

Sustainability and **Annual Report**

2024





UmweltBank: My money makes the world greener

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Letter from the Management Board

Dear Readers,

For UmweltBank the 2024 financial year was all about our new strategy and the further transformation of the company. We were already able to achieve significant success in the past financial year thanks to the quick and rigorous implementation of our corporate strategy. Our customer numbers grew overall in 2024 by around 17% or around 23,000 to almost 155,000 customers – the largest growth in the history of the company. We were able to increase our private customer deposits by approx. €1 billion in the same period. Moreover, our volume of new gross lending reached around €250 million. We are continuing to push forward the transformation of our UmweltBank at a rapid pace. The growth in our volume of business vindicates our strategy and demonstrates that the new direction taken by UmweltBank has been well received by customers.

Positive net result in the 2024 financial year

Important aspects for UmweltBank in the 2024 financial year were the still challenging environment and also the investment made as part of our ongoing transformation. The interest result increased in 2024 to €45.0 million, compared to €41.1 million in the previous year. The main reasons for this improvement were the higher deposit volume and the continued repositioning of the treasury portfolio during the course of the financial year, which enabled the Bank to reinvest and benefit from more attractive interest rates. The financial result of around €13 million was significantly higher than the previous-year figure. We pushed forward the planned divestiture of participating interests at pace in 2024. Overall, the Bank sold 12 participating interests during the past financial year, four in the real estate sector and eight in the renewable energies sector. Our aim is to divest the majority of the participating interests by 2026. Commission and net trading income fell to around €5.5 million (previous year: €9.1 million), which was due to lower commissions in the securities business.

Personnel expenses of €26.1 million remained at the same level as in the previous year (€25.6 million), which was mainly due to new appointments in areas relating to regulatory supervision. The Bank employed around 336 employees at the end of the year (based on full-time equivalents). Administrative expenses of €40.6 million were significantly higher than the previous year (€31.5 million), although they were impacted by one-off expenses as part of the transformation of the Bank. Earnings before taxes at UmweltBank AG

were €–8.5 million in the past financial year. Due to the planned reversal of contingency reserves for general banking risks, there was a positive net result of around €0.7 million.

More than 1.3 million tonnes of CO₂ avoided

We have been combining ecology and economy for more than 25 years. UmweltBank issued new environmental loans of around €250 million in the last financial year. The loan portfolio stood at €3.5 billion, of which around 60% is for renewable energy projects and around 40% for the financing of sustainable real estate. A flagship project in the past financial year was the Fuchstal Community Wind Farm, which was connected to the grid at the beginning of 2024. This project demonstrates how the energy transition and civic engagement can go hand in hand. More than 200 citizens invested in the wind farm, which can supply enough green electricity to power the equivalent of around 4,700 3-person households. It is a textbook example of how the energy system is being transformed at a local level. In total, UmweltBank helped avoid around 1,300,000 tonnes of CO₂ emissions in 2024. This is roughly equivalent to the annual CO₂ emissions of the inhabitants of a large town like Göttingen.

We are unlocking the full potential of our UmweltBank

We plan to unlock the full potential of UmweltBank over the next few years by rigorously implementing our new corporate strategy. We were already able to make significant progress with this transformation in the past financial year. The realignment of our organisational structures was completed according to plan and this will enable us to benefit from synergies and boost our efficiency to a much greater extent in the future. In addition, we also invested heavily in improving our regulatory position. We were able to attract a lot of highly qualified employees and managers to UmweltBank. The Bank also adjusted to its new core banking system during the past financial year and the process optimisations we introduced are having a noticeable impact.

We pushed forward at pace with the planned divestiture of participating interests and the optimisation of the treasury portfolio in 2024. UmweltBank has set itself the goal of divesting the majority of its participating interests by 2026. An additional cost efficiency programme has been launched with the aim of improving the Bank's profitability. UmweltBank is striving to achieve a maximum cost income ratio of 60% and a return on equity before tax of at least 12% by 2028.

We are continuing to place a strong focus on growing our business with private customers. In order to achieve this, we are rapidly expanding our private customer business and improving our efficiency, scalability and sales capabilities. We are doing this by developing an attractive range of sustainable investment products and – in response to the long-held wish of some customers – we launched a current account in the middle of 2025. This will have great potential for attracting new customers and will significantly expand our cross-selling opportunities – for example, through our planned investment advisory services. We also intend to use these services to make our product range in the securities business much more attractive. The Bank expects to have 500,000 customers by 2028 (2024: around 155,000).

In the lending business, we will focus on commercial customers with whom we can push forward the energy transition and construction of sustainable real estate. We aim to substantially expand our market shares in these areas over the coming years and move into new sectors such as the financing of battery energy storage systems. For more than 25 years we have been exclusively financing sustainable projects and are well established and very well connected on the market. Our customers benefit from this wealth of experience and they often use us to finance more than one project. New business continues to be limited by available equity. If our capital resources were to increase, we would be able to issue substantially more loans. By expanding our syndicated loan business, we want to make the lending volume more capital friendly in future. The Bank will gradually increase its annual volume of new lending to €650 million by 2028.

We also want to significantly increase our private and commercial customer business in future and will continue our efforts to acquire new customers. We will support this growth with innovations, new products and investment. In the medium term, our aim is to become Germany’s sustainable direct bank that positions itself on the market with a range of simple, digital and sustainable products and services.

A return to profitability and boosting profitability considerably in the future

Following the transformation in 2024, we want to become profitable again in the current financial year and boost our profitability considerably over the new few years. As a result of the numerous measures that we have already implemented, we are confident that we can achieve the envisaged cost reductions in the 2025 financial year and thus anticipate a clear decrease in administrative expenses. At the same time, we are expecting a considerable increase in the interest result. Overall, the Management Board anticipates earnings before taxes of between €5 million and €10 million. Our goal is to improve the

value of the company in the long term through the changes and measures we have implemented. This includes our desire to ensure that the shareholders are able to once again share in the company’s success by paying out a dividend for the 2025 financial year.

We have ambitious targets for the period up to 2028. The measurable successes of the past year have shown us, however, that we are on the right path. Therefore, we will continue to rigorously pursue the strategic path we have embarked upon in order to unlock the full potential of UmweltBank – together with you our loyal shareholders, faithful customers and motivated workforce. At this point, we would like to take the opportunity to offer special thanks to the latter for their tireless and passionate commitment.

The framework conditions for UmweltBank are promising and they should create huge opportunities for us for a long period of time. We will exploit these opportunities! Thank you for your trust and loyalty. Continue to accompany UmweltBank and join us in shaping a world worth living in for us and future generations.

Your UmweltBank Management Board



Member of the
Management Board



Spokesperson of the
Management Board



Member of the
Management Board



Dietmar von Blücher

Spokesperson of the Management Board
(since 15 January 2024)

Management Board remit:

- Analysis & Management Loan Portfolio
- Information Technology & Project Management
- Customer Management
- Organisational Management
- Personnel
- Private Customer Business
- Corporate Development
- Management Board Support Office

Heike Schmitz

Member of the Management Board

Management Board remit:

- Controlling & Analytics
- Internal Audit
- Accounting, Taxes & Operations
- Legal & Compliance
- Risk Management & Controlling

Goran Bašić

Member of the Management Board

Management Board remit:

- Own Investments and Sustainability
- Financing Renewable Energies
- Financing Real Estate

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UmweltBank:
**My money
makes
the world
greener**

1.1 About UmweltBank

As a pioneer in the area of green money, UmweltBank has been successfully combining economy and ecology since 1997. The green bank and its around 375 employees take care of around 155,000 private and commercial customers throughout Germany. UmweltBank’s core competence is the financing of projects in the field of renewable energies as well as ecological and social construction projects. It also offers sustainable savings accounts and securities. With its consistent focus on sustainability, UmweltBank contributes to its vision of creating a world worth living in for future generations.

Vision

Together we are creating a world worth living in for ourselves and future generations.

Mission

We make money green.

We combine **economy and ecology** by offering our customers **attractive investments** and exclusively financing **sustainable projects**.

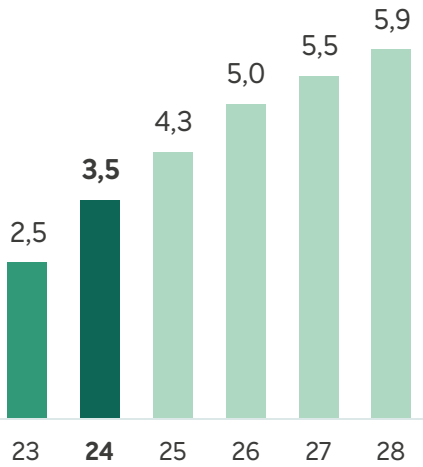
Corporate data as of 31 December 2024

Company	UmweltBank
Legal form	Stock corporation (Aktiengesellschaft)
Headquarters	Nuremberg, Germany
Foundation	1997
Supervisory Board	Susanne Horn Dr Michael Kemmer, Chairperson Finja Carolin Kütz Heinrich Klotz Georg Schürmann Silke Stremlau
Environmental Advisory Board	Prof. Dr Harald J. Bolsinger, Chairperson Dr Meike Gebhard Stefan Klinkenberg Claudia Müller Heribert Sterr-Kölln
Management Board	Goran Bašić, Member of the Management Board Dietmar von Blücher, Spokesperson of the Management Board (since 15.01.2024) Heike Schmitz, Member of the Management Board
Employees	376
Customers	Approx. 155,000
Office locations	Emilienstraße 3, Nuremberg / Laufertorgraben 4, Nuremberg / Laufertorgraben 6, Nuremberg / Laufertorgraben 8, Nuremberg / Nunnenbeckstraße 6–8, Nuremberg
Total assets	€6.2 billion

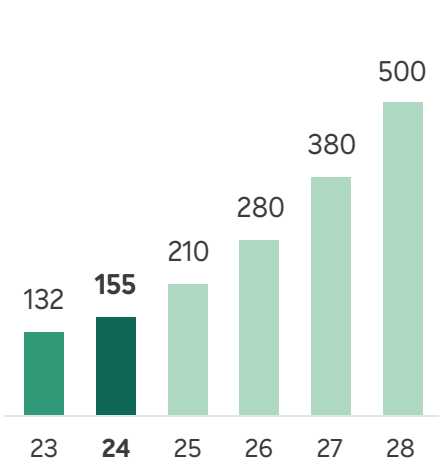
Private customer business

Success requires growth: UmweltBank is following an ambitious growth path that will have high scaling effects in its private customer business.

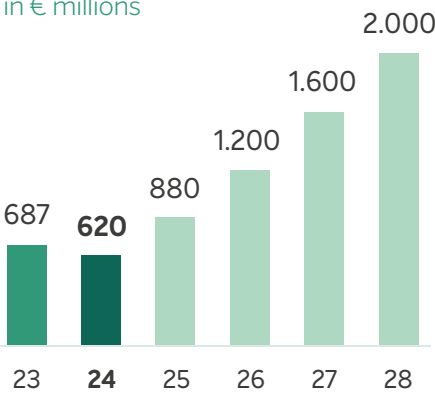
Private customer deposits
in € billions



Number of customers
in thousands



Volume of customer securities ac-
counts
in € millions

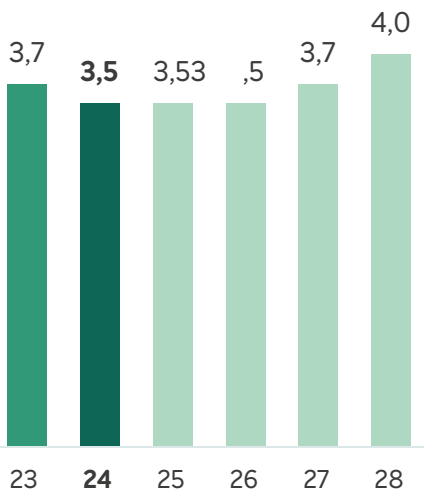


Alongside attractive savings products, the Bank believes that its current account will be a strong driver of customer deposits in future. UmweltBank anticipates a much sharper increase in the number of customers from 2025 onwards, supported in particular by the current account. The investment fund business should benefit significantly from the planned provision of investment advisory services to customers in subsequent years.

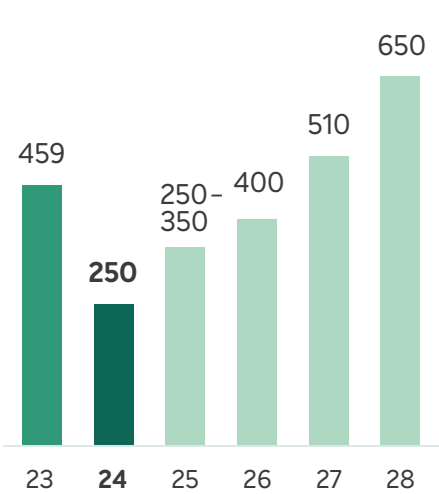
Commercial customer business

To use its equity optimally, the Bank currently works on the basis of a volume of lending that is temporarily stable but the Bank will steadily increase the new lending business up to 2028.

Lending volume
in € billions



Gross new lending business
in € millions



We will implement a comprehensive set of measures to ensure our commercial customer business is fit for the future.

UmweltBank plans to start financing battery storage systems and this will strengthen its role in financing the ecological transformation in Germany.

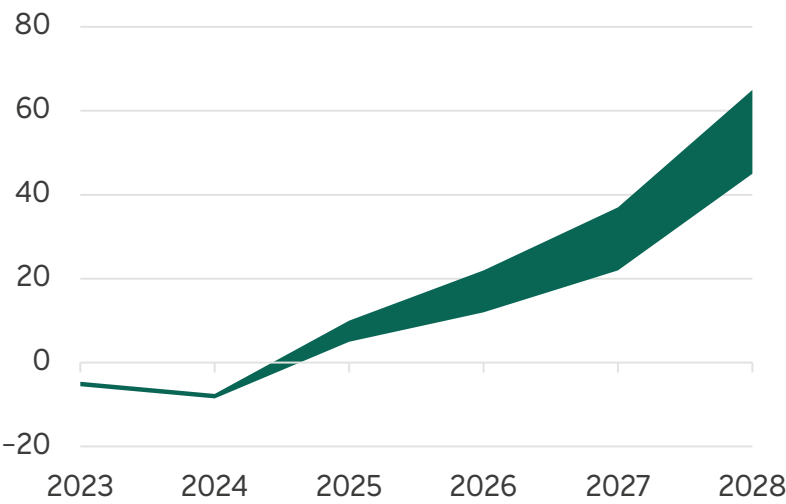
By expanding its syndicated loan business, the Bank will finance sustainable projects with better risk-weighted assets.

UmweltBank wants to make its commercial customer business more profitable by expanding its bond issuance business and placing a greater focus on its deposit-taking business.

UmweltBank aims to become profitable again in 2025 and boost its profitability considerably over the next few years.

Earnings before taxes and provisions

in € millions



Following the transformation in 2024, the Bank wants to become profitable again in 2025 and boost its profitability considerably over the new few years. This will be supported by, in particular, a significant increase in customer deposits and expanding the range of products offered to private customers – including a current account and a more diverse range of securities. UmweltBank plans new lending business of €650 million annually in its commercial customer business and anticipates growing volumes in the deposit-taking business. Last but not least, earnings will also be positively impacted by improved interest rate positioning within the treasury.

UmweltBank remains on track for growth: The path we have taken should improve the company’s profitability significantly by 2028.

€650 million
Gross
volume of new lending

500,000
customers

€5.9
billion
Private customer
deposits



Target 2028

≥ 12 %
Return on equity
(before taxes)

≤ 60 %
Cost income ratio

The UmweltHaus

The new headquarters of UmweltBank, the UmweltHaus, are being constructed on Nuremberg's Nordwestring as part of the UmweltQuartier city district that is currently at the planning stage. Following a Europe-wide architectural competition, UmweltBank selected the winning design from the architectural office Spengler Wiescholek in Hamburg for the realisation of this new building. Alongside the headquarters of UmweltBank and office space for rent, the UmweltHaus will also be home to an organic food store run by the regional company ebl-naturkost GmbH & Co. KG with a café on the ground floor.

