note: Figures may not add up due to rounding

# PORTFOLIO
## Real Estate Finance (REF)

### Regions

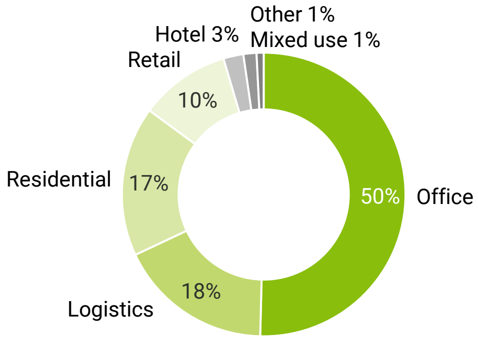



31/12/2024: € 29.7 bn

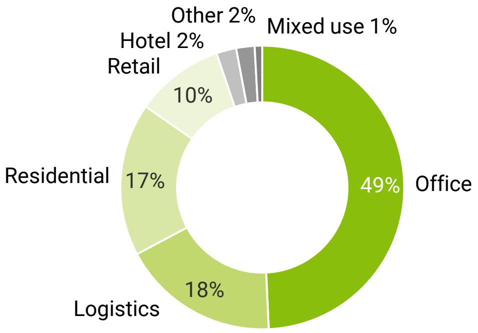



30/09/2025: € 28.1 bn

### Property types

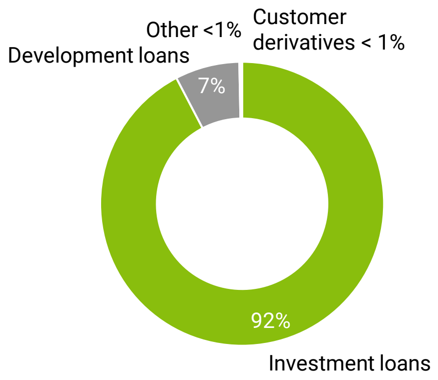



31/12/2024: € 29.7 bn

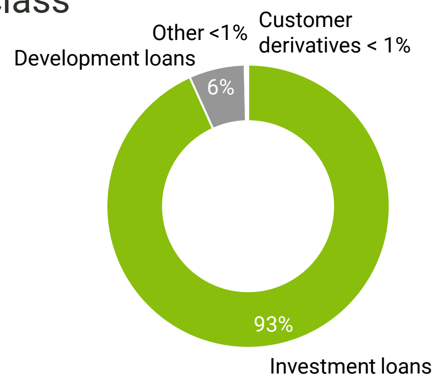



30/09/2025: € 28.1 bn

### Product class

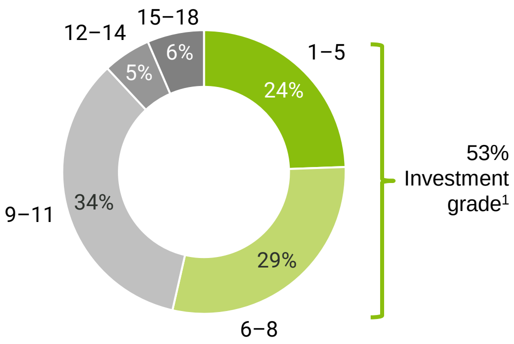



31/12/2024: € 29.7 bn

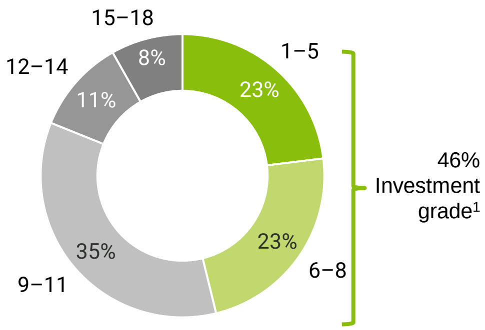



30/09/2025: € 28.1 bn

### Internal ratings (EL classes)




31/12/2024: € 29.7 bn




30/09/2025: € 28.1 bn

1. Internal EL Classes 1–8 = Investment grade; Internal EL classes 9–18 = Non-investment grade

Note: Figures may not add up due to rounding, EaD, 2024: Basel III, 2025: Basel IV

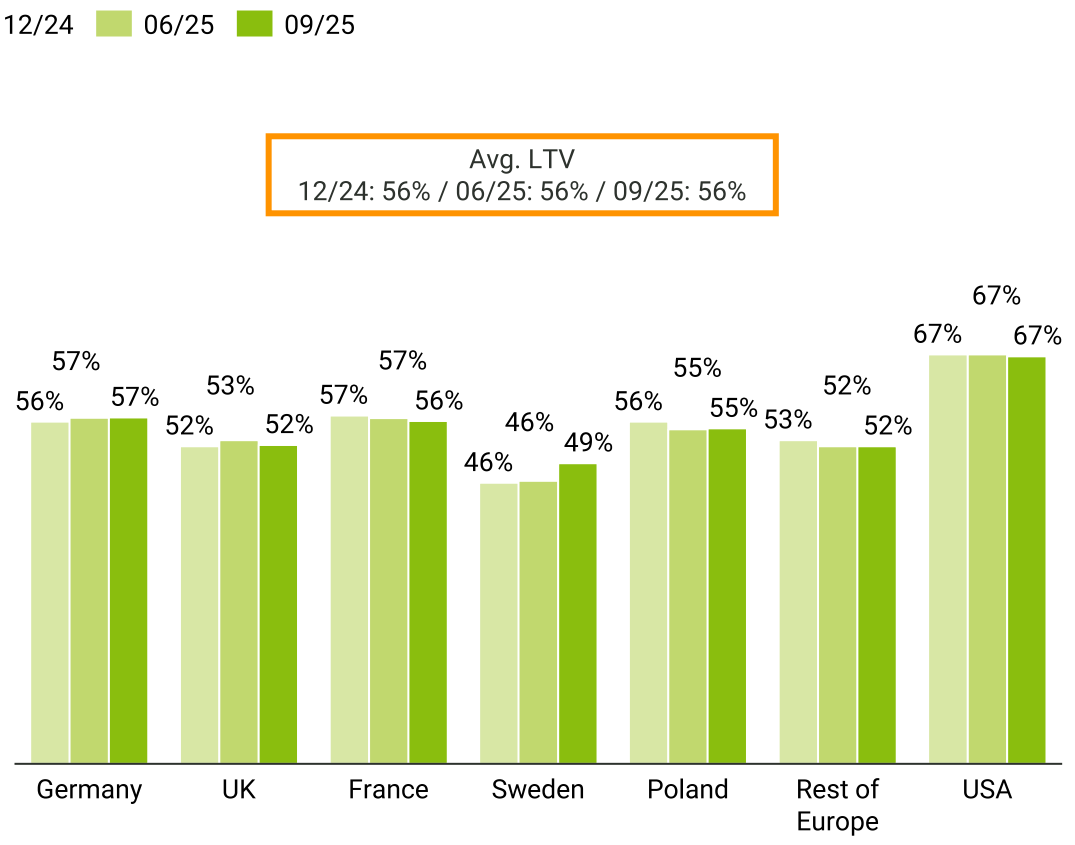
# REF PORTFOLIO

## LTV development reflects market environment

### LTV – Regions

(€ bn, commitments, Basel III, 2025: Basel IV) [1]

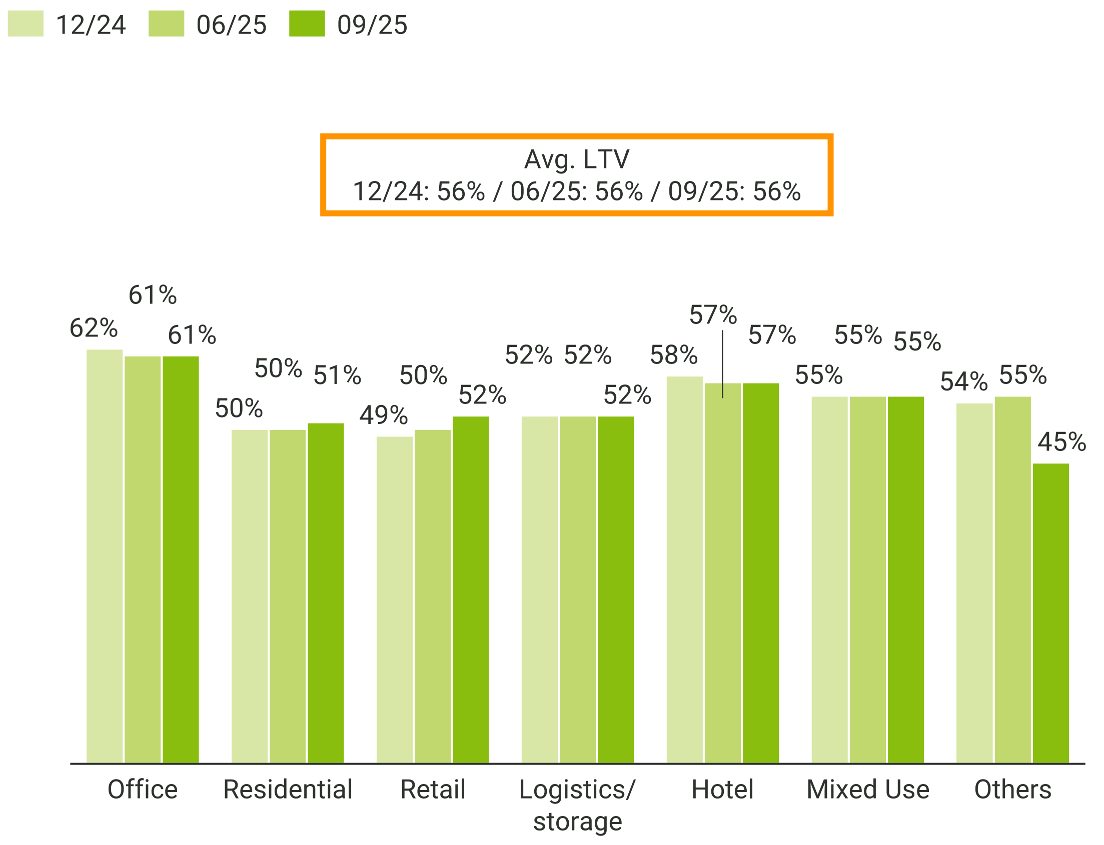
Avg. LTV
12/24: 56% / 06/25: 56% / 09/25: 56%