The UmweltHaus project is due to be completed in summer 2026 when it will be ready for the employees of UmweltBank to move in. "We want to create an open, flexible and networked working world that offers our employees room to develop and that also combines the aspects of ecology and economy", says Member of the Management Board at UmweltBank Goran Bašić. "Our energy-saving and resource-conserving building design represents the values that epitomise UmweltBank". In order to satisfy the Bank's especially high sustainability standards, the green bank is building its headquarters in the form of a hybrid wooden building with 13 full storeys. Ecological aspects – such as the use of renewable raw materials and renewable energy sources – play a key role in the construction of the new headquarters. UmweltBank is developing the property (as one of the first non-residential buildings) to meet the "KfW Efficiency House 40 NH" standard and is striving for Platinum certification by the German Sustainable Building Council (DGNB). The DGNB already presented the pre-certificate to UmweltBank in February 2024 as part of the topping out ceremony.

In June 2025, the UmweltHaus was honoured with a Special Innovation Award within the IHK Real Estate Awards by the Chamber of Industry and Commerce Nuremberg for the Middle Franconia region. The jury was particularly impressed by, among other things, the innovative and sophisticated energy concept and the efforts the Bank had taken to promote biodiversity on the site. The UmweltHaus stood out from the numerous other applicants as a flagship project thanks to its groundbreaking overall concept. According to the decision published by the members of the jury, the project represents "an important step towards sustainable urban transformation and will act as a role model for future generations of office and district development projects".

Further information on the project can be found here: umwelthaus-nuernberg.de



1.2 **Private customer business**

UmweltBank offers its customers a wide range of sustainable financing products – from a green current account and ecological savings products through to sustainable securities. The Bank builds honest and fair relationships in dialogue with its customers. The focus is on the customer who we look after according to their individual needs.

UmweltBank is convinced that money can improve the world – when it is channelled in the right direction. Therefore, UmweltBank has defined wide-ranging positive and exclusion criteria for its business segments and aligns its sustainable targets to those of the United Nations’ Sustainable Development Goals (SDGs).

Current account – UmweltGiro

Sustainable, fair, digital – UmweltBank’s green current account combines personal advice with digital convenience. Available since June 2025.

Call deposit account – UmweltFlexkonto

UmweltBank’s free call deposit account combines flexible investment with fair interest rates and a sustainable impact.

Term deposit account – UmweltFestzins

UmweltBank’s free term deposit products have a term of 6 months to 10 years and offer fixed interest rates for the entire term.

Depot – UmweltDepot

Investors can use the free UmweltDepot to invest in the UmweltBank share as well as selected funds and bonds that comply with the strict sustainability guidelines at UmweltBank. The securities are evaluated according to their rating from the FNG (Forum Nachhaltige Geldanlagen e.V.).

Funds – UmweltBank Funds*

UmweltBank offers three of its own sustainable active funds and an ETF. All of the UmweltBank funds qualify as so-called Article 9 products. This means that the funds fulfil the requirements placed on sustainable investments in the Sustainable Finance Disclosure Regulation (No. 2019/2088).

UmweltBank fund – Sustainable Europe*

The shape-the-future fund: The “UmweltBank fund – Sustainable Europe” is the first fund based on UmweltBank’s strict sustainability approach. Investment from this fund currently focusses on European companies that stand out due to their high ecological and social standards.

UmweltBank fund – Green Future A*

The protect-the-environment fund: The “UmweltBank fund – Green Future A” focuses on preserving the environment. Investment from this fund focusses on global assets that promote the United Nations Sustainable Development Goals (SDGs), especially the three goals of climate protection, clean energy and conservation of resources.

UmweltBank fund – Social Future A*

The strengthen-the-community fund: The “UmweltBank fund – Social Future A” puts people first: Investment from this fund focusses on global assets that promote the United Nations Sustainable Development Goals (SDGs), especially the goals of health and well-being, education, peace, justice, strong institutions and the battle to end poverty.

UmweltBank fund – UmweltBank UCITS-ETF Global SDG Focus*

The UmweltBank ETF is the first passive fund that complies with UmweltBank’s strict sustainability approach. The ETF is based on an index that measures the performance of all global shares that fulfil UmweltBank’s sustainability criteria.

Funds – Sustainable funds from third parties*

Alongside UmweltBank’s own funds, UmweltBank also offers a handpicked selection of sustainable equity, mixed and bond funds from third parties.

* Risks, notes and further product information on page 202

Fund saving plans – Savings plans for UmweltBank funds*

UmweltBank offers savings plans for all of the UmweltBank funds and the UmweltBank ETF. Investors can thus build long-term assets through regular instalments, starting from as little as €50 per month or €10 per month for the ETF.

Bonds*

Alongside the Bank’s own bonds and profit participation rights, UmweltBank also offers a selection of sustainable corporate bonds from partner companies and subsidiaries. Investors can support ecological and social projects with this form of investment.

UmweltBank share*

Investors can directly invest in the only sustainable, listed bank in Germany by purchasing the UmweltBank share.

Further information on the UmweltBank share can be found in section 1.5 on page 30.

* Risks, notes and further product information on page 202



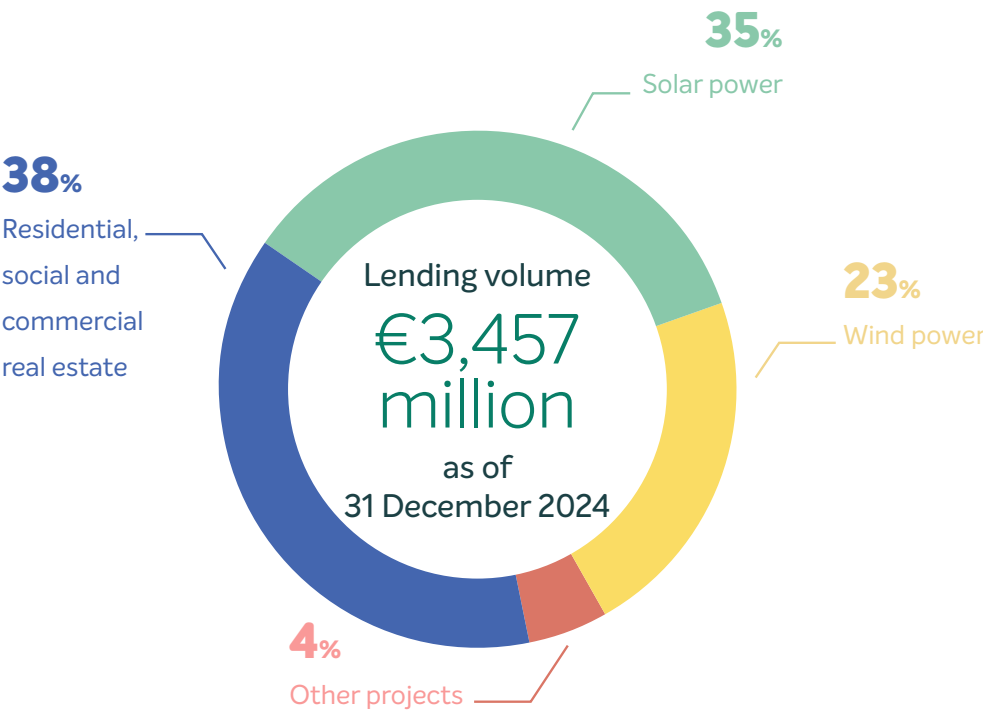
1.3 Commercial customer business

Since it was founded, the UmweltBank has exclusively financed sustainable projects – with an emphasis on renewable energies and ecological and social real estate, generally focusing on large-volume projects carried out by commercial customers. These customers can rely on a personal level of support, more than 25 years of experience and partnerships built to last.

Loans are only issued based on strict positive and exclusion criteria, which are defined in the Bank’s publicly accessible financing principles. The Bank finances projects that lead to a sustainable improvement in current living conditions – in line with the 17 sustainable development goals (SDGs). A whole series of financing sectors are also categorically excluded, such as the armaments industry or electricity generation using coal. The UmweltBank finances sustainable projects in order to push forward the energy transition and promote the construction of sustainable real estate – fully in line with its vision of creating a world worth living in for future generations.

Structure of the lending business by industry and volume.

Lending (including open commitments), volume in % as of 31.12.2024.



Financing energy and infrastructure projects

UmweltBank has been financing renewable energy projects since 1997 and is a main player in pushing forward the energy transition. In 2025, the Bank intends to start financing battery storage systems.

Key area of financing:

Photovoltaics

- Rooftop photovoltaic power plants on the basis of the EEG auctions run by the Federal Network Agency
- Open field photovoltaic power plants on the basis of the EEG auctions run by the Federal Network Agency
- PV systems without EEG funding on the basis of power purchase agreements (PPA)

Wind power

- Onshore – from single turbines to large wind farms
- Community wind farms
- Repowering projects
- Acquisition of existing wind farms that have residual EEG funding



Community Wind Farm in the Fuchstal Community Forest
A collaborative energy transition in the hands of the people

Facts about the Community Wind Farm in the Fuchstal Community Forest

- **16,000 t** CO₂e saved
- **4,700** 3-person households supplied
- **23,500,000 kWh** generated per year

The Community Wind Farm in the Fuchstal Community Forest in Bavaria was successfully connected to the grid at the beginning of 2024. The construction of three powerful wind turbines at the site and the involvement of local citizens in financing the project has meant that the wind farm has not only strengthened community spirit in the area but also marks another important step on the path towards energy autonomy for Fuchstal.

Wind power is not, however, something that can be taken for granted. Getting the project started was made very difficult by the strict 10 H rule in Bavaria. Wind turbines have also been criticised by some residents who believe that they change the landscape due to their visual impact and view them as an eyesore.

However, it was nevertheless possible to successfully realise this project thanks to strong regional investment, the involvement of citizens in the project, innovative technology to protect birds and a reliable financing partner in the form of UmweltBank. The Community Wind Farm is now an inspiring and highly appealing example for other communities.



Dippoldiswalde Solar Park in Sachsen

UmweltBank is pushing forward the energy transition by financing sustainable photovoltaic projects like this one.

Facts about the Dippoldiswalde Solar Park

- **20,700 t** of CO₂e saved
- **10,100** 3-person households supplied
- **44,300,000 kWh** generated per year

The solar park in the village of Dippoldiswalde in the district of Saxon Switzerland – Eastern Ore Mountains covers an area of around 19 hectares.

A comprehensive range of measures were taken during the planning and construction stages to regenerate the project site, which had previously been used intensively for farming. The land that was to remain undeveloped and the land beneath the solar panels was turned into pastures, while flower borders and hedges incorporating regional shrubs were planted at the edges of the site.

After a construction period of approximately six months, the solar park and its own substation were placed into operation in February 2025.

Financing of commercial real estate

In the real estate financing sector, UmweltBank is now exclusively concentrating on commercial borrowers since the beginning of 2024. These companies include listed German companies (AGs), limited companies (GmbHs) and also cooperatives. A common feature of most of UmweltBank's commercial real estate customers is that their main focus is not on maximising profit. Instead, they also believe it is important to deliver social benefits – such as the development of social housing or creating care places for children, senior citizens or disabled people. UmweltBank is Germany's leading bank for the financing of sustainable and social rental and commercial real estate.

New housing concepts are required, especially in times of skyrocketing rents. Projects developed by cooperatives or apartment building consortia are completed at cost price. The members of the cooperative receive their apartment for a cost-based rent that is usually cheaper than the market rate and also have a right to live in the apartment for the rest of their lives. The future residents are able to play an active role in the planning of the project. These types of residential projects also generally include some subsidised housing and thus make a contribution to affordable living. Other main areas of the Bank's commercial real estate financing are student residence projects and investor projects. UmweltBank has also financed social projects such as daycare centres and schools – which are predominantly privately owned – as well as nursing facilities and assisted living projects. The range of financed projects is rounded off by sustainable office real estate.





Katzenstahl Augsburg

A collaborative solution for inexpensive housing.

UmweltBank is supporting the development of long-term affordable housing by financing collaborative rented housing projects like this one.

- 4 residential units with **350 m²** of residential space
- Renovation in accordance with the **KfW Efficiency House 85** standard
- Total costs: **€1,040,000**

“Self-organized living – solidarity-based economy!”. This is the motto the Mietshäuser Syndikat uses to initiate and advise on alternative housing projects across Germany. It also invests in them. The syndicate ensures that the housing projects are sustainable in the long term without restricting the autonomy of each one.

Katzenstahl is one of more than 130 initiatives that are part of this solidarity network. Together, the 12 residents purchased and renovated the property in Augsburg that consists of front and rear buildings. The rent they are paying will in turn gradually pay off the loan for the project. The apartment building belongs to a specially founded limited liability company, whose shareholders comprise the association “Unser Haus” and the Mietshäuser Syndicate. This guarantees secure and affordable housing in the long term.

Collegium Academicum in Baden-Württemberg

UmweltBank supports the development of sustainable and affordable housing for students by financing student residence projects like this one.

- A new four-storey wooden building with **176 rooms** spread across **46 shared apartments**, with a large assembly hall, multifunctional room and workshop
- New construction in accordance with the **KfW Efficiency House 40 Plus** standard

A new, self-managed student residence hall has been built in Heidelberg. The Collegium Academicum was built on the site of a former US hospital and will provide affordable housing for 176 young people. On four floors, there are a total of 46 shared apartments, a large assembly hall, a multifunctional room with kitchen and a workshop. The student residence will serve as a cultural centre and offers spaces for creative ideas, individuality, community and lively exchange. The innovative wooden new build fulfils the KfW 40 Plus standard and was funded by the Federal Ministry of the Interior and the Zukunft Bau research initiative.



1.5 Germany’s **green bank share**

The UmweltBank share is the only sustainable bank share listed on the stock exchange in Germany. Due to the strategic focus on renewable energies and ecological housing, an investment in the green bank is also an investment in future trends. Around 85% of the shares are in free float and can be traded on XETRA, Tradegate and other stock exchanges.

Key data of the UmweltBank share as of 31 December 2024

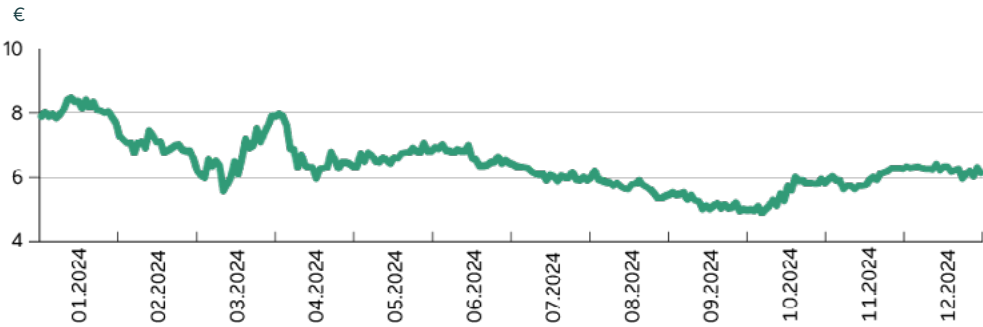
XETRA year-end price	€6.22
Market capitalisation	€224 million
WKN / ISIN / RIC	557 080 / DE0005570808 / UBK
Home exchange	Munich Stock Exchange, m:access segment for medium-sized businesses
Other trading venues	Xetra, Frankfurt, other regional exchanges
Number of shares	36,116,946 bearer shares
Share capital	€36,116,946.00

The UmweltBank share was placed in a pre-IPO issue in 1995 and 1996. The purchase price of a share at that time was (converted) €1.02. In June 2001, the UmweltBank share celebrated its début on the Regulated Unofficial Market of the Frankfurt Stock Exchange. Since 1 September 2016, the green security has been listed in the m:access segment of the Munich Stock Exchange.

Dividend policy

In the 2024 financial year, UmweltBank generated earnings before taxes of €-8.5 million. In light of the profitability of the company, the Bank does not intend to pay out a dividend for the 2024 financial year. Following a year of transformation in 2024, UmweltBank aims to become profitable again in 2025 and boost its profitability considerably over the next few years. Depending on business performance, the Bank aims to resume paying dividends and is striving to start with a small dividend for the 2025 financial year.

Price development of the UmweltBank share in 2024

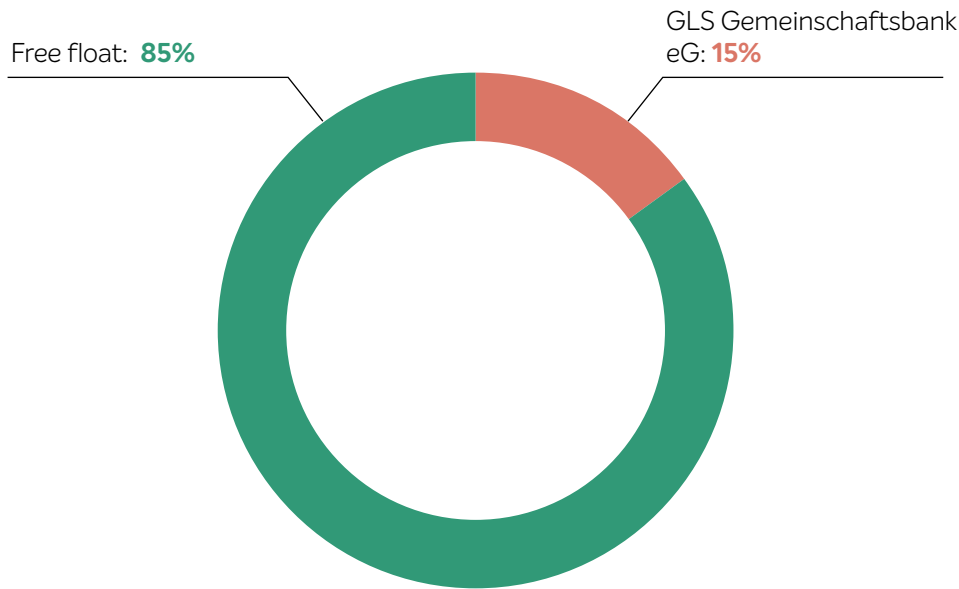


Good reasons to invest in UmweltBank AG

- **Strong brand for sustainable banking**
UmweltBank benefits from the societal trend towards sustainability and combines economy with ecology.
- **Experts for the green transformation**
Thousands of financed renewable energy projects and sustainable construction projects based on customer relationships as partnerships.
- **A focussed growth strategy**
Strong growth already achieved in our transformation year. New, impressive range of products such as a current account and card will help to boost growth.
- **Scalable business model**
New core banking system now enables state-of-the-art banking and provides the prerequisites for quick product launches and efficient processes.
- **Experienced management team**
A management team with members who each have around 30 years of experience in the finance sector and top management positions.

Shareholder structure

UmweltBank is an independent, publicly owned company. Around 85% of the shares are in free float, mainly held by customers and employees, but also by institutional investors. The only major shareholder is GLS Gemeinschaftsbank eG with a share of around 15%.



Employees become shareholders

From time to time, UmweltBank offers employee shares to motivate and retain employees and to foster a (co-)entrepreneurial mindset. Employees can thus purchase shares at highly discounted terms.

Excellent sustainable investment

UmweltBank has had the “Prime” rating in the ISS-ESG sustainability rating for many years. The rating agency gives UmweltBank an overall rating of B- on a scale from A+ to D+. This makes it one of the forerunners in the ‘Financials/Specialised Finance’ sector.



Opinions of analysts

UmweltBank is currently analysed by the three research houses Montega AG, GBC AG and Baader Europe, who regularly publish studies on UmweltBank. The current analyst recommendations are available online at: www.umweltbank.de/analysten



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1.6 Responsible **Corporate governance**

Sustainability policy

UmweltBank – the name says it all: the Bank is fully focused on environmental protection and sustainability. This commitment is fully anchored in the Bank’s sustainability policy, which is based around the preamble to the Bank’s statutes:

“UmweltBank promotes the sustainable development of society with the objective of maintaining and creating a liveable world for future generations. The Bank models its business operations on the United Nations Sustainable Development Goals. In particular, it makes contributions to the implementation of sustainable towns and communities, to affordable and clean energy and to climate protection. At the same time it pays attention to sustainable production and consumption as well as gender equality. Honesty, transparency and people orientation are values that guide the bank’s actions. A stable economic foundation is the prerequisite for successful work.”

The mission of UmweltBank is to contribute to the protection of the environment in every respect through its business activities, while also taking social aspects into account. This results in the following specific tasks:

- 1. UmweltBank invests its equity and deposits exclusively in sustainable, i.e. ecologically and/or socially beneficial, projects. UmweltBank considers itself a private development bank.
- 2. All third-party products offered to customers (securities, insurance, etc.) must be ecologically and/or socially oriented.
- 3. The Bank’s business operations must always be respectful of gender equality and sustainability in purchasing.
- 4. In the economy and society the Bank acts within its means to promote ecological change, particularly in the financial sector.

To implement the sustainability policy in practice, UmweltBank uses a sustainability management system in accordance with the Eco-Management and Audit Scheme (EMAS). This consists of an annual cycle of planning, implementation, internal audit and management review of the Bank’s environmental performance and objectives. The process is also (re)validated annually by an independent environmental auditor, which is subject to government monitoring.

The detailed positive and exclusion criteria are defined in “Our Principles for Investment Products and Financing”.

Positive and exclusion criteria

The core task of UmweltBank is to finance and promote sustainability projects. The Management Board and the Environmental Advisory Board have established investment and financial principles for assessing which projects the Bank supports. Positive and exclusion criteria serve as a basis:

Positive criteria

UmweltBank exclusively finances projects or invests in companies that contribute to one or more of the United Nations’ Sustainable Development Goals.



Exclusion criteria

The following principle applies to UmweltBank’s exclusion criteria:

UmweltBank does not finance projects or invest in companies that:

- adversely affect the well-being of people and/or
- adversely affect nature conservation and/or
- are not sufficiently transparent with respect to their business practices.

Practised sustainability

The ecological footprint of business operations is to be continuously reduced within the framework of the sustainability management system according to EMAS. UmweltBank also strives for continuous improvement with regard to social aspects.

Compliance with applicable laws and regulations – not only those in the areas of ecology, economy and social affairs – is a matter of course for the employees and bodies of UmweltBank.

Precautionary approach

UmweltBank is mindful of the precautionary approach to environment and development introduced by the United Nations in Principle 15 of the Rio Declaration. It states: “In order to protect the environment, the precautionary approach shall be widely applied by the states according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental damage”.

Anchoring the Sustainable Development Goals in the Articles of Association, clear positive and exclusion criteria, and the UmweltRating when lending enable UmweltBank to assume a high degree of ecological and social responsibility within the scope of its business activities. The Bank therefore considers the risk of contributing to irreversible environmental damage in the course of its business activities to be very low.

Compliance and data protection

Compliance function

UmweltBank has a Compliance function that is intended to mitigate the risks that may arise from non-compliance with statutory regulations and requirements. The Compliance function shall work towards the implementation of effective procedures for compliance with the legal regulations and requirements essential for the institution as well as towards corresponding controls. Furthermore, the Compliance function shall support and advise the management with regard to compliance with these legal regulations and requirements. The securities compliance function monitors, in particular, compliance with legal regulations applicable to securities. The money laundering prevention function is responsible for the prevention and detection of money laundering and other criminal offences. Employees receive training on these topics at various intervals.

Information security management

The Information Security Officer (ISB) is responsible for the running and continuous improvement of the information security management system (ISMS) in accordance with legal, regulatory and self-imposed obligations. Within this information security management system, UmweltBank obligates relevant service providers to comply with appropriate information security standards. It uses information security reports and certificates, as well as analyses from competent sources, to audit whether this is the case. If it is necessary to protect information beyond a direct service provider, such service providers are obligated to pass on the information security requirements to any subcontractors. The information security systems at these subcontractors may also be audited if relevant.

Complaint management

Complaint management is a central component of customer management at UmweltBank and helps to strengthen customer confidence and facilitate continuous improvements. If a complaint cannot be fully resolved, the parties concerned will receive a detailed explanation or justification and information on alternative ways of pursuing their claims. In particular, the complainant will be informed where relevant that UmweltBank is obliged to participate in non-judicial mediation and how this can be availed.

The efficiency and functionality of UmweltBank’s entire complaint management process is regularly evaluated through internal and external audits so that the process can be continuously improved and optimised. The insights gained when handling the complaints are taken into account when optimising other work processes at UmweltBank and are integrated into reports prepared for the Management Board and Supervisory Board.

Fines

In 2024, no fines were levied against UmweltBank due to non-compliance with legislation in social and economic areas. On 26 February 2024, the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin) appointed a special representative to oversee UmweltBank.

After the end of the reporting period, the Federal Financial Supervisory Authority imposed a fine of €520,000 on UmweltBank AG on 3 April 2025 for contravening organisational obligations under the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

Compliance with environmental legislation

UmweltBank complies with all applicable environmental laws. In addition, the Bank observes voluntary commitments and industry standards from the area of sustainability and environmental policy. UmweltBank is subject to sector-specific banking and capital market regulations such as from the German Banking Act (Kreditwesengesetz – KWG) and the Securities Trading Act (Wertpapierhandelsgesetz – WpHG). Compliance with the general duties of good conduct is monitored by the compliance organisation, which reports directly to the Management Board. The relevant environmental laws are recorded by the Own Investments and Sustainability department in collaboration with the Legal and Compliance department and regularly checked to ensure they are up to date. In the event of deviations or changes in the law, any necessary measures are initiated after consultation with the Management Board. No violations of environmental legislation were identified in 2024.

Human rights

UmweltBank complies with internationally recognised human rights. The Bank has published clear principles for the issuing of loans, investment products and its own investments. It defines binding positive and exclusion criteria, whereby human rights violations are a clear criterion for exclusion. No business transactions are approved if an exclusion criterion applies. No business activities in violation of human rights were identified for 2024. There are no known cases of child labour or forced labour.

When sourcing products and services, UmweltBank places a special focus on ethically sound suppliers and service providers. They are continuously evaluated with the aid of a regular screening process. With its sole registered office in Nuremberg and preferential collaboration with local suppliers and service providers, UmweltBank minimises the risk of human rights violations in the sourcing of its products and services.

Corporate responsibility

UmweltBank supports various charitable projects through donations or sponsorships. The Bank is also active in various networks and associations.

Viva con Agua and UmweltBank – working together for clean water



UmweltBank has been regularly donating to the Viva con Agua de Sankt Pauli association in its own name and on behalf of its customers for many years. In keeping with the motto “Water for all – all for water”, Viva con Agua supports water projects worldwide and has the vision that all people must have access to clean drinking water, hygiene facilities and basic sanitation. Since it was founded in 2006, this small association based in Hamburg has established an international network to turn this vision into reality. Through its long-standing partnership with Viva con Agua, UmweltBank has supported the association’s aims with cash donations collected through various customer campaigns.

UmweltBank’s Christmas donations 2024 – donations to ecological and social projects in the Middle Franconia region

As in previous years, the employees of UmweltBank once again had the opportunity in 2024 to decide on the recipients of the green bank’s Christmas donations. They were able to choose from six regional projects dedicated to either a social or ecological cause. “Auhof Rummelsberg” and “Igelhilfe Wilhelmsdorfer Stachelritter” received the most votes. Both of these organisations received a donation of €2,500 from UmweltBank to support their valuable work.



Social project: Rummelsberger Dienste für Menschen mit Behinderung gGmbH

Auhof – Live, Learn, Work

The Auhof in Hilpoltstein is a facility run by the Rummelsberger Diakonie (Rummelsberger Diaconal Service) for children, young people and adults with a mental or psychological disability. It supports the everyday lives of these people by providing them with school preparation services, curative educational day care centres or other facilities. The project also enables them to work in production workshops or other workshops and to live at the Auhof or in shared accommodation associated with it. The aim of the project is to enable these children, young people and adults to live independent lives – as far as possible – according to their own wishes. The donation will be used for a therapeutic relaxation and exercise room for the day care centre.



Ecological project: Igelhilfe Wilhelmsdorfer Stachelritter e. V.

Helping the Animal of the Year 2024

The Stachelritter association has set itself the task of helping sick, injured or malnourished hedgehogs so that they can be returned to the wild in a healthy condition. In addition, the association educates people on the plight of hedgehogs by holding talks at schools, nursery schools or events. The donation will help the association cover the cost of providing medical treatment and for feeding and caring for the increasing number of hedgehog patients. It will also help to pay for food, vets, medicines, electricity and other supplies. The hedgehog has recently been added to the “Red list of endangered species” for the first time.

Membership in associations and initiatives

Through its numerous memberships, UmweltBank supports in particular those interest groups and associations that advocate for preserving the environment and an ecological way of life. From industry-specific associations such as the Bundesverband WindEnergie e.V. (BWE) or the Forum Nachhaltige Geldanlagen (FNG) to regional initiatives such as the Solarmobil-Verein Erlangen e.V., UmweltBank is involved in more than 20 organisations. As a matter of principle, UmweltBank does not donate to political parties, politicians or governments.

Association/Organisation/Initiative
B.A.U.M. e. V.
BLUEPINGU e. V.
Bundesverband Baugemeinschaften e. V.
Bundesverband Erneuerbare Energien e. V. (BEE)
Bundesverband Solarwirtschaft e.V. (BSW)
Bundesverband WindEnergie e. V. (BWE)
BUND – Bund für Umwelt und Naturschutz Deutschland e.V.
Bund Naturschutz in Bayern e. V.
Deutsche Gesellschaft für Nachhaltiges Bauen-DGNB e. V.
Deutsche Gesellschaft für Personalführung e. V.
Deutscher Kitaverband
DIRK – Deutscher Investor Relations Verband e. V.
Fair Company
Fonds für Klimaschutz und nachhaltige Entwicklung der Metropolregion Nürnberg e. V.
Forum Nachhaltige Geldanlagen e. V.
FORUM Gemeinschaftliches Wohnen e. V.
Global Alliance for Banking on Values (GABV)
Green and Sustainable Finance Cluster Germany e.V.
Netzwerk Immobilien e. V.
NABU – Naturschutzbund Deutschland e. V.
Solarmobil-Verein Erlangen
Verband für Nachhaltigkeits- und Umweltmanagement e. V.
Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V. (VfU)
Viva con Agua de Sankt Pauli e. V.
Wirtschaft für die Europäische Metropolregion Nürnberg e. V.



PROUD MEMBER

Global Alliance for Banking on Values

The Global Alliance for Banking on Values (GABV) is a network of leading sustainability banks from around the world. The aim of the organisation is to make the banking system more transparent and sustainable. The members focus on supporting social, ecological and cultural projects.

The GABV was founded in 2009 and consists of a growing network of currently 70 financial institutions and 16 strategic partners operating on every populated continent. In total, they serve around 50 million customers, manage assets of over US\$265 billion and employ more than 145,000 people.

UmweltBank is among like-minded organisations in the GABV. The common work is characterised by the motto “be green, promote green”. There are also a small number of sustainably oriented banks in Germany; nevertheless, this approach is the exception rather than the rule in the financial sector. That’s why it is all the more important for sustainability banks from all over the world to join forces in a global network like the GABV. Through their combined efforts, they are helping to ensure that sustainable business models and their financing become the norm in the future.

1.7 Dialogue with **stakeholders**

Do good and talk about it – UmweltBank seeks open dialogue with the interest groups that are directly or indirectly affected by its activities, the stakeholders.

A trusting and collaborative exchange with customers, employees, investors and the public, enables requirements and expectations to be individually defined and an understanding of the concerns of the individual subgroups can be developed. Furthermore, the stakeholder dialogue provides the Bank with important ideas for the sustainable alignment of its business activities.

UmweltBank employees regularly exchange views in person with the relevant stakeholders, for example in meetings or at events such as conferences or forums. In addition, the Bank continuously informs its stakeholders through publications such as press releases and the Sustainability and Annual Report. The Bank also uses digital platforms such as the corporate website, the magazine Bank & Environment and social media.

As a direct bank, one focus of the dialogue is on communication with customers. With respect to telephone support, the Bank places particular emphasis on direct channels with short response times. Employees get suggestions, praise and criticism in personal discussions. These comments are continuously collected, evaluated and used as an opportunity to check internal and external processes for improvements.