### LTV – Property types

(€ bn, commitments, Basel III, 2025: Basel IV) [1]

Avg. LTV
12/24: 56% / 06/25: 56% / 09/25: 56%

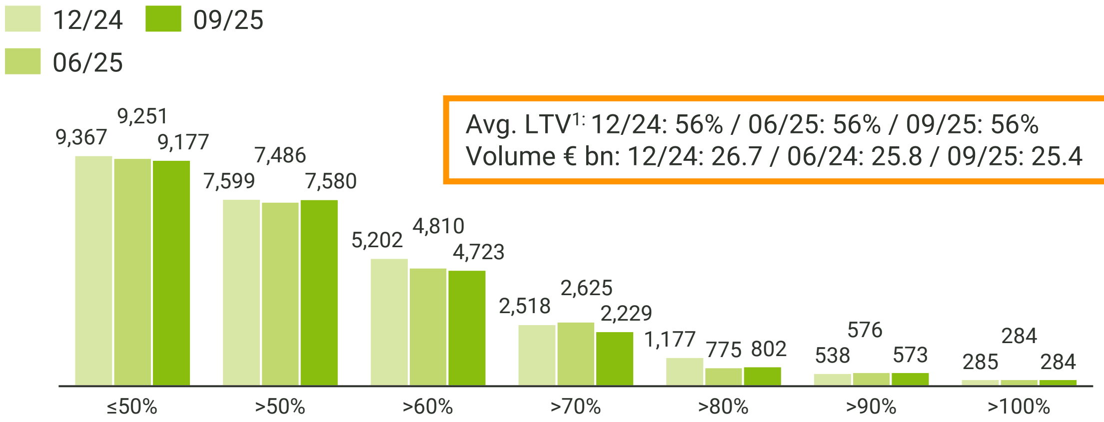



Note: Figures may not add up due to rounding
1. Based on performing investment loans only

# REF PORTFOLIO – LTV CLUSTER

## LTV development reflects market environment

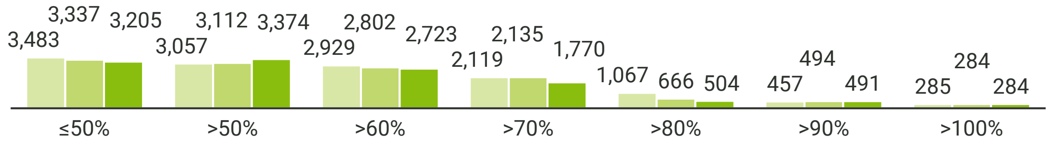
### Total REF portfolio € mn, commitments, Basel III, 2025: Basel IV




Avg. LTV[1]: 12/24: 56% / 06/25: 56% / 09/25: 56%
Volume € bn: 12/24: 26.7 / 06/24: 25.8 / 09/25: 25.4

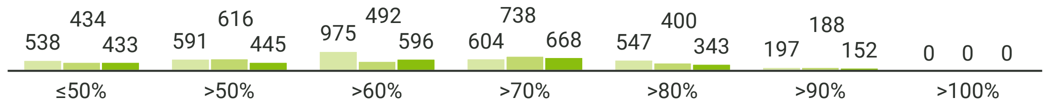
### Office € mn, commitments, Basel III, 2025: Basel IV

Avg. LTV[1]: 12/24: 62% / 06/25: 61% / 09/25: 61%
Volume € bn: 12/24: 13.4 / 06/25: 12.8 / 09/25: 12.4



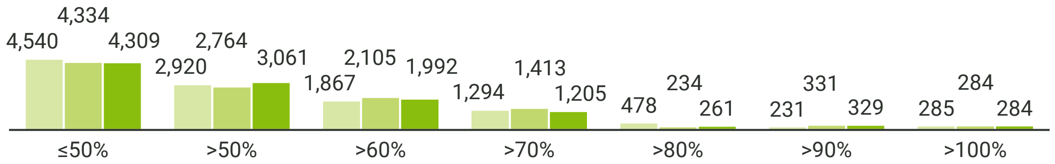

### USA € mn, commitments, Basel III, 2025: Basel IV

Avg. LTV[1]: 12/24: 67% / 06/25: 67% / 09/25: 67%
Volume € bn: 12/24: 3.5 / 06/25: 2.9 / 09/25: 2.7



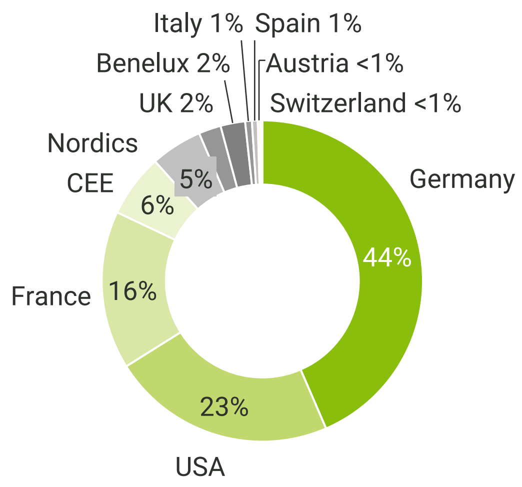

### Germany € mn, commitments, Basel III, 2025: Basel IV

Avg. LTV[1]: 12/24: 55% / 06/25: 57% / 09/25: 57%
Volume € bn: 12/24: 11.6 / 06/25: 11.5 / 09/25: 11.5




Note: Figures may not add up due to rounding
1. Based on performing investment loans only

# REF PORTFOLIO
## Sub-segments

| Property | Regions | Evaluation of current situation | Challenges | Risk positioning |
|---|---|---|---|---|
| Office<br>€ 13.9 bn<br>(49%) |  | → In Europe, the office market recovery has a more solid foundation than its US counterpart, supported by lower vacancy and stagnating home-office numbers solidifying demand. A clear 'flight-to-quality' for prime, ESG-compliant assets is widening the performance gap to secondary stock, sustaining prime rental growth and driving initial prime yield compression which is expected to continue gradually in 2026 putting Europe ahead of the US in the investment cycle. Overall vacancy is peaking in 2025 at a globally low level (below 10%) and is expected to decline from 2026 as new supply gradually slows.<br>→ In the US, the office market faces significant headwinds from historically high vacancy rates (around 19-20%) and weaker rental growth prospects, though a similar 'flight-to-quality' is also creating a stark performance gap between prime and secondary assets. A key divergence from Europe is the more widespread use of high concessions, which pressures effective rents. High long-term rates are keeping cap rates flat, while a historic slowdown in new construction is the primary catalyst for an expected gradual recovery from 2026.<br>→ In the US specifically, rising office CMBS delinquencies reveal a potential refinancing challenge, with maturing debt squeezed by high rates and devalued properties.<br>→ Key risks for the office market include a potential economic downturn amid tariff tensions, which amplifies corporate hesitancy in expansions. Furthermore, an escalation of trade disputes into the services sector could directly target core office tenants on both sides of the Atlantic. | → Shift of demand towards modern, green, centrally located properties lead to reletting / extension risks with pressure on rental level on secondary/older buildings.<br>→ Good and central locations remain competitive and “Green” having become a very core element in competition.<br>→ Situation with competitive disadvantage for B-properties / B-locations puts pressure on value for these properties.<br>→ Some former A-locations have, due to structural changes, downgraded to B-locations.<br>→ Increased interest level and increased vacancy level put pressure on cash flow for in particular, class-B-properties. However, in many office agglomeration lack of new developments now supports increasingly as well letting take up in Class-B-properties.<br>→ Despite improving markets equity / sponsor side still hesitant to support properties with required fresh liquidity for investments/letting activities even for high quality assets with positive market prognosis. | → Focus on good locations in main European and US urban locations. US following strategic decision of pbb about to be exited.<br>→ Avg. LTV Office in Europe of 59% (including US average LTV of 61%,[1)]) provides good buffer and supports commitment of investors / sponsors.<br>→ Well diversified portfolio, in Europe focus on Germany, France (almost completely Paris /Isle de France region) and capital cities like Warszawa, London, Amsterdam, Stockholm or Madrid.<br>→ In US main cities at the East Coast (e.g. New York, Boston, Washington).<br>→ Detailed analysis of “green profile” of properties including associated risk conducted in new business and on occasions of (annual) credit reports transactions.<br>→ Due to strong underwriting standards, focus on existing business and exits from risk positions via active portfolio management (loan sales, exits from NPL) in particular in the US, total amount of Office decreased from peak in Q4/2023 with € 16.7 bn by € 2.8 bn to at present € 13.9 bn (i.e. ~ -17%). This amount splits into € 3.1 bn US and € 10.8 bn non-US. |

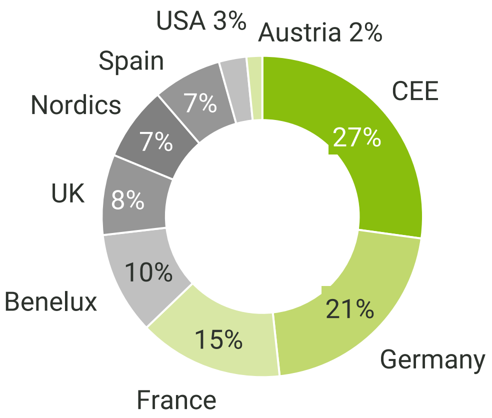
Note: Figures may not add up due to rounding
1. Based on performing investment loans only