UmweltBank interacts with a wide range of stakeholders. The Bank considers representatives of organisations or the public that are influenced by the business activity or that can influence the UmweltBank through their activities to be important stakeholders. These stakeholders and their issues are regularly reviewed and prioritised by the Bank for relevance.

1.8 Analysis of the main sustainability aspects

Transparency and honesty are fundamental principles of UmweltBank and of essential importance in dealing with stakeholders. It is important to set the right thematic priorities in regular reporting and in dialogue with the stakeholders. It is therefore important to find out which issues are of particular importance to stakeholders and in which areas the Bank has the greatest impact on its environment. In its assessment in accordance with the Global Reporting Initiative (GRI), the Bank draws on the results of the materiality process.

The current materiality analysis was performed during the period October 2020 to March 2021 in collaboration with an external partner. The core of the analysis was a survey with internal and external stakeholders, accompanied by various interviews with experts.

Analysis preparation: To ensure a holistic view of relevant sustainability issues, industry guides, trade publications from the field of sustainable finance and the sustainability reports of seven different banks were evaluated. In addition, material aspects from previous UmweltBank sustainability reports, a selection of targets from the Sustainable Development Goals (SDGs) as well as information from the current CO₂ balance were included. The result of this preparation work was 20 sustainability topics covering the three dimensions of economic, social and ecological sustainability. These are the topics where UmweltBank has a high impact on the environment and society and/or where topics related to the environment and society have a particular impact on the business model.

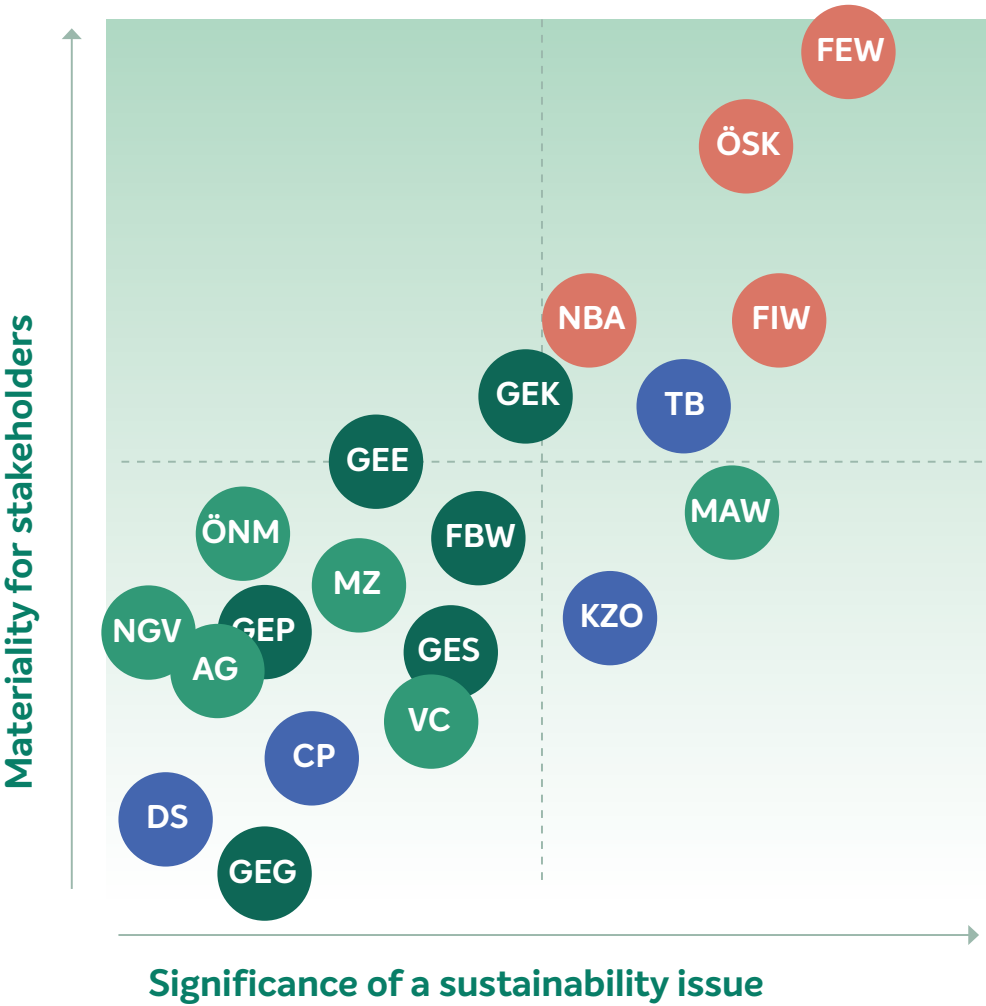
Analysis performance: The analysis was based on a digital stakeholder survey. In addition, interviews were held with experts and supplemented by a short digital survey. Over 1,700 stakeholders participated in the survey. They not only include employees, management, supervisory bodies and customers but also shareholders, capital market analysts and people without any business relationship with UmweltBank. Representatives from science, politics and business were asked to participate in the expert interviews. Four representatives from politics and science as well as four representatives from the CSR departments of competitors participated in the 30–60 minute interviews. The identical 20 sustainability topics from the four categories – core business financing, core business organisation, internal sustainability topics and social engagement – were addressed with all participants.

Analysis evaluation: The evaluation in the form of a materiality matrix was performed in accordance with GRI 101 standards. For this purpose, the materiality for stakeholders (= Influence on stakeholder assessments & decisions) and significance of a sustainability issue (= Significance of economic, environmental & social impacts) were determined on the basis of the online surveys and the interviews as well as the findings from analysis preparation.

To determine the materiality for stakeholders, a quantitative index was derived from the responses of the internal and external stakeholders. The Stakeholder Index is made up of 33.3% assessments by employees, management and supervisory bodies and 66.7% by customers, capital market participants and interested parties.

To assess the significance of a sustainability issue, an index was derived from the responses of the management, the supervisory bodies and the experts. 50% of the significance index is derived from the answers of management and supervisory bodies and 50.0% from the information provided by the experts in the short survey. A qualitative component was then added to this purely quantitative index. The significance index of each sustainability issue could be increased or decreased by up to 10% based on the interviews and the information from the analysis preparation. The significance of ten sustainability topics was refined with the help of this qualitative override.

Materiality matrix with all stakeholders



- Core business – financing
- Core business – organisation
- Internal topics
- Social engagement

- FEW – Finanzierung der Energiewende (Financing the energy transition)
- ÖSK – Ökologische und Soziale Kriterien in Kreditvergabe, Eigenanlage und Anlageoptionen (Ecological and social criteria in lending, own investment and investment options)
- FIW – Finanzierung einer nachhaltigen Immobilienwirtschaft (Financing a sustainable real estate industry)
- NBA – Eigenentwicklung von nachhaltigen Bankangeboten (In-house development of sustainable banking offers)
- TB – Transparenz zur Nachhaltigkeitsleistung der Bank (Transparency on the Bank's sustainability performance)
- KZO – Kundenzufriedenheit und -orientierung (Customer satisfaction and orientation)
- CP – Compliance (Einhaltung von Rechtsvorschriften) (Adherence to statutory regulations)
- DS – Datenschutz und -sicherheit (Data protection and security)
- MAW – Aus- und Weiterbildung von Mitarbeitenden (Staff initial and advanced training)
- MZ – Zufriedenheit von Mitarbeitenden (Employee satisfaction)
- VC – Vielfalt und Chancengerechtigkeit (Diversity and equal opportunity)
- AG – Arbeitsplatzbedingungen und -gesundheit (Workplace conditions and health)
- NGV – Nachhaltiger Geschäftsverkehr (Sustainable business travel)
- ÖNM – Innerbetriebliches ökologisches Nachhaltigkeitsmanagement (Internal ecological sustainability management)
- GEK – GE für Maßnahmen zum Klimaschutz (SDG 13) (Social engagement for climate action (SDG 13))
- GEE – GE für bezahlbare und saubere Energie (SDG 7) (Social engagement for affordable and clean energy (SDG 7))
- FBW – Förderung von Bildung zu nachhaltigem Wirtschaften (SDG 4) (Promoting education for sustainable business practices (SDG 4))
- GEP – GE für nachhaltigen Konsum und Produktion (SDG 12) (Social engagement for responsible consumption and production (SDG 12))
- GES – GE für nachhaltige Städte und Gemeinden (SDG 11) (Social engagement for sustainable cities and communities (SDG 11))
- GEG – Gesellschaftliches Engagement für Geschlechtergleichheit (SDG 5) (Social engagement for gender equality (SDG 5))

2

Contribution to **the environment**

2.1 Environmental management system

UmweltBank pursues the vision of preserving and creating a world worth living in for future generations. The basis for the Bank’s sustainability management system is the sustainability policy, which supplements the Articles of Association and the business strategy with the positive and exclusion criteria for the core business as a fundamental guideline. UmweltBank’s sustainability policy forms the basis for consistently sustainable business activities. The policy is put into practice via an annual cycle comprising the steps planning, implementation, internal audit and management review. The sustainability management system is implemented on the basis of guidelines developed for EMAS (Eco-Management and Audit Scheme), a European environmental management system.

Planning

UmweltBank’s core business is the financing of environmental projects. Alongside economic criteria, the Bank also assesses all loan requests for their environmental and social impact and then decides whether to grant the loan. The company measures its environmental performance primarily on CO₂e avoided. In addition, the Bank measures its contribution to the achievement of its prioritised SDGs. The Bank also identifies impacts on the environment caused by its business operations. The following aspects are currently considered relevant:

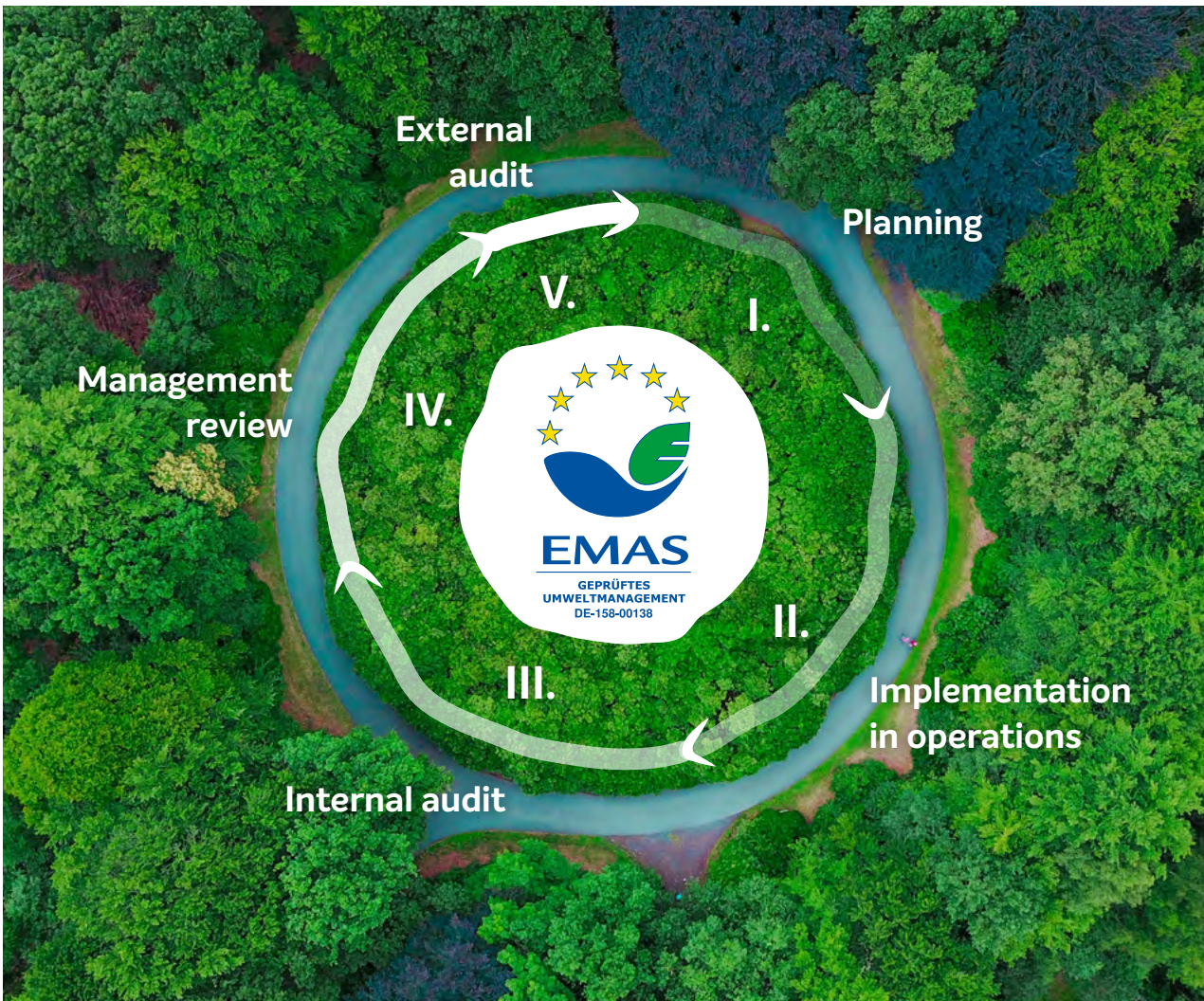
Direct environmental aspects:

- Direct CO₂e emissions
- Strict sustainability criteria
- Equal treatment and equal opportunities
- Transparency and credibility
- Promoting a value-based, employee-oriented and sustainable corporate culture

Indirect environmental aspects:

- Indirect Co₂e emissions
- Biodiversity
- Renewable energies

Targets and measures are derived for these key sustainability aspects, some of which are proposed by UmweltBank employees via the company suggestion scheme. The targets are adopted by the UmweltBank Management Board. All employees and the Environmental Advisory Board are then informed about the objectives.



Implementation in operations

The Own Investments and Sustainability department is responsible for the implementation and continuous improvement of the environmental management system.

Employees are kept aware of sustainability issues and trained as required. New employees are instructed in how sustainability is managed at UmweltBank as part of their induction training. Fundamental changes are announced in plenums attended by all employees of the Bank or via the intranet. The processes are clearly documented as guidelines and procedures. These documents are part of the Bank’s organisational manual.

Internal audit

Once a year, an environmental audit is carried out by UmweltBank’s Internal Audit department. This department remains in close contact with the Own Investments and Sustainability department as well as management. Internal Audit is an independent control body of UmweltBank. It has the necessary expertise and objectivity to ensure that the audit is carried out in a qualified manner.

The main objectives of the environmental audit are to determine the operational effectiveness of the environmental management system, guarantee legal conformity and the continuous improvement of UmweltBank’s environmental performance. The audit systematically identifies any deviations from established regulations and corresponding corrective measures are initiated where necessary. The results of the environmental audit are summarised in a report that not only documents the process but also provides management with a well-founded overview of the effectiveness of the management system and the progress of the Bank’s environmental performance.

Management review

The effectiveness of the environmental management system is evaluated annually by the Management Board. The basis for the management review is the environmental audit report and the company’s own observations. In particular, the key environmental performance indicators, the degree of fulfilment of the objectives, suggestions for improving the sustainability management system, environmentally relevant feedback from customers and the legal framework are considered. The results of the review are used to optimise the management system and to continuously improve all environment-related processes and services.

External audit

At the end of the management cycle, an external audit of the system and its implementation is carried out by an independent environmental auditor. The results of this audit are also validated by UmweltBank’s Environmental Advisory Board. Any findings flow into the planning of the next management cycle. In addition, the updated environmental statement in the form of a sustainability report is reviewed annually.

2.2 Environmental performance

Key ecological influencing factors

As a service company with predominantly office-based employee activities, the direct environmental impact of the Bank’s business practices is comparatively low. Indirectly, however, UmweltBank has a material influence on the environment, especially when defining lending criteria and in its own financial investments. To report transparently on its environmental impact, UmweltBank discloses its relevant direct and indirect influences here.

Direct influences

Within the framework of the environmental management system according to the EMAS guidelines, UmweltBank collects data annually on the core indicators energy efficiency, material efficiency, waste, water and biodiversity, business travel and emissions, whereby the latter are presented and explained separately within the framework of the CO₂e balance.