# REF PORTFOLIO
## Sub-segments

### Property

Logistics
€ 5.1 bn
(18%)

### Regions




### Evaluation of current situation

- Amid a sluggish economy, logistics leasing has moderated to pre-pandemic levels, yet the market remains stabilized by structural trends like e-commerce and automation, coupled with a drop in new construction.
- While uncertainty from evolving trade dynamics has delayed some investment decisions, the long-term demand driver is the strategic shift to supply chain resilience. This is accelerating nearshoring and "friend-shoring" activities, which are expected to sustain demand for modern logistics and manufacturing facilities within Europe.
- The impact of these market shifts is uneven. A clear divergence in performance exists: prime, centrally-located spaces continue to see modest rental growth, while older stock and facilities in peripheral submarkets face leasing pressure due to higher supply. Geographically, manufacturing-focused locations (e.g., CEE) may benefit from nearshoring, whereas port-centric hubs and trade-dependent economies like Germany are most exposed to trade risks. Fiscal spending in Germany could stabilize demand, though.
- Investment in prime assets is already rebounding, with yields compressing in 2025. A broader recovery in overall transaction volumes and development is forecast from 2026 onwards, contingent on an easing of interest rates, positive catalysts like German infrastructure spending, and no significant escalation of trade tensions.

### Challenges

- Monoline logistics centres depending on particular clients seen sceptical.
- Due to partially overheated prices, market correction on investment side seen.
- Partially bulky tenant structures which could lead to volatility in occupancy/cash flow.

### Risk positioning

- Strategic approach; expert team since 2014; share increase since 2013 from 8% to 18%, further increase expected.
- Focus on locations: good infrastructure, connection to a variety of different transportation routes.
- Avg. LTV of 52%[1] provides good buffer and supports commitment of investors / sponsors.
- Well diversified portfolio.
- High quality of sponsors

Note: Figures may not add up due to rounding
1. Based on performing investment loans only

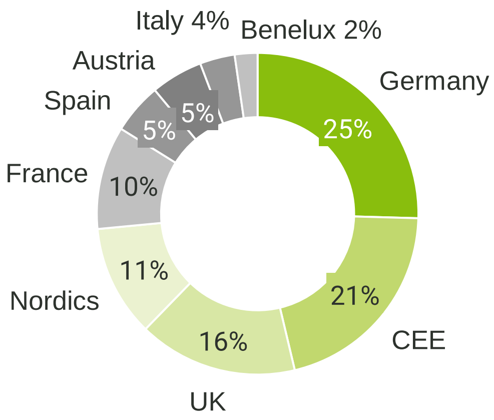
# REF PORTFOLIO
## Sub-segments

DEUTSCHE PFANDBRIEFBANK

### Property

Retail
€ 2.8 bn
(10%)

### Regions




### Evaluation of current situation

- Resilient retail sales, fueled by rising real wages, are driving a market normalization despite still-fragile consumer confidence. The demand for physical stores is firming up as the growth of e-commerce has reverted to its more moderate, pre-pandemic trend trajectory.
- Occupier demand is highly polarized. Prime high streets and dominant shopping centers (from experience-led destinations to convenience-oriented centers) benefit from strong leasing demand and low vacancy, though the high-end luxury segment may see some cooling after its recent expansion. In contrast, secondary locations struggle with rising vacancy and stagnant rents.
- Retail parks continue to be the outperforming sub-sector due to robust fundamental with rental growth around 4% and a low average vacancy rate near 2%, making them a primary target for investors.
- Selective investor confidence is returning, with transaction volumes set to grow gradually grow this and next year. This capital is focused on prime assets, where yields are beginning to compress slightly. This trend is supported by limited new supply.
- The potential for escalating global trade tensions remains the key downside risk to this fragile recovery as tariffs could translate into higher consumer price and supply chain issues, risking a reversal in the recent gains in consumer confidence and spending power.

### Challenges

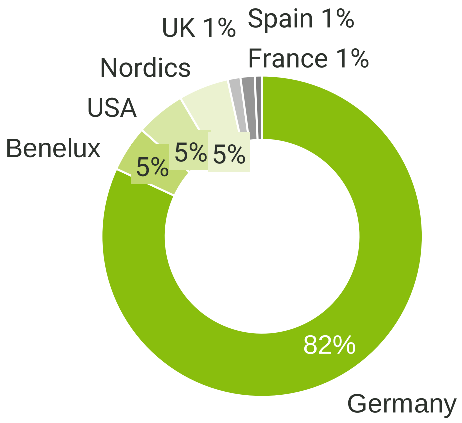
- B-locations/older shopping centres continue to be under pressure, underpinned by limited tenant and investor demand.
- Traditional private equity investments via funds only to a limited extent capable to manage required change process including liquidity investments. Only investors/sponsors with very professional retail background have the required know how, market position, means of liquidity as well as the commitment to be able move things ahead.
- Still limited financing appetite hampering refinancing and – if required – supply of additional liquidity.

### Risk positioning

- Selective approach with consequent reduction of retail portfolio by ~60% or € ~4.3 bn since 2016 (09/25: € 2.8 bn; 12/16: € 7.1 bn).
- Only investment loans, almost no development loans.
- Avg. LTV of 52%[1] provides good buffer and supports commitment of investors/ sponsors.
- Well diversified portfolio.
- For new business selective approach with moderate LTVs.

Note: Figures may not add up due to rounding
1. Based on performing investment loans only

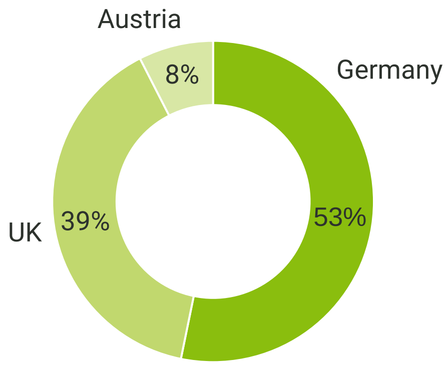
# REF PORTFOLIO
## Sub-segments

| Property | Regions | Evaluation of current situation | Challenges | Risk positioning |
|---|---|---|---|---|
| Residential<br>€ 4.9 bn<br>(17%) |  | → The market for owner-occupied properties is showing signs of a modest recovery as affordability slowly improves from falling inflation and the recent ECB's easing cycle.<br>→ For multifamily properties, strong and persistent rental growth, driven by structural supply shortages in urban areas, mitigated the negative impact on values during the recent repricing. This rental growth is expected to continue, although at a more moderate and sustainable pace than in recent years.<br>→ Rental regulation (especially in markets like Germany) and significant ESG renovation requirements are key risks that are creating a clear performance divide. These factors are expected to reduce the NOI for owners of older, non-compliant assets, especially in the lower price segment.<br>→ Living has solidified its position as the largest and most sought-after asset class in Europe, attracting strong investor interest. Investors are widening their scope beyond traditional multifamily like Seviced Living (e.g. PBSA = Purpose Build Student Accomodation) or Senior Living. In these "beds" sectors, severe supply bottlenecks are likely to persist, resulting in continued strong rental and capital value growth. | → Cash flow under pressure due to interest and investment requirements - partially counterbalanced by increasing rents.<br>→ PBSA (Purpose Built Student Accommodation) for pbb one of the growth areas in Europe.<br>→ Increasing competition for this asset class (including PBSA) with pressure on pricing. | → Portfolio volume of € 4.9 bn with avg. LTV of 51%[1] provides good buffer and supports commitment of investors/sponsors.<br>→ Well diversified portfolio with strong focus on Germany.<br>→ Focus on Purpose-Built Student Accommodation (PBSA) for portfolio diversification, this supported by strong market and financing research within pbb. |

Note: Figures may not add up due to rounding
1. Based on performing investment loans only

# REF PORTFOLIO

## Sub-segments

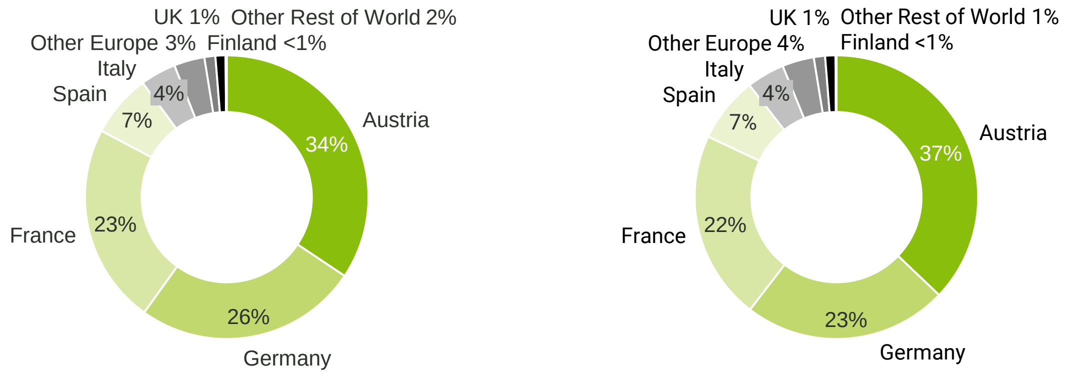
| Property | Regions | Evaluation of current situation | Challenges | Risk positioning |
| --- | --- | --- | --- | --- |
| Hotel<br>€ 0.6 bn<br>(2%) |  | → Europe's travel recovery has continued in 2025, with positive, albeit moderating, RevPAR growth. With occupancy now largely recovered to pre-pandemic levels, future gains are being driven by room rate (ADR) growth, which is normalizing slightly above inflation. This is supported by robust leisure demand, particularly in Southern Europe, and a steady rebound in international and MICE (Meetings, Incentives, Conferences, and Exhibitions) travel.<br>→ A key challenge is the pressure on margins from persistently high labor and energy costs. This impact is uneven: markets like Paris and Rome have successfully pushed margins to surpass pre-pandemic levels, while key German cities and other business-led hubs like London continue to lag.<br>→ The investment landscape is robust, fueled by strong return prospects and a structurally limited new supply pipeline. This renewed demand is expected to support prime hotel values with modest capital growth through 2025 and into 2026.<br>→ Key risks to the outlook include a potential softening in demand from US travelers due to the weaker US-Dollar, the possibility that high operating costs could erode rate gains, and a broader economic downturn. While corporate travel continues to recover, it is expected to remain pressured by hybrid work patterns. | → Despite recovery many hotels due to increased costs still behind in terms of profitability.<br>→ Increased competition on financing side for this asset class.<br>→ Shortage of qualified personnel in parts of the industry, further increasing operating costs squeeze margins and compensate part of the recovery trend. | → Selective approach and strict adherence to underwriting standards in particular during the hot phase of hotel investment market in 2018/19 resulting in a relatively small portfolio volume of € ~0.6 bn, leading to no credit losses for hotel financings during Covid.<br>→ Focus on business / city hotels in main European capitals/business locations in combination with strong brands and professional sponsors. For pbb Hotel is a growth sector, this supported by comprehensive internal and external professional advise and research.<br>→ Avg. LTV of 57%[1] provides good buffer and supports commitment of investors/ sponsors. |