Energy efficiency

	Unit	2022	2023	2024	Change in %
Total power consumption	kWh	189,795.6	183,112.9	144,554.0	-21.0
Share of renewable energies	%	100.0	100.0	100.0	0.0
Power consumption per employee	kWh	688.9	598.4	430.1	-28.1
Total heat consumption	kWh	492,380.6	419,286.0	467,916.4	11.8
Share of district heating	%	100.0	100.0	100.0	0.0
Heat consumption adjusted for degree days	kWh	541,618.6	482,178.9	598,933.1	24.5
Total energy expenditure	kWh	682,176.1	602,398.9	612,470.4	1.8
Total energy expenditure per employee	kWh	2,476.1	1,968.6	1,822.3	-7.4

The figure “per employee” is calculated with full-time equivalents (FTE) (336 in 2024).

UmweltBank’s energy needs are met by electricity and district heating. When purchasing energy, the Bank places great importance on keeping the environmental impact as low as possible. UmweltBank thus obtains 100% of the electricity it needs from renewable energy sources.

The district heating supplied to all office buildings is sourced from a regional energy provider. Although district heating is not produced using renewable energies, it is considered a very environmentally friendly form of energy. In 2024, electricity consumption fell considerably in comparison to previous years (by 21% compared to 2023). The main reason for this development was the decommissioning of some servers as part of the ongoing migration of the core banking business. In this context, hardware in several buildings that was no longer required was shut down and sold. It was possible to significantly reduce electricity demand by removing these especially electricity-intensive components.

At the same time, heating consumption rose by 11.8% in comparison to 2023 due to the increase in personnel at the Bank.

Overall, the total energy expenditure of UmweltBank increased slightly by 1.8%. This rise was primarily attributable to the increase in personnel at UmweltBank because more employees also means that there is a higher demand for energy overall. Nevertheless, the Bank was able to lower its energy consumption per employee by 7.4% in comparison to the previous year.

Material efficiency

Paper consumption

	Unit	2022	2023	2024	Change in %
Paper consumption, marketing measures	t	15.7	5.1	4.3	-15.8
Paper consumption, business operations	t	11.8	13.4	11.7	-12.6
Paper consumption, total	t	27.5	18.5	16.0	-13.5
Paper consumption per employee	kg/FTE	99.8	60.5	47.7	-21.2

The figure “per employee” is calculated with full-time equivalents (FTE) (336 in 2024).

In 2024, the Bank was able to reduce its paper consumption per employee by 21% in comparison to 2023. This was mainly achieved by the further digitalisation of processes. Online banking made a particularly large contribution to this reduction because there was significantly less demand for printed account statements and printed information. In addition, the Bank replaced paper-based business processes such as mailings with digital alternatives, which also led to a considerable reduction in paper consumption. UmweltBank uses only environmentally friendly paper. This does not contain any substances that are harmful to health, is labelled with the Blue Angel ecolabel and its production is CO₂-neutral.

Waste

	Unit	2022	2023	2024	Change in %
Biodegradable kitchen and canteen waste (AVV (Waste Catalogue Ordinance) 20 01 08)	t	8.2	9.3	8.1	-13.1
Mixed municipal waste (AVV 20 03 01)	t	3.3	4.1	5.9	45.5
Plastic packaging (AVV 15 01 02)	t	2.3	2.6	2.9	8.7
Paper and cardboard (AVV 20 01 01)	t	22.6	21.8	21.5	-1.6
Total waste generation	t	36.4	37.9	38.4	1.3
Waste generation per employee	t/FTE	0.1	0.1	0.1	0.0
Hazardous waste (AVV 20 01)	kg	7.7	1.9	33.0	1,638.7
Discarded electric and electronic equipment (AVV 20 01 36)	kg	12.0	0.0	1.0	-

The waste quantities are determined using estimation methods based on volumes. Measurement inaccuracies of 10% are possible. The separate collection rate according to the Commercial Waste Ordinance (Gewerbeabfallverordnung – GewAbfV) is 100%. The figure “per employee” is calculated with full-time equivalents (FTE) (336 in 2024).

The waste generated is almost exclusively household-type waste. The waste is regularly collected by the City of Nuremberg’s waste management unit and disposed of properly.

Special waste, such as electronic scrap or defective fluorescent tubes, must be handed in at the local recycling centre. UmweltBank donates empty toner cartridges to “ROTE NASEN Deutschland e.V.” The association recycles the cartridges, generating income for its charitable purposes.

In the 2024 reporting year, the total amount of waste increased by about 1.3% compared to the previous year, which was attributable to the higher number of employees.

Water

	Unit	2022	2023	2024	Change in %
Total water consumption	m³	2,363.1	2,699.2	3,021.5	11.9
Water consumption per employee	l/FTE and day	38.8	36.3	36.5	0.7

The figure “per employee” is calculated with full-time equivalents (FTE) (336 in 2024).

UmweltBank’s water consumption is similar to that of household water consumption. Water is used almost exclusively for toilet use, cleaning the business premises and watering plants. The discharge of waste water is therefore also to be assessed as similar to household waste water discharge. Water consumption increased by 11.9% due to the increase in personnel.

Biodiversity

	Unit	2022	2023	2024	Change in %
Total land use	m²	3,526.4	3,526.4	3,526.4	0.0%
Office space	m²	5,789.1	5,789.1	5,789.1	0.0%

UmweltBank’s premises include the commercial buildings at Laufertorgraben 4, 6 and 8, Nunnenbeckstraße 6–8 and Emilienstraße 3 (all in Nuremberg). All sites seal a total area of approx. 3,526 m².

The building at Emilienstraße 3 is a listed art nouveau house that underwent extensive ecological renovation several years ago and is used exclusively by UmweltBank. The building at Laufertorgraben 6 has other tenants besides UmweltBank. The revegetated inner courtyard serves as an ecological compensation area. UmweltBank also shares the buildings at Laufertorgraben 4, 8 and Nunnenbeckstraße with other tenants.

Business travel

	Unit	2022	2023	2024	Change in %
Rail	km	172,265	146,558	173,007	18.0
Car with internal combustion engine	km	7,168	4,827	3,786	-21.6
Electric car	km	235	0	0	-
Flights	km	1,941	15,000	0	-100.0
Total business travel	km	181,609	166,385	176,793	6.3
Business travel per employee	km/FTE	659	544	526	-3.3

The figure “per employee” is calculated with full-time equivalents (FTE) (336 in 2024).

In accordance with the Bank’s internal guidelines, trains must generally be used for all business trips. If this is not possible or only possible with a disproportionate level of in-convenience, passenger cars with combustion engines are rented if necessary. Air travel is only permitted if the time required for a train journey would be disproportionately high. Business travel increased in 2024 by 6.3% overall in comparison to the previous year, which was mainly due to the increase in the number of employees at UmweltBank. A positive development was that car use fell by 21%, while at the same time train journeys increased by 18%. This demonstrates the Bank’s clear objective of using the train as a general rule for all of its business travel and business trips so as to reduce its environmental impact.

	Unit	2022	2023	2024
Public transport	km			186,696
Combustion vehicles	km			46,686
Electric car	km			9,489
Bikes	km			12,598
On foot	km			6,224
Total commute	km			261,693
Commute per employee	km/FTE			779

The figure “per employee” is calculated with full-time equivalents (FTE) (336 in 2024).

Commuting

Commuting data for employees was collected for the first time in 2024. This allows the Bank to measure its environmental impact related to mobility more precisely. Information on the number of kilometres travelled per person, the means of transport used and the frequency with which employees work in the office was collected and analysed. To make commuting as environmentally friendly as possible, UmweltBank provides all permanent employees with the “Germany ticket” (Deutschlandticket) so they can travel on regional public transport free of charge. This opportunity is actively exploited by employees and the majority of them regularly travel to and from work using public transport – covering a total of 186,695.6 km in 2024. Many employees also travel to and from work by bike (12,598.5 km) or on foot (6,223.6 km). Although employees commute a total of 46,685.8 km using combustion engines, the proportion of kilometres travelled using sustainable means of transport is significantly higher each year. As a result, a considerable proportion of commuter traffic is already environmentally friendly and helps to reduce CO₂ emissions.

Direct influences of the UmweltHaus (environmental house)

Under construction since 2022, the UmweltHaus, UmweltBank’s corporate headquarters on Nuremberg’s Nordwestring, will play a key role in the consideration of direct influences in the future. The choice of the site already took into account ecological factors such as the avoidance of new land consumption and good transport connections. As currently planned, the building will have the following ecological features: The UmweltHaus is to be built as a hybrid wooden building with the lowest possible energy and resource consumption, aiming for certification according to the Platinum Standard of the German Sustainable Building Council (DGNB). It is to be one of the first non-residential buildings to be realised according to the KfW Efficiency House 40 energy efficiency standard. In addition, the use of the building façade for photovoltaic power generation is planned as part of a holistic energy concept.

UmweltBank is aiming for DGNB Platinum certification – the council’s highest award – for the UmweltHaus. In 2022, the DGNB rewarded the Bank’s previous planning and efforts on the way to becoming a particularly sustainable company headquarters with a Platinum pre-certificate. The environmental performance of the UmweltHaus is being measured and communicated transparently from the very beginning, even during the construction phase. As construction progresses, more and more key figures will be

published in the future, such as energy efficiency, material efficiency in relation to the most relevant input materials, water consumption and waste generation. In the future, the sustainability report will also include information on biodiversity and emissions. 100% of the electricity used on the construction site is sourced from renewable energy sources. Overall, power consumption in 2024 totalled around 235 kWh. In addition, 1,079 m³ of water was consumed and approx. 319 tonnes of waste generated in 2024.

UmweltHaus

	Unit	2023	2024	Change in %
Water consumption	m³	879	1,079.2	22.8
Water consumption per m² of usable space		0.27	0.1	-68.5
Power consumption	kWh	234,015	235,320.0	0.6
Power consumption per m² total area		70.94	9.8	-86.2
Waste generation	t	633.17	319.1	-49.6
per m² total area	t	0.19	0.0	-99.3
of which mixed construction and demolition wastes (AAV 17 09 04)	t	17.49	47.0	168.5
of which construction and demolition wastes (AAV 17 01 07)	t	432.32	0.0	-100.0
of which mixed metals (AAV 17 04 07)	t		0.0	-
of which natural and coloured film (AVV 15 01 02)		0.0	93.5	-
of which concrete (AVV 17 01 01)		0.0	5.8	-
of which wood (AAV 17 02 01)	t	113.38	93.5	17.4
of which paper and cardboard (AAV 15 01 01)	t	10.19	5.8	-97.7
of which concrete (AAV 17 01 01)	t	44.23	133.2	-100.0
of which iron and steel (AAV 17 04 05)	t	11.50	0.2	-81.2
of which insulation made of hazardous materials (AAV 17 06 03)	t	0.25	0.0	-100.0
of which construction/insulation styrofoam (AAV 17 06 04)	t	0.20	2.2	-45.0
of which plastics (AAV 20 01 39)	t	2.99	0.0	-100.0
of which household-type commercial waste (AVV 20 03 01)		0.0	36.7	-
of which commercial waste (waste code: A4910)	t	0.62	0.1	-1.6

The usable space of UmweltHaus is roughly 12,685.5 m²

Indirect influences

UmweltBank has a significant indirect environmental impact through its business activities. This refers not only to things like the choice of vendors for office supplies, for example. But rather it is the definition of the criteria for granting loans and the selection of the Bank’s own financial and capital investments that have a material influence on the environment.

The indirect influences are shown in the CO₂ balance on page 74.

Sustainable procurement

UmweltBank pays close attention to ecological and social aspects when procuring resources for its operations. The internal sustainability criteria are binding for all suppliers and service providers and ensure that every purchase meets UmweltBank’s sustainability requirements. UmweltBank has purchased office supplies and cleaning products from a sustainable partner company for many years now. It only sells products that meet strict ecological and social standards, and ships them with net zero CO₂ emissions in environmentally friendly, reusable packaging. When purchasing food for entertaining customers or for company events, UmweltBank also consistently prioritises regionality, the selection of plant-based products, organic cultivation and fair production conditions. The Bank checks the ecological and social standards of service providers and suppliers and their products when entering into new business relationships or placing certain orders. Compliance with international standards, such as those of the International Labour Organisation (ILO), is also taken into account. UmweltBank carries out a detailed supplier risk assessment that considers human rights, labour law and ecological aspects. When selecting suppliers, the Bank systematically checks their certifications, sustainability criteria and possible grounds for exclusion. In high-risk sectors or when making larger purchases, an in-depth analysis is carried out to ensure that the relevant sustainability requirements are met. If necessary, suppliers are required to take corrective measures and the Bank monitors the implementation of these measures in steering meetings. These meetings are held regularly or in response to certain events. In the event of serious or repeated violations, the Bank can initiate various escalation measures – with the most severe being the termination of the business relationship.

Printing and mailing processes

Atruvia – an IT service provider with high sustainability standards – handles the printing processes for UmweltBank. It only uses paper sourced from sustainable forests (FSC or EFC certified) and water-based inks. Print orders are also limited to the absolute quantities required to conserve resources. Any unavoidable residual paper is reprocessed and fed back into the paper cycle.

The mailing process is also climate friendly: All letters and DHL packages are sent using the CO₂-neutral GoGreen service of Deutsche Post. Any emissions that arise are offset by investing in recognised climate protection projects. Furthermore, transport routes are reduced by optimising the locations for the printing process and this helps to reduce CO₂ emissions even further.

Through its cooperation with Atruvia and the use of sustainable printing and mailing solutions, UmweltBank ensures that sustainability is constantly taken into account in these processes.

Lending

Lending gives banks the opportunity to exert great influence over their customers' investments. UmweltBank grants loans exclusively to environmental projects and has clear positive and exclusion criteria.

The Bank's own investments (liquidity reserve and investment portfolio)

Legal requirements and commercial prudence require that banks must hold a liquidity reserve. This reserve ensures that customer deposits can be repaid at any time and open loan commitments can be paid out. In addition, banks invest their own funds and surplus liquidity in securities for the longer term (investment portfolio). Common forms of investment are, for example, credit balances at the German Bundesbank as well as covered and uncovered bonds issued by European countries.

Suitable investments are selected on the basis of the proprietary UmweltRating, which checks each investment against strict positive and exclusion criteria. With its activities, UmweltBank supports the United Nations Sustainable Development Goals (SDGs). The first step is to review the required minimum standards (exclusion criteria).

If these are not fulfilled, the investment is excluded. If these are fulfilled, it is then determined whether a project has a positive impact on the sustainability goals. Only then is an investment permitted. The Bank checks on an ongoing basis and for each individual transaction. If an issuer does not meet the requirements of the UmweltRating, no new investments are made and any existing holdings are sold in a timely manner, taking economic arguments into account.

In addition to its own monitoring, the Environmental Advisory Board is involved as an external body in the assessment of the UmweltRating. It receives a quarterly report on the performance and conducts an annual audit of all own investments.

Corporate responsibility

UmweltBank supports various charitable projects through donations or sponsorships. The Bank is also active in various networks and associations.

CO₂ reporting

Methodical approach

Since the start of its business activities, UmweltBank has measured its impact on the environment using a CO₂e balance. Various globally recognised procedures and standards are used for the balancing and reporting of greenhouse gas emissions to continuously improve the calculation methodology and quality of the data.

Greenhouse Gas Protocol

The Bank follows the internationally recognised Greenhouse Gas Protocol standard when determining greenhouse gas (GHG) emissions. This divides emissions into three scopes:

Scope 1

GHG emissions that occur directly in the company, such as from the operation of a heating system.

Scope 2

All indirect GHG emissions due to the provision of energy, such as the provision of electricity.

Scope 3

Indirect GHG emissions for all other activities related to the company’s operations. This includes business travel, for example.

The Greenhouse Gas Protocol covers emissions of carbon dioxide (CO₂), methane (CH₄), nitrogen dioxide (NO₂), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆). For simplified presentation, the individual pollutant emissions are converted into so-called “CO₂ equivalents” and measured in tonnes (t). In the interest of better readability, these CO₂ equivalents are expressed as CO₂ in the main text, whereas the notation CO₂e is used in the tables.