Note: Figures may not add up due to rounding
1. Based on performing investment loans only

# PORTFOLIO

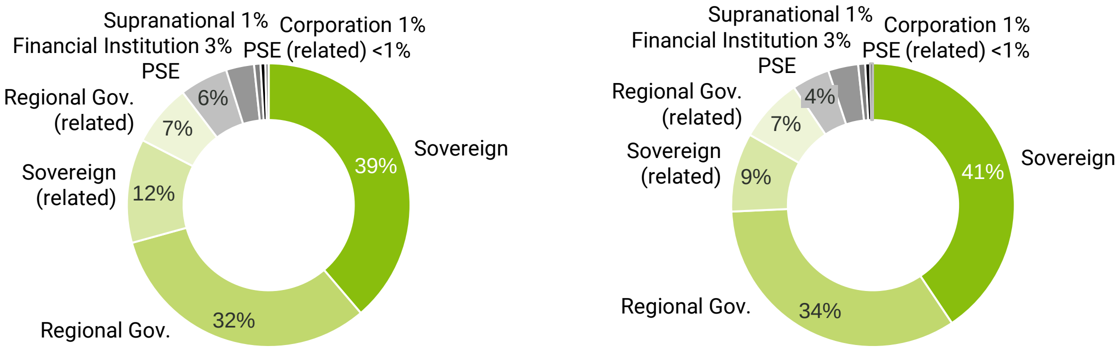
## Non-Core Unit (PIF & VP)

### Regions



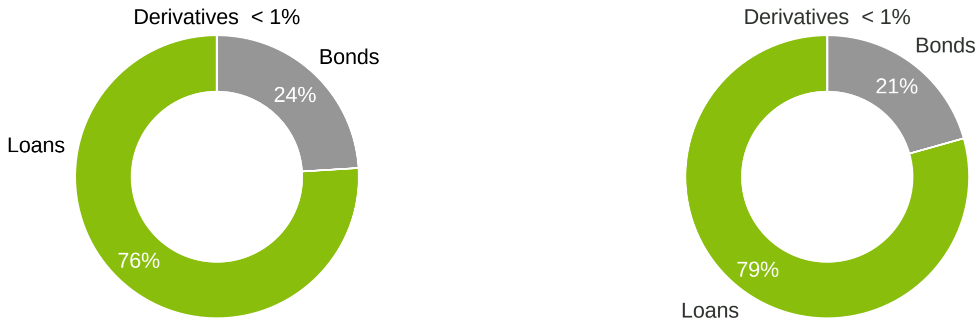

31/12/2024: € 10.2 bn | 30/09/2025: € 9.3 bn

### Borrower classification[1]



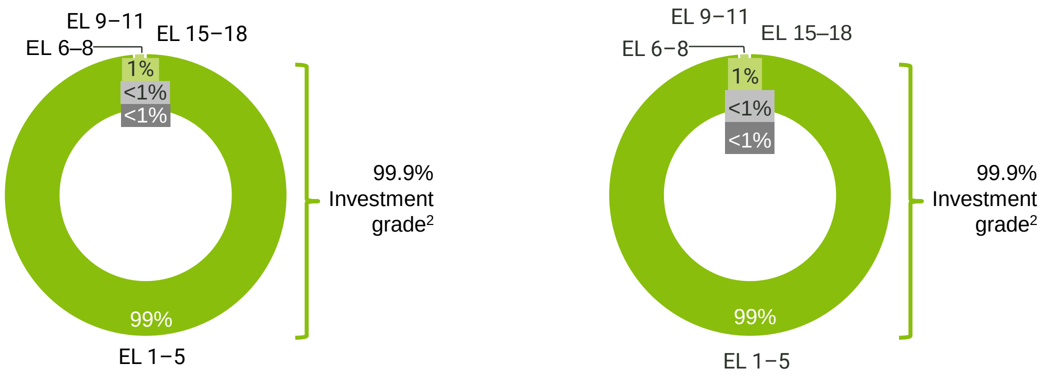

31/12/2024: € 10.2 bn | 30/09/2025: € 9.3 bn

### Product class




31/12/2024: € 10.2 bn | 30/09/2025: € 9.3 bn

### Internal ratings (EL classes)



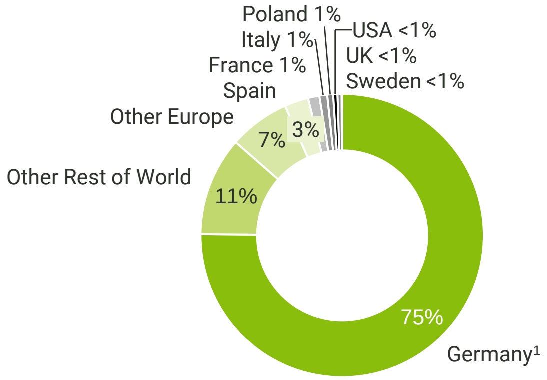

31/12/2024: € 10.2 bn | 30/09/2025: € 9.3 bn

Note: Figures may not add up due to rounding, EaD, 2024: Basel III, 2025: Basel IV

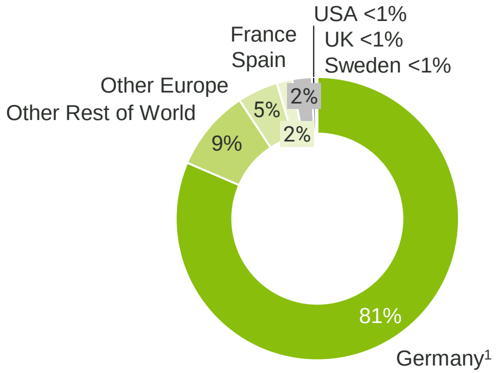
1. See appendix for definition of borrower classification
2. Internal EL Classes 1–8 = Investment grade; Internal EL classes 9–18 = Non-investment grade

# PORTFOLIO
## Consolidation and Adjustments (C&A)

### Regions

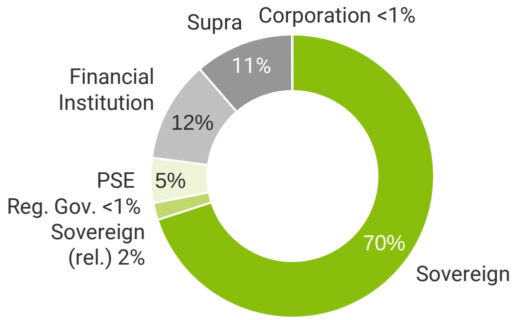



31/12/2024: € 3.9 bn

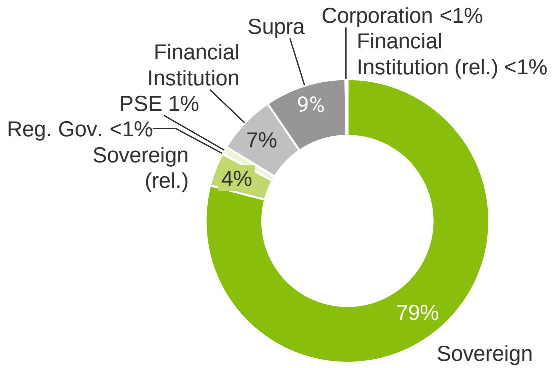



30/09/2025: € 5.8 bn

### Borrower classification[2]

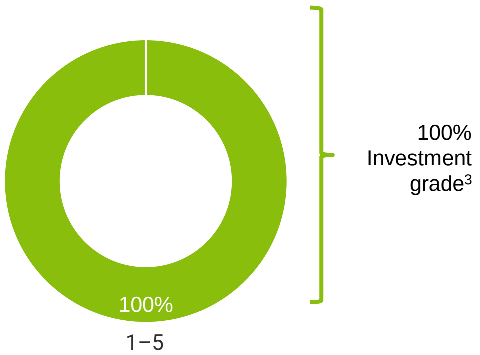



31/12/2024: € 3.9 bn

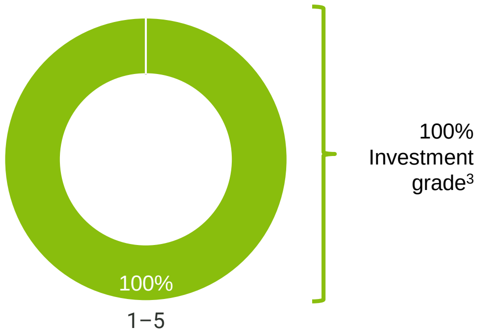



30/09/2025: € 5.8 bn

### Internal ratings (EL classes)




31/12/2024: € 3.9 bn




30/09/2025: € 5.8 bn

Note: Figures may not add up due to rounding, EaD, 2024: Basel III, 2025: Basel IV
1. Incl. Bundesbank accounts (09/25: € 3.9 bn; 12/24: € 2.0 bn) 2. See appendix for definition of borrower classification
3. Internal EL Classes 1-8 = Investment grade; Internal EL classes 9-18 = Non-investment grade

# DEFINITION OF BORROWER CLASSIFICATIONS

| Borrower classification | Definition |
|---|---|
| Sovereign | Direct and indirect obligations of Central Governments, Central Banks and National Debt Agencies |
| Sovereign (related) | Indirect obligations of Non Sovereigns with an explicit first call guarantee by a Sovereign |
| Regional Government | Direct and indirect obligations of Regional, Provincial and Municipal Governments |
| Regional Government (related) | Indirect obligations of Non Regional Government with an explicit first call guarantee by a Regional Government |
| Public Sector Enterprise | Direct obligations of administrative bodies and non commercial/non-profit undertakings |
| Public Sector Enterprise (related) | Indirect obligations of Non Public Sector Enterprise with an explicit first call guarantee by a Public Sector Enterprise |
| Financial Institution | Direct and indirect obligations of Universal Banks, Investment Banks, Mortgage Institutions, Brokerages and other banks or Basel regulated institution |
| Corporation | Direct and indirect obligations of enterprises, established under corporate law and operating in a for profit or competitive environment |
| Structured Finance | Obligations of an SPV which references the risk of an underlying pool of securitised assets, either synthetically via CDS or directly, the tranches issued by the SPV have different seniority to each other |
| Supranational | Direct obligations to international Organisations and International Investment and Development Banks |
| Other | Direct obligations to Individuals |

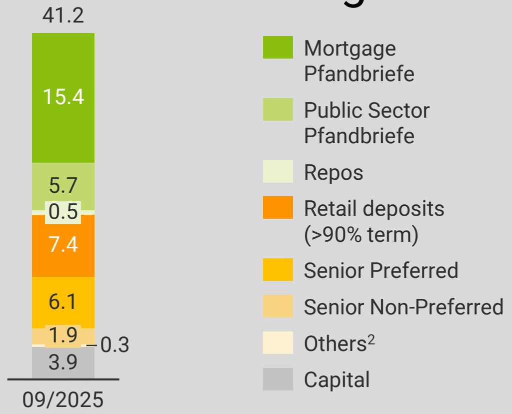
# APPENDIX

DEUTSCHE PFANDBRIEFBANK

# FUNDING AND LIQUIDITY

## Resilient and balanced funding strategy – focus on efficient funding

### Balanced Funding




### Retail Deposits

€ 7.4 bn
(09/25)

### LCR[1]

209%
(09/25)

### Liquidity

€ >5 bn
(09/25)

**Resilient and balanced funding**

- Pfandbriefe as dominant and highly resilient source of funding
- Balanced proportion of wholesale unsecured funding and retail deposits
- Broad tool-box of short-term and long-term funding instruments

**2025 funding**

- € 2.1 bn Pfandbriefe issued in 2025 (vs. € 2 bn planned), including two well over-subscribed Mortgage Pfandbrief benchmarks and successful SEK transactions
- pbb is a regular issuer of green bonds and issued a € 750mn green senior preferred benchmark in August
- Deposit volume planned at around current level (09/25: € 7.4 bn)

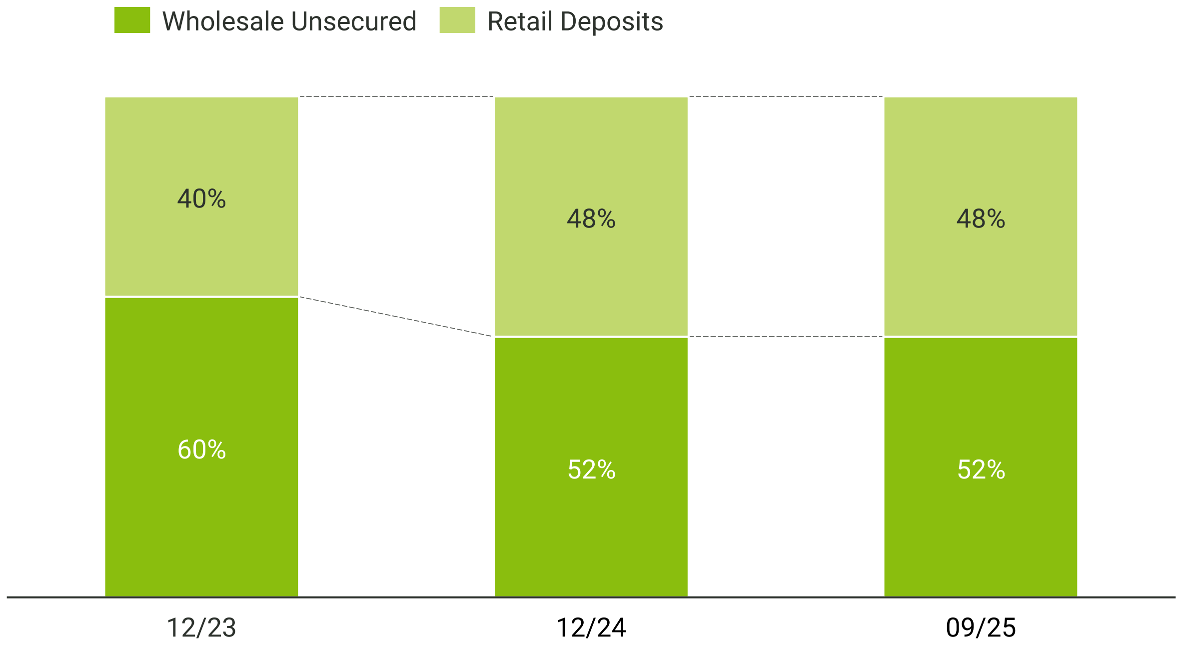
**Strong liquidity position**

- Strong liquidity position well above regulatory and internal requirements
- Whilst maintaining a comfortable liquidity position, focus shifts to optimization and efficiency

1. NSFR 09/25: 116% 2. Others: e.g. institutional deposits and cash collateral

# FUNDING AND LIQUIDITY
## Diversified funding base

### Unsecured Funding

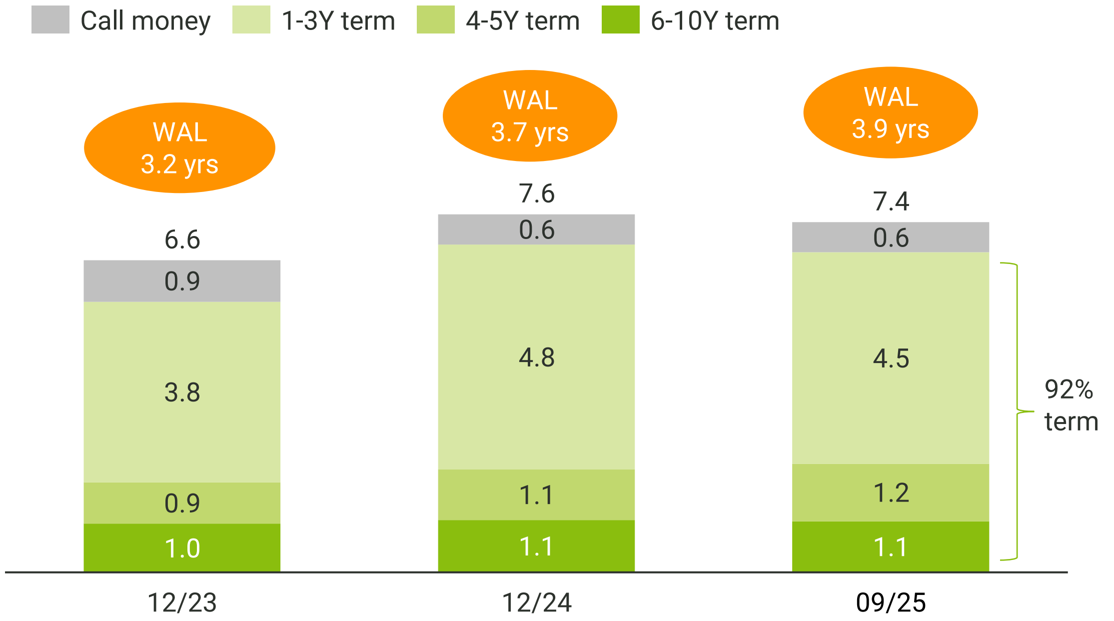



→ Over 50% resilient secured funding[1]

→ Broad toolbox of secured and unsecured funding instruments

→ Balanced proportion of wholesale unsecured funding and retail term deposits[2]