Notes on Scope 3 emissions

Scope 3 includes the indirect emissions that arise, for example, from the construction, maintenance and servicing of electrical generating facilities such as wind turbines. Here, UmweltBank’s own investments (participating interests in operating companies) are considered as well as the projects financed. The emissions of financed real estate and participating interests in real estate are also included here.

UmweltBank uses the standard from the Partnership for Carbon Accounting Financials (PCAF) for Scope 3. It is a global corporate initiative to standardise CO₂ accounting in the financial sector. Participating financial institutions have committed to disclose the greenhouse gas emissions of their loans and investments (www.carbonaccountingfinancials.com).

Previous sustainability and annual reports have reported emissions from the financing portfolio in Scope 3. So far, the greenhouse gas emissions from the financing of energy and infrastructure projects as well as the emissions from construction financing have been considered here.

Calculation of emissions: project financing

With its financing activities, UmweltBank contributes to reducing CO₂ emissions by directly participating in projects and through lending for ecological projects. The calculation system for the CO₂ balance uses the Greenhouse Gas Protocol as a basis.

The calculation is based on the assumption that electricity from renewable energies saves CO₂ compared to the energy sources they replace (nuclear energy, lignite, hard coal, gas or oil), but that the construction and maintenance of the generators also produces CO₂ emissions. These emissions are also recorded and reported.

To determine the emissions, the quantity of electricity produced is multiplied by the current emissions factors published by the German Environment Agency (Umweltbundesamt). The quantities of electricity for wind and hydropower plants used in the calculations are taken from the yield reports available to the Bank. In the case of photovoltaic systems, the annual amount of electricity is determined for each individual system using a yield value table broken down by postcode.

Calculation of emissions: Real estate financing

The CO₂ emissions of financed real estate are obtained by multiplying the attribution factor by the individual emissions. The emissions of the properties are calculated using the PCAF emissions database. The database indicates average CO₂ per m². These figures allow an approximation of the actual emissions of the financed real estate. For the years 2019 to 2023, most of the square meterage of the floor area of the financed real estate is known, which is why the data only had to be supplemented with assumptions in a few cases. For earlier years, assumptions were made based on the historical average for the m² per € of living and usable spaces taken across the whole of Germany. In cases where there was no investment volume, it was also assumed that the lending volume was equal to 70% of the investment volume. Furthermore, an estimated loan term of 30 years was assumed.

The equity share approach is used in all calculations: this means that both avoided emissions and emissions are considered in relation to UmweltBank’s participating interest or financing as part of the total volume of the investment. Example: with a total investment of €10 million and an UmweltBank loan of €8 million, only 80% of the avoided emissions and emissions are also applied. As the loan is repaid over time, UmweltBank’s eligible share decreases and ends when the loan is repaid in full.

Calculation of emissions: Portfolio A (own investments of the Bank)

Data from an external data provider is used to calculate the emissions of Portfolio A.

Reporting on CO₂ emissions

CO₂ emissions, divided into the three scopes, are examined in more detail below:

	Unit	2022	2023	2024	Change in %
Scope 1: direct emissions					
Natural gas	tCO ₂ e	0.0	0.0	0.0	0%
Total	tCO ₂ e	0.0	0.0	0.0	0%
Scope 2: indirect emissions					
District heating	tCO ₂ e	0.0	0.1	0.1	100%
Total	tCO ₂ e	0.0	0.1	0.1	0%
Scope 3: indirect emissions					
Part I – business operations					
Electricity	tCO ₂ e	0.0	0.0	0.0	0%
Office supplies	tCO ₂ e	23.4	17.3	13.9	-20%
Business travel	tCO ₂ e	1.5	1.2	0.5	-55%
Commuting	tCO ₂ e	97.8	108.6	91.2	-16%
Part II – Financing / Own investments / Participating Interests					
Emissions from participating interests taken	tCO ₂ e	5,650.8	6,837.2	5,702.7	-17%
Emissions from project financing	tCO ₂ e	71,129.1	84,740.9	82,951.4	-2%
Emissions from construction financing	tCO ₂ e	16,569.6	15,845.5	17,616.8	11%
Emissions from Portfolio A	tCO ₂ e	121,633.0	242,881.0	95,302.0	-61%
Total	tCO ₂ e	215,105.2	350,431.7	201,678.5	-42%
Total without Portfolio A		93,472.2	107,550.7	106,376.5	-1%
CO ₂ emissions per employee	tCO ₂ e	780.8	1,145.2	600.1	-48%

The figure “per employee” is calculated with full-time equivalents (FTE) (336 in 2024).
The emissions related to Portfolio A were calculated for the first time for the year 2022.

Scope 1

As UmweltBank has been heating exclusively with district heating since 2019, there are no emissions in Scope 1.

Scope 2

Scope 2 covers the consumption of district heating. To calculate the resulting emissions, an emission factor of 0.308 kg CO₂ per kWh has been used since this year. This amendment is not due to any change in actual usage but rather to the use of an update to the calculation logic.

Scope 3

Business operations

The Bank was able to reduce indirect CO₂ emissions in Scope 3 in several areas. Emissions related to office supplies fell slightly, which was primarily due to lower paper consumption.

Despite travelling longer distances overall, it was also possible to significantly reduce the greenhouse gas emissions related to business travel. This was due to an increase in the use of regional public transport by employees, which led to a noticeable reduction in the environmental impact compared to previous years. In addition, air travel was completely eliminated last year.

The Bank was also able to reduce its commuter traffic and the associated environmental impact. These calculations were based on an internal employee survey that collected data on commuting behaviour in 2024.

Loan financing and participating interests

CO₂ impact of real estate financing and participating interests in real estate projects

	Unit	Emissions 2022	Emissions 2023	Emissions 2024
Real estate financing	tCO ₂ e	16,569.6	15,845.5	17,616.8
Participating interests in real estate projects	tCO ₂ e	2,774.1	4,369.1	3,942.8

The calculation for financed emissions is based on the PCAF method. The calculation of real estate financing and participating interests is currently based on many conservative assumptions. The emissions data indicated are considered to be a first approximation of the actual emissions of the properties. UmweltBank is working on improving this calculation and the underlying data.

CO₂ impact of project financing for wind power, hydropower and photovoltaics

	Unit	Avoided emissions			Emissions		
		2022	2023	2024	2022	2023	2024
Project financing	tCO ₂ e	1,302,517.1	1,636,164.4	1,473,523.2	71,129.12	84,740.90	82,951.4
Change vs previous year	%		25.6%	-9.9%			

	Unit	Avoided emissions			Emissions		
		2022	2023	2024	2022	2023	2024
Participating interests in renewable energies	tCO ₂ e	75,908.7	54,760.0	32,534.7	2,876.7	2,468.1	1,759.9

In 2024, both avoided and produced emissions fell slightly. This was attributable to a lower number of financing projects and participating interests in the renewable energy sector.

CO₂ impact of investments in Portfolio A

	Unit	2023	2024
CO ₂ impact of investments in Portfolio A	tCO ₂ e	242,881.00	95,302.0

UmweltBank reported on emissions from its own investments in Portfolio A for the third time in 2024. The Bank works together with a renowned data provider to reliably determine the emissions values. The calculation methodology is also based on PCAF principles. The sharp decrease in emissions in Portfolio A was due to the reduction in the investment volume in Depot A.

CO₂ balance

The CO₂ balance shows the environmental impact of UmweltBank. The Greenhouse Gas Protocol standard makes no provision for merging the three scopes. Nevertheless, UmweltBank prepares such a balance sheet for the sake of transparency and for better comparability with previous years.

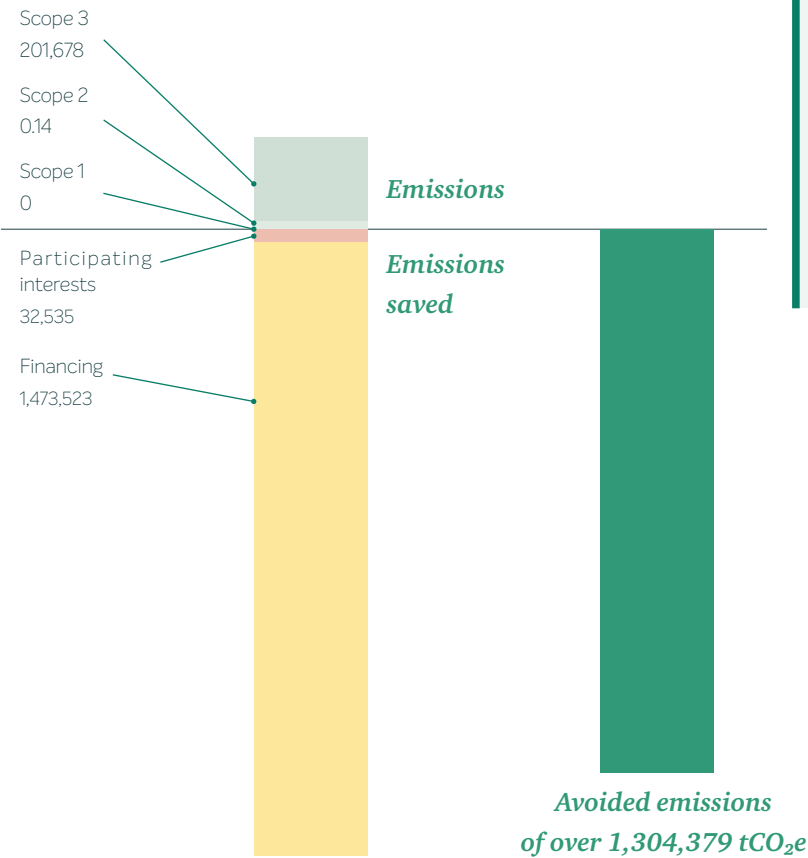
Emissions in tCO ₂ e			Emissions saved in tCO ₂ e
Scope 1	0.00	from participating interests	32,534.67
Scope 2	0.14	from project financing	1,473,523.24
Scope 3	201,678.50		
Total emissions	201,678.64	Total emissions saved	1,506,057.91
Total emissions avoided	1,304,379.27		

First, the emissions from the three different scopes are added together and then subtracted from the total emissions saved. The resulting difference – 1,304,379.27 tCO₂e – represents the total emissions avoided by UmweltBank for the year 2024.

Three-year comparison of CO₂ balance

	Unit	2022	2023	2024
Total emissions	tCO ₂ e	215,105.19	350,431.42	201,678.64
Total emissions saved	tCO ₂ e	1,378,425.71	1,690,924.34	1,506,057.91
Total emissions avoided	tCO ₂ e	1,163,320.52	1,340,492.92	1,304,379.27
Change in emissions avoided vs previous year	%	-3.3%	15.2%	-2.7%
Emissions avoided per employee	tCO ₂ e	4,222.58	4,380.70	3,880.93
Change in emissions avoided per employee vs previous year	%		3.7%	-11.4%

The figure “per employee” is calculated with full-time equivalents (FTE) (336 in 2024).



For better visualisation, the figures in the graph have been rounded.

In 2024, UmweltBank avoided more than

1,304,000

tonnes of CO₂.

In purely mathematical terms, this corresponds to the annual CO₂e emissions of around 126,000 inhabitants in Germany.

Conversion to per inhabitant

The following example calculation is intended to help illustrate the magnitude of the CO₂ emissions avoided: the annual CO₂e emissions per inhabitant in Germany was approx. 10.3 tonnes in 2024. UmweltBank has thus avoided the emissions of around 126,000 inhabitants in Germany.

Ecological dividend

UmweltBank has regularly calculated an ecological dividend in the form of CO₂ emissions avoided for many years now. The basis for the calculation, as shown above, are the CO₂ emissions and emissions saved for the respective business year. The comparison of the CO₂ emissions avoided through financing and its own participating interests in renewable energies and total assets serves to illustrate UmweltBank’s environmental performance.

Divided by total assets of approx. €6,186 billion, this gives a calculated ecological dividend for 2024 of around 211 g CO₂e per euro. For every €1,000 of total assets, the Bank thus avoids around 211 kg of CO₂e.

Coverage and data quality

Asset class coverage

Financing and participating interests in the field of renewable energies are attributable to the asset class project finance according to the PCAF standard. Around 97% of the relevant projects and datasets in the CO₂ balance are reported in this asset class.

The emissions of the second asset class, commercial real estate, were determined for the first time for the year 2020. Around 99% of the financed properties and datasets are covered by this asset class.

The reporting will be gradually expanded with the aim of reporting 100% of the relevant emissions arising from financing and participating interests.

Data quality

An important criterion for CO₂ balancing is the quality of the data. The entire CO₂ balance is verified by an external environmental auditor. Scopes 1 and 2 are calculated with primary data (e.g. consumption data from the green electricity supplier), which is why a high data quality is assumed. UmweltBank uses an assessment system from PCAF to determine the emissions data quality for financed projects. The system awards points for data quality: Score 1 corresponds to the highest data quality (approx. 5–10% error tolerance) and Score 5 to the lowest (approx. 40–50% error tolerance).

According to the PCAF assessment system, the area of project financing is given a score of 3, as calculations are based on the forecasted performance of the facilities. In the asset class commercial real estate and participating interests, assumptions are made about the emissions of the financed properties, and the attribution share of UmweltBank is also calculated using verified assumptions. For the years 2019 to 2024, a score of 4 was given due to the better availability of data, while a score of 5 was given for data quality in all preceding years. However, these limitations in the data should rather

be seen as an opportunity to continuously improve the quality of the reported emissions and to identify areas of action for UmweltBank. To compensate for the error rates of secondary data, all table data should generally be considered to deviate by 10–15%.



2.3 Sustainability **targets**

Sustainability targets of UmweltBank for 2024

	Target	Measures	Dead-line	Target achievement
1	DGNB Platinum certification for UmweltBank's new site	Plan the new site so that the necessary criteria for DGNB Platinum certification are met	2025	100%
2	Increase transparency with regard to UmweltBank's sustainability performance	Publication of the 2023 Sustainability Report in agreement with the GRI.	2024	100%
3	The proportion of women in responsible specialist or leadership positions should be between 40% and 60% as an annual average	3.1 The proportion of women in responsible specialist or leadership positions will be continuously increased via the gender-neutral personnel policy, an equal opportunities talent programme (incl. internal development opportunities) and through introducing more flexible working hours and places of work.	2024	100%
4	Engagement rate (comprising job satisfaction, motivation, loyalty, recommendation) should be higher than or equal to 80%	4.1 The engagement rate will be stabilised and strengthened through the establishment of an internal talent programme, the further use of transparent communication platforms and more intensive leadership development activities. Remuneration packages will be introduced for 2024 and subsequent years, while competence-based appraisals will be implemented and rolled out. Furthermore, HR is in the process of being digitalised using a new HR software (more efficient, standardised basic services, increasing self-services and shifting capacities in the HR department towards providing personal support). The impact of the measures was determined as part of an employee survey in autumn 2024.	2024	95%
5	(Re-)positioning of UmweltBank on the market	5.1 Carrying out a comprehensive analysis of the strategic positioning of UmweltBank with respect to its sustainability performance and deriving specific measures for years 2025 ff.	2024	100%
6	Pioneering role in the implementation of new laws and regulations	6.1 Performance of a materiality analysis according to the guidelines of the CSRD / SFDR.	2024	100%
		6.2 Creation of an implementation plan and preparing all relevant departments for the implementation of the EU Regulations applicable to sustainability (e.g. CSRD / SFDR) at UmweltBank.	2024	100%
7	Revising the UmweltGarantie (environmental guarantee)	7.1 Further development of the UmweltGarantie within the context of the new bank strategy, regulatory requirements (e.g. Green Claims EU Regulation) and market environment.	2024	100%

Sustainability targets of UmweltBank for 2025

	Individual target	Measures	Dead-line
1	DGNB Platinum certification for UmweltBank's new site	1.1 Plan the new site so that the necessary criteria for DGNB Platinum certification are met	2026
2	Rigorous revision of the positive and exclusion criteria	2.1 Creation and publication of guidelines to define the revised positive and exclusion criteria, while taking transformation criteria into consideration (based on established GSS standards).	2025
3	Strengthening sustainability performance through external validation	3.1 Implementing targeted optimisation measures to improve the ISS ESG Rating by one rating level.	2025
4	The proportion of women in responsible specialist or leadership positions should be between 40% and 60% as an annual average	4.1 The proportion of women in responsible specialist or leadership positions will be kept constant via the gender-neutral personnel policy, through introducing more flexible working hours and the efficient and needs-based use of mobile working.	2025
5	Publication of a CSRD-compliant sustainability report for the 2025 financial year to improve transparency about our sustainability performance	5.1 Establishing a comprehensive data collection and validation system to create a CSRD-compliant report and targeted training courses for relevant teams to ensure compliance with the new standards.	2026
6	Ensuring compliance with the EU taxonomy directive by establishing a comprehensive reporting process	6.1 Systematically collecting data on and evaluating ESG activities relevant to the EU taxonomy in accordance with Article 449a CRR for the seamless documentation of all requirements by 2026.	2026
7	Promoting the participation of employees and their identification with the Bank	7.1 Launching an UmweltForum that will give employees the opportunity to discuss sustainability issues in different formats every six months.	2025
		7.2 Implementing a structured reward system for employees who contribute particularly effective and sustainable ideas.	2025
		7.3 Evaluating and developing an approach to systematically anchor sustainability and an environmentally friendly attitude in all departments.	2026
8	Engagement rate (comprising job satisfaction, motivation, loyalty, recommendation) should be higher than or equal to 80%	8.1 Improving employee satisfaction by implementing individual components of an overall package of measures, comprising leadership development, HR digitalisation and incentives merch.	2025
9	Developing a climate strategy	9.1 Developing and publishing a company-wide climate strategy by Q4/2025 that covers specific measures for reducing greenhouse gas emissions. The strategy will define science-based reduction targets in line with the 1.5 degree target within the Paris Agreement.	2025
10	Promoting projects to help decarbonise the German economy	10.1 (New) lending to customers who invest in the area of renewable energies (incl. energy storage systems).	2025
11	Creating a biodiversity strategy	11.1 Developing and publishing a comprehensive biodiversity strategy by Q4/2026 that defines specific measures for promoting and conserving biodiversity.	2026

Contribution to the SDGs

UmweltBank measures its sustainability performance by its contribution to the Sustainable Development Goals. The Bank focuses on the five SDGs on which it has the greatest influence.



2.4 Report of the Environmental Advisory Board

Since UmweltBank was founded in 1997, it has had an ecological supervisory body in addition to the Supervisory Board required by law: the Environmental Advisory Board. This external body of experts is important for guaranteeing UmweltBank’s high level of competence with respect to sustainability and ensures that the Bank rigorously complies with its strict sustainability criteria. In addition, the Environmental Advisory Board advises the Management Board on key sustainability issues and supports the strategic development of the Bank in terms of its ecological and social responsibility.

Members of the Environmental Advisory Board

Since 2024, the Environmental Advisory Board has comprised five experts who possess expertise in the varied topics of sustainability communication, renewable energies, finance, business ethics and sustainable real estate. This gives the Board as a whole a broad range of knowledge and an interdisciplinary composition, which means the members are able to comprehensively cover all of UmweltBank’s business segments.

Prof. Dr Harald Bolsinger, business ethicist at the THWS Business School at the Technical University of Applied Sciences Würzburg-Schweinfurt, has been on UmweltBank’s Environmental Advisory Board since July 2017. An expert in sustainable corporate governance and value management, he contributes important ideas for the sustainable development of the Bank. He has been Chairman of the Environmental Advisory Board since December 2024. Stefan Klinkenberg has been a member since 2016. An independent architect and project developer, he plans and supervises building projects with particularly high social and ecological standards. Dr Meike Gebhard holds a doctorate in environmental economics and since 2008 has been Managing Director of Utopia GmbH, which operates Germany’s leading sustainability platform Utopia.de. Since 2024, she has also been the Managing Director of SAIM, a sustainability consulting company that provides companies with strategic and communication advice during the transformation process. She is an expert in sustainability strategy and communication. In March 2021, she was elected Deputy Chairperson of the Environmental Advisory Board. She was Chairperson of the Environmental Advisory Board from 1 July 2022 until 31 October 2024. Heribert Sterr-Kölln is a certified public accountant, tax consultant and strategy consultant. He has been committed to creating a sustainable energy supply that is fit for the future for around 30 years. Heribert Sterr-Kölln works with various stakeholders, such as banks,

municipal utilities and companies, to develop concepts and strategies in the field of renewable energies – with the aim of developing viable solutions even under challenging conditions. Economist Claudia Müller has been a member since 2021. She founded the Female Finance Forum in 2017. Her goal is to awaken the interest of women in money and financial products, and to provide them with the knowledge necessary to take their finances into their own hands. The talks and workshops offered by the Female Finance Forum are specially designed for employers who want to promote equal opportunities in totally new areas and combat the lack of skilled workers. Claudia Müller is an economist (BSc in International Economic Studies, master’s in Public Policy) and worked in the area of sustainable investment at the Deutsche Bundesbank.

Topics

Sustainability assessment of the financial business

UmweltBank follows a clear sustainable strategy in all of its financial business – from the Bank’s own investments and lending through to its investment funds. The Environmental Advisory Board plays a key controlling and advisory role in this area. It regularly analyses the Bank’s own investment, lending and participating interests to ensure that all investments comply with strict sustainability criteria. For this purpose, it utilises both positive and exclusion criteria, which are revised to ensure they are always up to date with the highest ecological and social standards. The integration of the Sustainable Development Goals (SDGs) into UmweltBank’s Articles of Association in 2018 means the Bank now follows the United Nations’ holistic understanding of sustainability. The independent Environmental Advisory Board supports the full and permanent integration of this understanding into the Bank’s business policy, controlling and reporting.

One of the key tasks of the Environmental Advisory Board is to regularly review UmweltBank’s own investments and treasury transactions with regard to compliance with sustainability criteria. This includes the SDG-related treasury management rules, which were defined in 2019 and then implemented at an operational level in 2020. These rules ensure that UmweltBank’s own investments comply with the sustainability requirements of its Articles of Association at all times. Compliance with these rules is monitored on a daily basis by the Own Investments department on behalf of the Management Board and Environmental Advisory Board. The data required for the assessment is obtained from a professional sustainability rating agency. The Environmental Advisory Board supported

the specialist departments involved in drafting the underlying concept and receives regular reports on this process. It also monitors compliance with the rules.

The sustainability assessment process also covers the lending business and the use of funds from customer deposits and is subject to strict and uniform criteria. Every financing project is comprehensively analysed to ensure that it is environmentally and socially compatible. The Environmental Advisory Board checks the sustainability ratings of the loans granted and supports the further development of the assessment methodology. This ensures that the financed projects verifiably make a positive contribution to sustainability.

Another task of the Environmental Advisory Board is to monitor the UmweltBank funds. The sustainable investment funds offered by UmweltBank are subject to clearly defined sustainability criteria and the Environmental Advisory Board monitors compliance with them. If a company in a fund violates the exclusion criteria or if their products or services no longer have a positive impact on the SDGs, it is removed from the investable portfolio. In particularly complex borderline cases, UmweltBank refers the issue to the Environmental Advisory Board for an informed decision.

Thanks to its comprehensive auditing work, interdisciplinary expertise and continuous dialogue with internal and external experts, the Environmental Advisory Board ensures that UmweltBank consistently complies with its sustainable investment criteria. Furthermore, the Environmental Advisory Board actively contributes to the development of the sustainability strategy and guarantees that the Bank not only satisfies its high standards but also constantly refines and expands them.

Environmental management system according to EMAS

The environmental management system according to EMAS is the central control instrument for managing UmweltBank’s environmental impact. Sustainability performance is certified transparently according to the recognised European standard and can be compared with other companies. Regular external validation by independent environmental experts guarantees the highest level of credibility. As part of the Environmental Advisory Board meetings in 2024, the Own Investments and Sustainability department informed the Environmental Advisory Board about the sustainability performance. The Environmental Advisory Board was able to contribute its expertise on the application and further development of the environmental management system and to improving its processes. For example, it monitored the process for defining ambitious and future-proof

environmental targets and the progress made with them to ensure that the defined measures are being implemented effectively.

Regulatory developments

Regulatory requirements, including the Green Claims Directive and the CSRD (Corporate Sustainability Reporting Directive), were also discussed at the Environmental Advisory Board meetings. The experts on the Environmental Advisory Board gives their perspective during the early assessment of new regulatory developments and helped to define appropriate measures for their implementation.

This independent Board is also supporting the planning process for the new company headquarters (the UmweltHaus) and the UmweltQuartier with its comprehensive expertise. The aim is to implement the highest sustainability standards and develop innovative concepts for climate friendly and future-oriented construction.


Summary and outlook

In 2024, the Environmental Advisory Board held a total of three meetings with the Management Board and the Own Investments and Sustainability department. It comprehensively examined the sustainability strategy and financial decisions of UmweltBank at these meetings. The Environmental Advisory Board was given an in-depth insight into the lending business and how sustainability is embodied by the Bank in practice.


Through these means, it carried out a comprehensive review of the sustainability strategy and financial decisions of UmweltBank. The Environmental Advisory Board is of the opinion that UmweltBank did not make any investments that conflict with its Articles of Association. All of the customer deposits were invested in sustainable and environmentally friendly projects. Furthermore, the Bank identified regulatory challenges at an early stage and introduced corresponding measures to amend its sustainability reporting.

The advisory role of the Environmental Advisory Board will be expanded in 2025. In particular, it will intensively monitor the strategic development of the Bank’s sustainability reporting and help to push forward the integration of sustainability targets into all of UmweltBank’s business segments. The Environmental Advisory Board will contribute its specialist expertise to the development and implementation of an effective climate strategy at UmweltBank and prepare science-based recommendations. The Environmental Advisory Board will also examine the extent to which existing financing and investment criteria need to be tightened even further in order to maximise the Bank’s ecological impact. The strategic advice provided by the Environmental Advisory Board will be vital for further strengthening UmweltBank in its pioneering role in the sustainable financing business.

Nuremberg, 23 May 2025



Prof. Dr Harald J. Bolsinger
Chairperson



Claudia Müller
Deputy Chairperson

2.5 Contact for Sustainability Management

Erik Munding
Sustainability Management Team Leader
+49 911 5308 1023
Erik.Munding@umweltbank.de

2.6 Validation of the environmental statement

The environmental management system according to EMAS is audited annually by an independent environmental auditor. The declaration of the environmental auditor confirms the reliability of the data and information in the sustainability report as well as compliance with the requirements of the EMAS Regulation.



ERKLÄRUNG DES UMWELTGUTACHERS
ZU DEN BEGUTACHTUNGS- UND VALIDIERUNGSTÄTIGKEITEN

Der für die OmniCert Umweltgutachter GmbH mit der Registrierungsnummer DE-V-0360 unterzeichnende EMAS-Umweltgutachter

Thorsten Grantner (Registrierungsnummer DE-V-0284), akkreditiert für den Bereich

64.19: Kreditinstitute (ohne Spezialkreditinstitute)

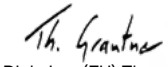
bestätigt, begutachtet zu haben, ob die Umweltbank AG wie in der aktualisierten Umwelterklärung angegeben, mit der Registrierungsnummer DE-158-00138, alle Anforderungen der Verordnung (EG) Nr. 1221/2009 des Europäischen Parlaments und des Rates vom 25. November 2009 über die freiwillige Teilnahme von Organisationen an einem Gemeinschaftssystem für Umweltmanagement und Umweltbetriebsprüfung (EMAS), zuletzt geändert durch die Verordnung (EU) 2018/2026 vom 19. Dezember 2018, erfüllt.

Mit der Unterzeichnung dieser Erklärung wird bestätigt, dass

- die Begutachtung und Validierung in voller Übereinstimmung mit den Anforderungen der Verordnung (EG) Nr. 1221/2009 in Verbindung mit der Verordnung (EU) 2017/1505 sowie der Verordnung (EU) 2018/2026 durchgeführt wurden,
- das Ergebnis der Begutachtung und Validierung bestätigt, dass keine Belege für die Nichteinhaltung der geltenden Umweltvorschriften vorliegen,
- die Daten und Angaben der Umwelterklärung der Organisation ein verlässliches, glaubhaftes und wahrheitsgetreues Bild sämtlicher Tätigkeiten der Organisation in der Umwelterklärung geben.

Diese Erklärung kann nicht mit einer EMAS-Registrierung gleichgesetzt werden. Die EMAS-Registrierung kann nur durch eine zuständige Stelle gemäß der Verordnung (EG) Nr. 1221/2009 erfolgen. Diese Erklärung darf nicht als eigenständige Grundlage für die Unterrichtung der Öffentlichkeit verwendet werden.

Bad Abbach, den 20.05.25


Dipl.-Ing. (FH) Thorsten Grantner
Umweltgutachter DE-V-0284



3

People at **UmweltBank**

3.1 Management Board

Goran Bašić

Member of the Management Board



How I want to make a difference

I want to leave the office everyday feeling good that I’ve done my part to make the world a better place. I don’t see myself as just a banker, but also to some extent as an environmentalist – and with this dual motivation I am wholeheartedly committed to UmweltBank.

What moves me

I’ve experienced my share of highs and lows – both professionally and as a self-confessed fan of 1. FC Nürnberg. Travelling – usually by electric car to a holiday flat on Croatia’s Adriatic coast – as well as hiking, swimming or cycling with my family restore my sense of balance.

My path so far

since 07/2014	Member of the Management Board UmweltBank
as of 2011	Head of Project Finance Department UmweltBank
as of 2008	Deputy Head of Project Finance Department UmweltBank
as of 1999	Employee in Project Finance Department UmweltBank
as of 1997	Support for the establishment of a commercial bank in Sarajevo, Bosnia and Herzegovina
1997	Degree in Economics University of Erlangen-Nuremberg

Dietmar von Blücher

Spokesperson of the Management Board



What moves me

The UmweltBank has demonstrated that economic success and ecological transformation do not stand in the way of one another. The sustainable transformation of the economy is more important than ever, especially in current times, and UmweltBank is well positioned to support this transition

together with our customers. It is a pleasure for me to be able to work for UmweltBank where I can play my part in contributing to the sustainable development of society together with our committed employees.

My path so far

Since 01/2024	Member of the Management Board of UmweltBank
2021–2023	Member of the Management Board Baader Bank
2016–2020	Member of the Management Board for Finance and IT comdirect bank
2012–2016	Head of Group Finance Commerzbank
2009–2012	Head of the Financial Statement Analysis Department Commerzbank
1996–2009	Various management positions in controlling and accounting Dresdner Bank
1993–1996	Business studies degree at the Dual University Villingen-Schwenningen and banking apprenticeship at the Dresdner Bank AG in Freiburg

Heike Schmitz

Member of the Management Board



How I want to make a difference

UmweltBank was already green around 25 years ago – long before sustainability was recognised as an important topic for the future. Inspired by this pioneering role, I want to use my personal and professional expertise every working day to make UmweltBank even more successful – in economic, ecological and social terms.

What moves me

For me, to live sustainably is a basic need. I’m aware, of course, that I’m not perfect – but I think that every little bit helps. I find balance to my professional commitment as a passionate musician with the parforce horn (a German style of hunting horn) and spending time in nature. A meal with regional products in the company of friends and family rounds out the day.

My path so far

since 2022	Member of the Management Board UmweltBank
2021–2022	Chief Representative UmweltBank
2018–2021	Head of Finance, Controlling & IR comdirect bank / Commerzbank
2002–2018	Head of Finance and Controlling Sparkassen Finance Group
1997–2002	Head of Finance comdirect bank
1995–1997	Head of IT, Organisation and Human Resources comdirect bank
1987–1994	Specialist Functions Group Strategy / Private Customers Commerzbank
1982–1987	Business Administration University of Münster and University of Cologne
1980–1982	Banking apprenticeship Commerzbank

3.2 Supervisory Board

Susanne Horn

Neumarkt i. d. Opf.
Director of Corporate Development at
Dehn SE



After her studies and simultaneous banking training, Susanne Horn initially worked in the financial sector. In 2008, she joined Neumarkter Lammsbräu Geb. Ehrnsperger KG as Chief Representative and made the company the undisputed market leader in the organic sector. Susanne Horn led Bischofshof Brewery in Regensburg from 2019 to 2022. She has worked for Dehn SE, a family business based in Neumarkt, since the beginning of 2023.