### Retail deposits – development and maturity profile[3] € bn



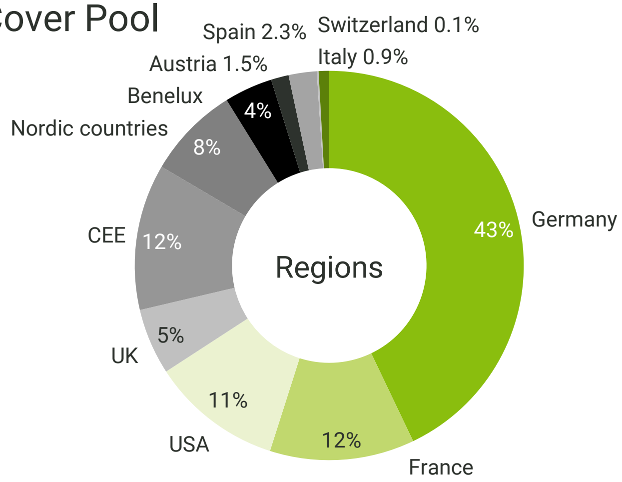

| pbb direkt[4] | 12/23 | 12/24 | 09/25 |
|---|---|---|---|
| Number of clients | ~91,900 | ~105,900 | ~108,600 |
| Avg. deposit amount per client (€) | ~64,000 | ~59,000 | ~57,100 |

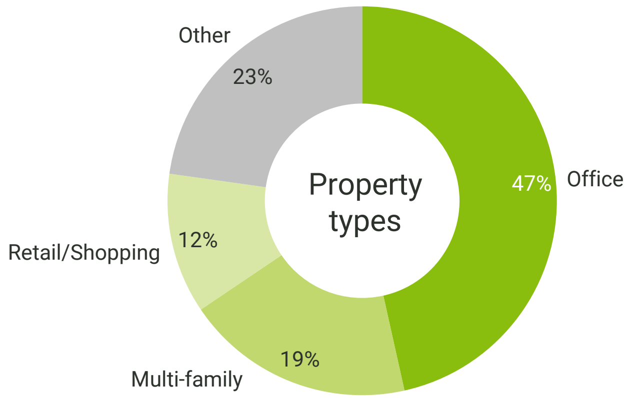
Note: Figures may not add up due to rounding
1. Pfandbriefe and Repos 2. includes € 0.6 bn overnight deposits as per 30/09/2025 3. Initial weighted average life of term deposits 3.9 years, remaining average time to maturity 2.2 years
4. Only pbb direkt clients without co-operations

# MORTGAGE COVER POOL

## Diversification by countries and property types

### Mortgage Cover Pool

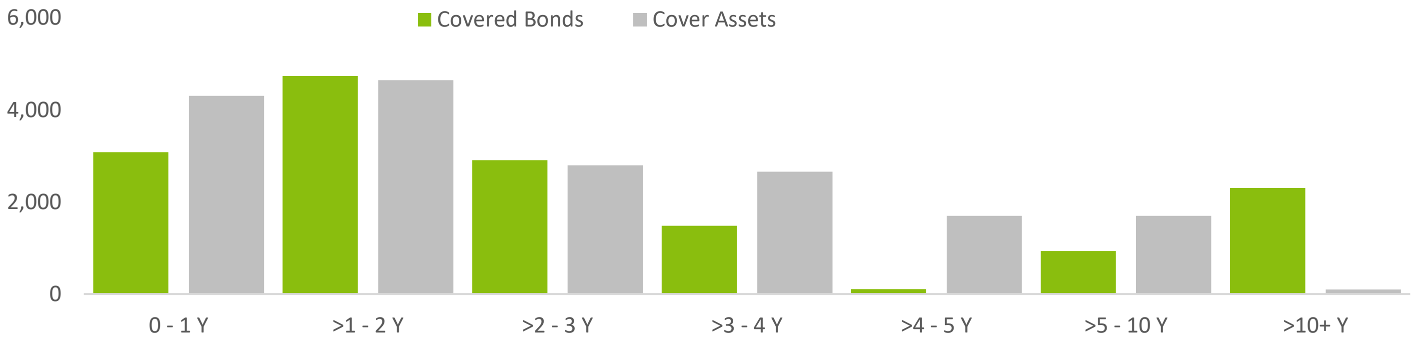



### Key metrics

| Mortgage cover pool (nominal) | 30/09/2025 |
|---|---|
| Pfandbriefe outstanding | € 15.6 bn |
| Cover funds | € 17.9 bn |
| Over-collateralisation (Nominal/NPV) | 15.1% / 16.2% |
| No. of loans | 1,207 |
| No. of properties | 3,024 |
| Payments ≥ 90 days overdue | € 0.6 mn |
| Weighted average LTV (based on market value) | 36.4% |

### Maturity Profile
(nominal values, € bn)



# PFANDBRIEF COVER POOL

## ISC and the effect of the Mortgage Lending Value – very simplified example!

### Interest Service Cover

(explanatory calculation for existing loans)

€ 5.0 mn rent p.a. at 5% property yield
results in a market
value of € 100 mn

minus

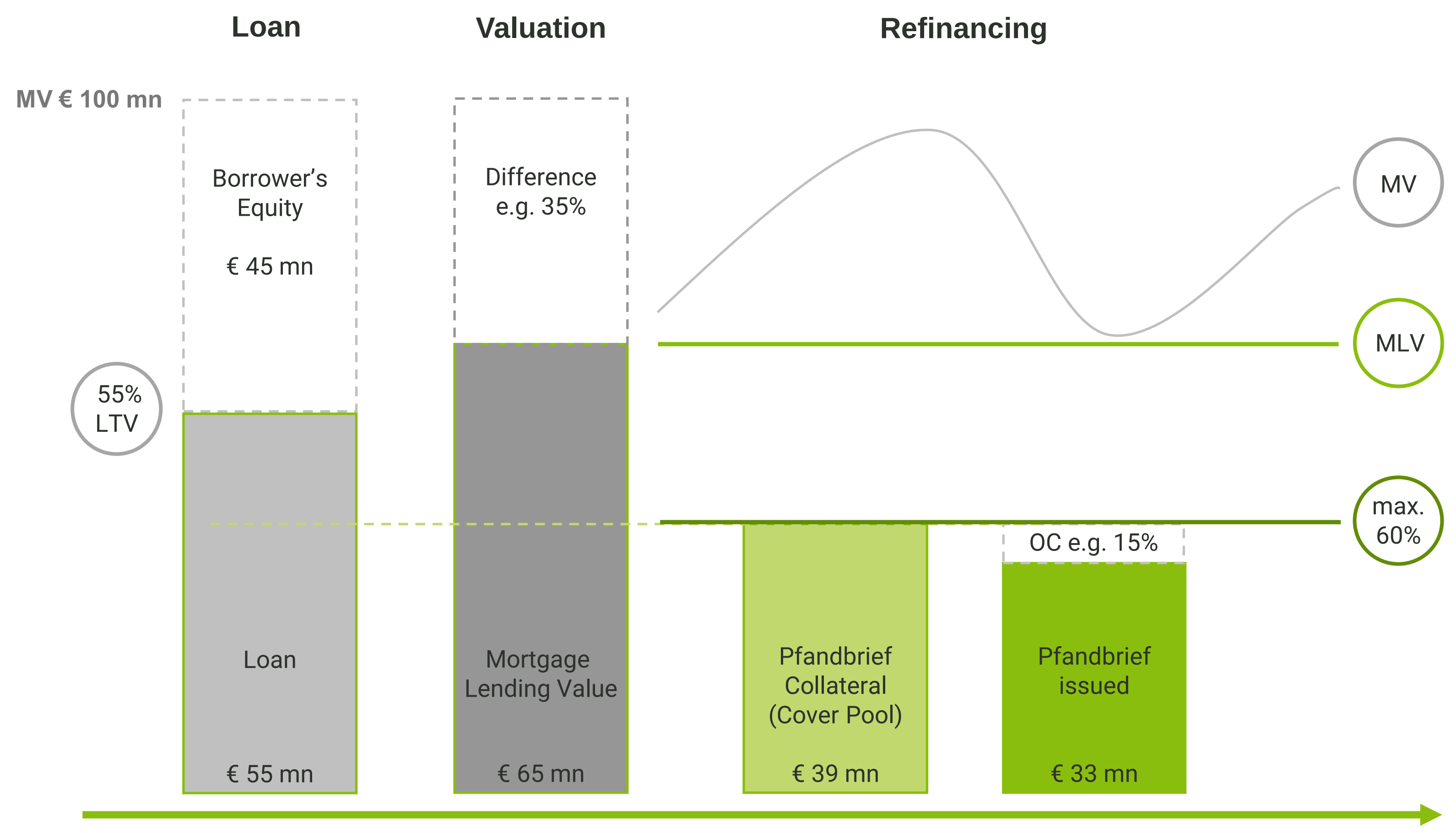
€ 2.8 mn interest payment p.a.
for a € 55 mn loan
at 5% interest rate

---

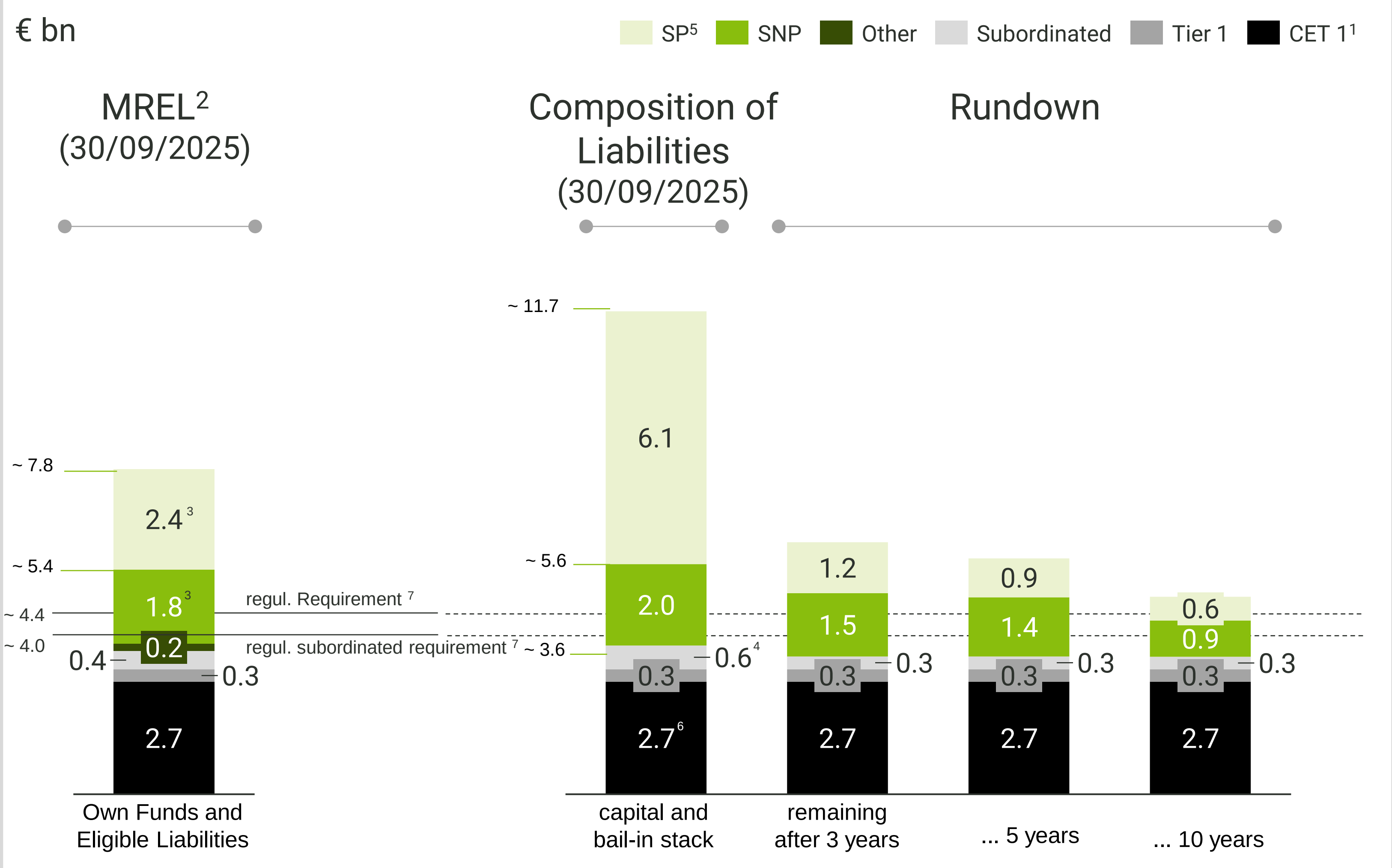
€ 2.2 mn excess cash

$$\frac{\text{€ 5.0 mn rent}}{\text{€ 2.8 mn interest}} = \text{~ 180\% ISC}$$

### Loan-to-Value Ratio



# Own Funds and Eligible Liabilities exceed regulatory requirements




- Buffer for Senior Preferred (SP) investors due to high volume of capital instruments and Senior Non-Preferred (SNP) liabilities
- Existing Senior Non-Preferred liabilities with long remaining terms
- SP currently predominant senior product, but SNP to remain a key element of pbb's funding strategy
- Regulatory requirements (SREP, MREL etc.) are met
- New issue of 2 Bonds (classified as eligible senior preferred) with a volume of 750 Mio. EUR in 09/2025

1. incl. interim result as of Q3/2025 2. As of 30 Sept. 2025, MREL capacity (subordinated only) amounts to ~30.9% TREA / ~12.9% LRE 3. MREL eligible Senior Non-Preferred Debt or Senior Preferred Debt > 1Y according to legal maturities 4. Nominal amount of Tier 2 instruments 5. Senior Preferred, structured unsecured and corporate deposits (excl. protected deposits) 6. CET1 assumed to be constant 7. highest MREL requirement in relation to TREA or LRE

# MANDATED RATINGS

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| Bank Ratings | S&P | |
|---|---|---|
| **Long-term** | **BBB-** | |
| Outlook | Stable | |
| Short-term | A-3 | |
| Stand-alone Rating[1] | bb+ | |
| **Long Term Debt Ratings** | | |
| "Preferred" Senior Unsecured Debt[2] | BBB- | |
| "Non-preferred" Senior Unsecured Debt[3] | BB- | |
| Subordinated Debt | B+ | |

| Pfandbrief Ratings | | Moody's |
|---|---|---|
| Mortgage Pfandbriefe | | Aa1 |
| Public Sector Pfandbriefe | | Aa1 |

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1. S&P: Stand-alone Credit Profile 2. S&P: "Senior Unsecured Debt" 3. S&P: "Senior Subordinated Debt"

# APPENDIX

# ESG

## pbb continues to execute on its strategy

2017:
1st Non-financial Report (NFRD)

2020:
Introduction of Green Bond Framework

2021:
Holistic organisational set-up of ESG Programmme
Introduction of green building scoring model & pbb Green Loan Framework
Development of first ESG strategy

2022:
Implementation of set of KPIs;
Project launch for EU Taxonomy & CSRD disclosure requirements

2023:
Implementation of ESG KPI management concept with defined targets
Foundation of Eco Estate GmbH (JV with G&P for green consulting)

2024:
Refinement of ESG KPIs regarding inclusion of decarbonization path

2025:
1st Non-financial Report (CSRD)

2050:
Alignment of pbb's credit portfolio with 1.5-degree target of Paris Agreement

Focus on Transparency of pbb's portfolio and pbb's own operations

Focus on science-based approach to align pbb's portfolio and pbb's own operations with climate goals

# GREEN LOAN

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## pbb Green Loan Framework aligned with current regulatory and market developments – specific metrics defined for each criterion

**pbb Scoring Model**

MAX SCORE: 100 Points

Criteria

**I. Energy Efficiency**

- Energy demand/-consumption [kWh/(m²·a)]

OR

- Energy Reduction in Planning [kWh/(m²·a)][1]

pbb Green Bond Framework Eligible[2]

MAX SCORE: 50 Points

**II. Building Certification**

- "Green" building certification

MAX SCORE: 20 Points

MAX SCORE: 70 Points

**III. Additional Sustainability Factors**

- Surface sealing (green field vs. brown field)
- Type of/distance to public transportation
- Local supply
- Materials recycling[3]
- Type of heating
- Consumption of green energy
- Biodiversity[3]
- Existing energy/environmental management[3]

MAX SCORE: 30 Points

Minimum score for pbb Green Loan: ≥ 60 Points

OR

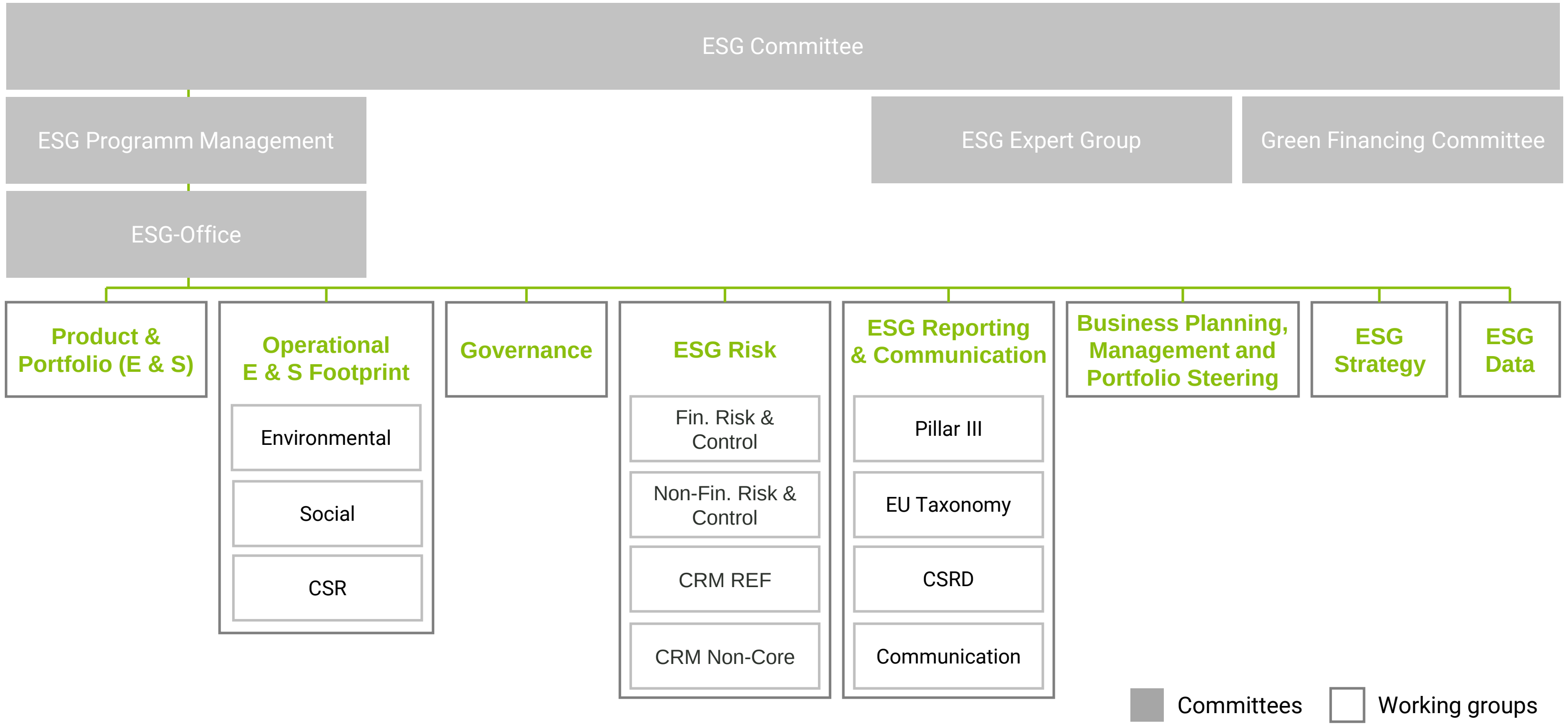

Compliance with EU Taxonomy

**pbb Green Loan Framework Eligible**

1. Aligned with the EU Taxonomy
2. Selected criteria are stricter, when the building is considered for pbb Green Bond Framework Eligibility.
3. Do Not Significant Harm Principles according to EU Taxonomy

# ESG

## ESG Programme




| | 2023 | 2024 | Q3/2025 |
|---|---|---|---|
| ISS ESG | C Prime | C Prime | C Prime |
| MSCI | AAA | AAA | AAA |
| Sustainalytics | 23.3 (Medium Risk) | 20 (Medium Risk) | 18.8 (Low Risk) |

→ ESG at core of pbb's strategy:
- pbb can help to reduce the real estate sector`s significant $CO_2$ impact
- Green finance bank and transformation partner
- Current KPIs set initial roadmap for establishing green products, science-based decarbonization path for aligning pbb`s CRE portfolio with Paris 1.5° C target by 2050

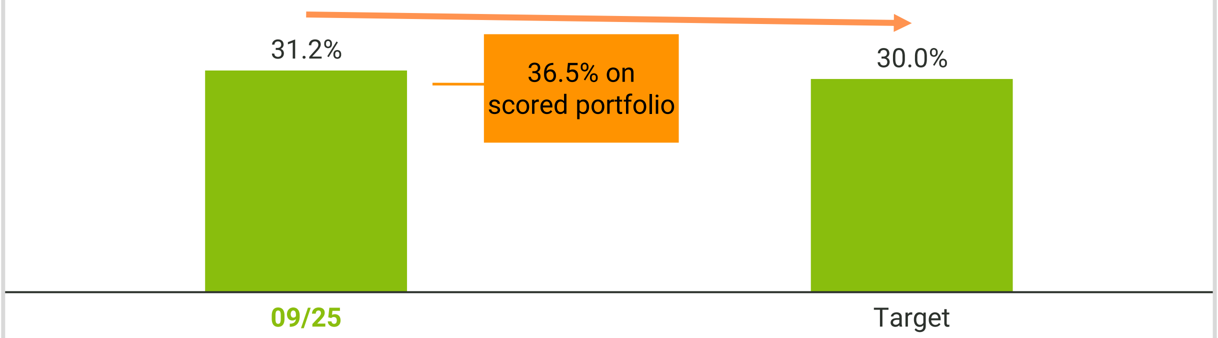
→ ESG risk structurally integrated in risk management landscape and overall business strategy
- Comprehensive monitoring and steering of physical and transitional risks in REF exposure – portfolio & individual loan basis
- ESG risk assessment integral part of credit process

→ Comprehensive ESG program in place
- Management Board responsibility – ESG targets part of remuneration
- Operationally, all ESG dimensions covered with clear responsibilities assigned, e.g. EU taxonomy alignment for REF business

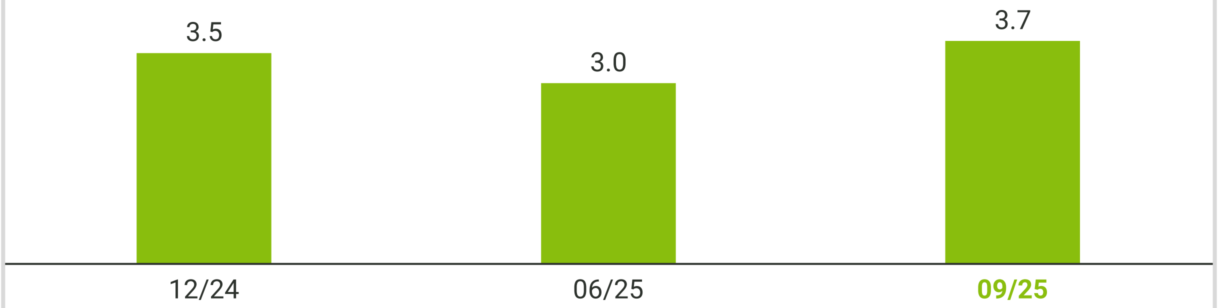
→ Progress reflected in above industry-average ESG Ratings

# Continued progress in sustainable finance activities

## Green share of REF portfolio
(commitments, green loan eligible assets, %)




## Green Bonds
(nominal volume, € bn)




- 85.5% of REF portfolio scored – scoring of remaining portfolio ongoing
- Green share of total REF portfolio currently at 31.2% resp. € 9.2 bn (36.5% based on scored portfolio of 85.5%) vs. target of >30% for 2026

- pbb is a leading issuer of senior preferred green bonds in the European market
- Current headroom between green bond eligible loans and green bonds outstanding allows further green finance activities
- Maturity in 01/25 of € 500 mn and new issuance in 08/25 of € 750 mn leads to increase of Green Bond volume to € 3.7 bn in Q3/25

# Sustainability Report 2024

## In accordance with CSRD as part of the Annual Report 2024

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### CSRD-compliant sustainability report

- In March 2025, pbb published its combined Sustainability Statement 2024 in accordance with the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD) as part of the Annual Report.
- By voluntarily complying with the ESRS standards, pbb reports even more extensively and transparently on sustainability matters.

### Content highlights

- pbb has developed a transition plan for climate change mitigation in its banking business.
- A decarbonization pathway for the REF portfolio was defined until 2050 with interim targets for 2027 and 2030.
- pbb has defined targets and measures to reduce Scope 1, 2 and 3 emissions in its own operations by the end of 2030.
- By 2027, pbb targets a female quota of 20% in the first three management levels and 30% on the Supervisory Board (as at 12/24: first level 20%, second level 17.6%, third level 12.7%). It also invests annually in the training and development of its employees, with an average of 45.6 hours per employee in 2024 (+16.5 hours per employee compared to the previous year).
- In 2024, as part of a cultural development program a corporate vision was created, the "Purpose" was defined and corporate values were developed.

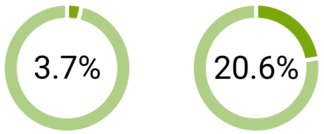
### Selected details

#### GHG-Emissions

3,703 t $CO_2e$
In own operations (location-based)

1,149,895 t $CO_2e$
Financed

#### Gender Pay Gap[1]




Adjusted[2] Unadjusted

1. For the German locations
2. Adjusted by factors that do not constitute gender discrimination, e.g. length of service or education

#### Composition of the workforce

818 Employees

37 Nations

#### Company values

Future-oriented. Reliable. Based on partnership

# ESG KPI Development & Steering

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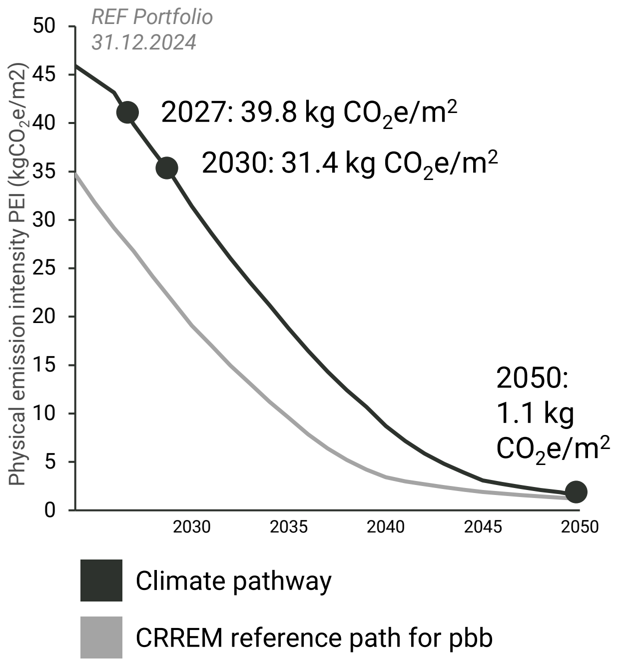
## The existing ESG KPI management concept was further developed to include GHG emissions & additional social KPIs.

pbb has set itself the goal of taking a quantitative approach to ESG and actively managing it. The ESG KPI management concept forms a holistic, binding framework.

- → The ESG KPI management concept defines target values for each KPI, allocates responsibilities and specifies steps along the management cycle.
- → At the same time, internal reporting based on these KPIs.
- → Key additions to the KPIs include the GHG emission intensity of the REF Portfolio and the gender pay gap, which has been added as an additional social KPI.

| Selected ESG KPI | Target value(s) | Q3/25 |
|---|---|---|
| GHG emission intensity REF portfolio | ≤ 39.8kg $CO_2e/m^2$ in 2027<br>≤ 31.4kg $CO_2e/m^2$ in 2030 | 43.43 kg $CO_2e/m^2$ |
| Portfolio share REF Green Loan Eligible assets | > 30% till 2026 + target path | 31.2% |
| Green Loan Eligible Assets in REF New Business | ≥ 32% till 2025 + target path | 37.6% |
| Transparency ratio pbb Green Score in REF | target value of 75% till 2024 | 85.5% |
| Time invested in employee training and development | ≥ 30 h p.a. from 2025 | 21.3 h |
| Share of women | ≥ 30% in Supervisory Board<br>≥ 20% in ML1 to ML3 from 2027 | SB: 50%; ML1: 20%; ML2: 18%; ML3: 15% |
| Scope 1 – 3 emissions | Scope 1: ≤ 190t $CO_2e$ till 2030<br>Scope 2: ≤ 5.3t $CO_2e$ till 2030<br>Scope 3: ≤ 400t $CO_2e$ till 2030 | Scope 1: 38t $CO_2e$<br>Scope 2: no data for Q3/25<br>Scope 3: 326t $CO_2e$ |

## Focus GHG emission intensity



# APPENDIX

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