Dr
Michael Kemmer
Munich
Member of the supervisory and
administrative boards of various
companies



After training as a banker, studying business administration, completing his doctorate at Ludwig Maximilian University of Munich, and passing the tax consultant examination, Dr Michael Kemmer worked in the banking industry for over 20 years. He was general manager and a member of the Board of Directors at the Association of German Banks (Bundesverband deutscher Banken) from 2010 to 2017. His extensive know-how of the banking industry and his large network through numerous mandates offers tremendous value-added for UmweltBank.

Heinrich Klotz

Aschaffenburg
Retired notary



Heinrich Klotz was a notary in Aschaffenburg from 1991 until the beginning of 2023. His relationship with UmweltBank goes back to 1993, when he was involved in the preparations for the foundation of UmweltBank and was one of its founding shareholders. Heinrich Klotz has been a member of the Supervisory Board of UmweltBank since 2010.

Finja Carolin Kütz

Munich
Independent Senior Advisor
and Supervisory Board Member



Finja Carolin Kütz studied mathematics and the foundations of computer science/ mathematical logic at the University of Münster and Oxford University, UK. She worked at Oliver Wyman for over 20 years advising banks and supervisory authorities on their strategy, risks, governance and transformation processes and, in her final years at the company, was Head of Consulting for Germany/Austria. Finja Carolin Kütz then worked at UniCredit in Milan as Group Chief Transformation Officer and Deputy Group COO. She has been an independent advisor and a member of supervisory boards for a number of years and invests in start-ups, primarily those in the impact sector.

Georg Schürmann

Kelkheim (Taunus)
Member of the Federal Govern-
ment Sustainable Finance Advisory
Committee



Georg Schürmann can look back on many years of professional experience in the banking sector. Following his training and a successful stint at Deutsche Bank, he moved into the sustainable finance sector in 2009 and was appointed Managing Director of the German branch of Triodos Bank N.V. – a Dutch company that specialises in the financ- ing of projects that benefit both people and the environment – where he headed the company until 2024.

Schürmann also leads a sustainable life privately with pleasure and conviction and enjoys mountain biking in his free time.

Silke Stremlau

Wennigsen
Chair of the Federal Government
Sustainable Finance Advisory
Committee and Senior Fellow of the
Mercator Foundation



Silke Stremlau studied political science and sociology with a focus on environmental policy. She has been committed to ecological and political issues since her early youth. At imug Beratungsgesellschaft für sozial-ökologische Innovationen, she established the Sustainable Investment department, and was responsible for the evaluation of companies under sustainability criteria. She previously supported UmweltBank as a member of the Environmental Advisory Board from 2006 to 2015.

3.3 **Environmental Advisory Board**

Prof. Dr
Harald J. Bolsinger
Würzburg,
Business ethicist, Technical
University of Applied Sciences
Würzburg-Schweinfurt (THWS)



Prof. Dr Harald J. Bolsinger focuses on sustainability policy, basic questions of business and corporate ethics and value management and digitalisation. The Würzburg-based business ethicist scrutinises areas that have questionable regulatory policy to ensure viable, global, sustainable development and free societies. He is convinced that global environmental and social sustainability must first and foremost come from the financial sector to achieve an effective long-term and irreversible shift towards a sustainable economy: “If you want to change the world sustainably, you have to start with the financial markets!”

Dr
Meike Gebhard
Munich
Environmental economist,
Managing Director of
Utopia GmbH



Dr Meike Gebhard holds a doctorate in environmental economics and since 2008 has been Managing Director of Utopia GmbH, which operates Germany’s leading sustainability platform Utopia.de. Since 2024, she has also been the Managing Director of SAIM, a sustainability consulting company that provides companies with strategic and communication advice during the transformation process. She is an expert in sustainability strategy and communication. In 2018, she was recognised with the People’s Choice Award at the German Environmental Media Awards for making Utopia.de the leading sustainability platform.

Stefan Klinkenberg
Berlin
Architect and Project Developer



Stefan Klinkenberg is an architect and project developer in Berlin. Together with his employees and cooperation partners, he develops and plans projects with particular social and ecological requirements. Clients are initiatives, cooperatives, associations, social agencies, building owners’ associations and private investors. The architect and project developer believes that the future belongs to sustainable and communal living: “We want to bring people together and work with them to create a liveable, sustainable living environment.”

Claudia Müller
Frankfurt am Main
Founder of Female Finance Forum



Claudia Müller founded the Female Finance Forum in 2017. Her goal is to awaken the interest of women in money and financial products, and to provide them with the knowledge necessary to take their finances into their own hands. The talks and workshops offered by the Female Finance Forum are specially designed for employers who want to promote equal opportunities in totally new areas and combat the lack of skilled workers. Claudia Müller is an economist (BSc in International Economic Studies, master’s in Public Policy) and worked in the area of sustainable investment at the Deutsche Bundesbank.

Heribert Sterr-Kölln

Freiburg
Auditor and Tax Consultant



At the beginning of his consultancy work, Heribert Sterr-Kölln focused on family businesses that are socially committed. He recognised early on that legal and tax expertise alone could not provide satisfactory answers to central questions of entrepreneurial activity. He therefore developed the integrated consultancy method. This interdisciplinary approach combines technical expertise with targeted advice on orientation and strategic planning. Since 1994, he has placed his expertise at the service of renewable energy sources. He develops sustainable, economically successful strategies together with banks, municipal utilities and companies. One focus is on financing entrepreneurial projects and concepts.

3.4 Sustainable **personnel policy**

Philosophy

UmweltBank is committed to dedicated, qualified and responsible employees. After all, they are co-entrepreneurs and have a decisive influence on the success of the Bank. Working at UmweltBank goes hand in hand with choosing a meaningful occupation that combines professional banking with ecological commitment.

UmweltBank is a dynamic company with flat hierarchies and clear yet open structures. The corporate culture is characterised by trust and respectful interaction. Employees are supported, but also challenged. Within this framework, UmweltBank offers plenty of room for personal initiative and the opportunity to take responsibility.

UmweltBank lives by the principle of “quality before quantity”. There are no individual targets for achieving specific revenue or sales figures. This ensures fair treatment of customers and motivates employees to make decisions based on values rather than profit.

At the end of 2024, UmweltBank had 376 employees. The average tenure of 5.6 years demonstrates a high level of loyalty to the company. The collegial and informal working atmosphere at the company is supported by joint events and celebrations. Nevertheless, the small gestures peripheral to daily work are also worth mentioning, such as a bouquet of flowers to welcome new talents.

As dedicated specialists in the field of ecological investment and professional financing of environmental projects, the employees are UmweltBank’s most important asset. One objective of the personnel policy is therefore to always create and foster the best possible working conditions. Targeted professional and personal qualification in addition to the compatibility of work and family ensures a high level of competence and motivation.



Personnel structure as of 31 December 2024

		2023	2024
Employees	Number	354	376
Number of employees (annual average)	Number	347	356
Full-time equivalents (annual average)		306.0	313.6
Number of permanent employees	Number	320	334
thereof women	%	55	57
thereof men	%	45	43
Part-time employees	Number	104	116
thereof women	Number	81	93
thereof men	Number	23	23
Employees on parental leave (annual average)	Number	12	18
Average age of permanent employees	Years	39.0	40.0
Tenure (on average)	Years	5.6	5.6
Fluctuation rate	%	8.8	13.3
Disabled employees	Number	10	13
Seminar days per employee (on average)	Days	2.9	5.2
Sick days per employee (on average)	Number	10.3	15.5

Transparent remuneration structure

UmweltBank’s remuneration system is designed for sustainability in line with the corporate strategy. A new remuneration structure was introduced in 2023 to ensure that all employees are remunerated according to a modern, uniform and transparent system. The remuneration system is based on function and market value-oriented salary bands and the application of the system is subject to uniform rules.

All permanent employees of UmweltBank still receive their salary split into twelve monthly instalments and an additional payment (“thirteenth monthly payment” instalment). The Supervisory Board decides on special payments for the Management Board. Information on Management Board remuneration can be found in the notes to the annual financial statements.

Student employees work part-time on an hourly basis with an hourly wage starting at €15. All interns, regardless of whether they are doing a voluntary or compulsory internship, receive remuneration at the level of the minimum wage.

Remuneration

		2023	2024
Total personnel expenses	Euros	25,642,102	26,136,204
thereof wages ¹	Euros	21,917,757	22,391,052
thereof social security contributions	Euros	3,706,345	3,745,152

¹ For 356 employees as an annual average including allowances: Travel costs, food vouchers and non-cash benefits incl. flat-rate taxes



Additional company benefits

Beyond the salary, UmweltBank offers its employees a range of attractive benefits. The company covers the cost of the “Germany ticket” (Deutschlandticket) for all permanent employees. Employees can use this ticket not only to commute to work by public transport every day but also for their leisure activities or for other travel free of charge.

The Bank supports families by providing financial assistance to employees with children. Mothers and fathers receive up to €150 per month and child for the care and accommodation of children who are not of school age in a crèche or kindergarten.

Business trips are primarily by train. UmweltBank provides all employees who travel regularly for business with a 2nd class BahnCard Business 25, which allows them to travel with 100% green electricity as standard. These same advantages also apply to private travel.

In addition, organically grown and fair-trade products such as coffee and tea are available free of charge. All permanent employees also receive cashless meal allowances.

UmweltBank actively points out the option for a company pension plan and matches up to 50% of the employee’s contribution. In addition, the Bank settles employees’ securities transactions at cost.

As a listed company, UmweltBank is able to issue shares to employees and make employees co-owners of the company, which also serves to improve motivation and loyalty to the company at the same time. The Bank has given its employees the opportunity to acquire employee shares at attractive conditions on various occasions in the past. This opportunity was also actively utilised by employees in 2024.

Employees are given a Germany Ticket so they can travel around Germany on public transport free of charge.

Professional development

UmweltBank continuously invests in the further training and education of its staff. The offer includes a wide range of internal and external seminars, communication and IT training, part-time qualification programmes and degree programmes. External training can cover bank-specific or environment-oriented themes and or personal skills, depending on individual requirements and needs. Employees can train to become a banking specialist, business economist or risk manager while carrying out their normal job.

17 specialised in-house seminars were also held in 2024. This included seminars on subjects such as “Banking for career changers”, “Credit analysts”, “Scrum master”, and “Results-oriented conversation skills”.

The specialist departments offer basic training internally, especially to new employees, so that they can learn about the structure of the department and the area they will be working in.

To support employees as they deal with change, a series of seminars entitled “Shaping change – how to deal with transitional processes confidently” has been offered across the Bank. The seminars are split into three modules that build on one another. Each 1.5-hour seminar is held multiple times for each module so that employees have the opportunity to attend all three parts. The online format makes it easier for employees to integrate the modules and exercises into their everyday working lives. Managers at UmweltBank also started the “Leadership learning journey” in 2024 and completed it by July 2025. UmweltBank supports its team leaders and department managers by offering them various practical modules such as “Shaping change”, “Consistent leadership” and “Collegial case work” so that they can continue to confidently handle their own day-to-day work as a leader.

All permanent employees at UmweltBank have a contractual right to further training. In 2024, an average of 5.2 days per employee were invested in education and training.

The expenses for personal development and training were around €513,000.00. At least once a year, employees discuss their own development potential with their manager in a competence-based employee appraisal. The employee and manager share feedback and also discuss the employee’s potential for professional and personal development.

Expenses for advanced training and continuing education measures amounted to approx. €513,000 in 2024.

Promoting young talent

UmweltBank places a special focus on the promotion of young talent. The aim is to spark interest among young people for the world of sustainable banking, provide them with training and encourage them to join UmweltBank. The Bank looks for talent around the world so that it can remain as competitive as possible. The company offers young people internships, working student jobs and entry level positions.

The cooperation with the Georg Simon Ohm University of Applied Sciences Nuremberg deserves special mention. UmweltBank has sponsored the Germany Scholarship in the field of “Economics and IT” for many years and has also sponsored a lecture theatre since 2023. The 100-seat UmweltBank lecture theatre is in the Faculty of Economics. In 2024, Spokesperson of the Management Board Dietmar von Blücher held a talk there on the “Corporate strategy and transformation of UmweltBank”. Experts from UmweltBank are also on-site regularly to hold talks or carry out project work.

In 2024, UmweltBank supported the digital flagship project “InnoHikes” in the metropolitan region of Nuremberg. This digital scavenger hunt provides an in-depth insight into the innovations developed in the region and aims to encourage people to embark on a career at a local company in a fun way. This innovative format reached around 5 million people overall in 2024.

UmweltBank bears the “Fair Company” seal of quality and has voluntarily committed to complying with all the rules of the initiative. This makes it one of the companies that offer young academics a challenging working environment. UmweltBank thus also underscores its long-standing commitment to the responsible and future-oriented design of internships.

As a Fair Company, UmweltBank commits to paying students a fair wage while training them and providing them with opportunities that foster professional orientation.



Diversity and equal treatment

UmweltBank sees cultural diversity as an enrichment and an important factor for sustainable success. The working environment is characterised by mutual respect and tolerance. All employees are valued, regardless of gender, nationality, ethnic origin, religion or belief, disability, age, sexual orientation or identity. UmweltBank underscored its commitment by signing the Diversity Charter.

In 2024, women made up 57.0% of the workforce. The proportion of women in management and specialist positions was 40% as an annual average. The gender distribution on the Supervisory Board is balanced, the Management Board comprises one woman and two men.

In keeping with its core values, UmweltBank attaches great importance to remunerating work of equal value with equal pay. In the 2024 financial year, the unadjusted gender pay gap was 16.9%. The unadjusted gender pay gap expresses the relationship between the average gross hourly earnings of men and women, but does not take into account structural differences such as occupation, qualification and work experience as well as the overall market situation.

Work-life balance

UmweltBank actively supports employees in balancing work and family life. As part of its child-friendly personnel policy, the Bank fundamentally offers the possibility of part-time employment. Many employees take the opportunity to take care of their family in line with their work and take time off. The majority of mothers and fathers return to the company after their parental leave. UmweltBank facilitates the return by offering individual part-time models and a financial subsidy for childcare. In 2024, 116 employees worked part-time (previous year: 104). In addition, flexible arrangements for mobile working support the compatibility of work and family.

All full-time permanent employees of UmweltBank have 30 days of holiday per year. Additional days off are Christmas Eve, New Year's Eve and a half day on Shrove Tuesday. On 1 January 2024, the weekly working hours (full time) across the Bank were reduced from 40 hours to 39 hours.

33% of the employees choose the attractive part-time models of UmweltBank and can thus balance family and career.

Corporate health management

UmweltBank's strategically oriented corporate health management forms an integral part of the corporate culture and aims to design work and organisation with healthy in mind. The Bank implements measures on various health-related themes and employees are regularly provided with information and training courses.

To prevent one-sided strain, all workplaces have ergonomic office chairs and height-adjustable desks. This makes it possible to also work while standing. To ensure that employees can make best use of their equipment and furnishings, UmweltBank believes that it is important to offer employees regular ergonomic consultations. These are not only offered on-site in the office, but also virtually for working in the mobile office.

The Bank provided various different services during 2024 to promote the health of its workforce. As in previous years, back fitness training courses held near to UmweltBank were once again offered to employees on an ongoing basis in 2024. The Bank also offered two yoga courses. To help employees get to know and try out new things, UmweltBank held a Health Week during which employees could take part in various trial and taster courses. With a total of 50 runners, UmweltBank once again participated in the company fun run held around the Dutzendteich lake in Nuremberg in 2024.

Another important component is promoting the mental health of employees, which is why this varied topic is also regularly on the annual agenda. At the beginning of the year, the Bank introduced regular short breaks together with ideas and exercises to help employees relax. Furthermore, UmweltBank established a workshop to improve resilience and held a series of talks on dealing with challenging situations within processes of



change. Aside from offering solutions for preventive action, the Bank trained a total of 15 employees in Mental Health First Aid in 2024 to provide adequate support to employees with existing mental health problems or those in crisis.

UmweltBank has also been promoting health by offering a health card from the igb (Initiative for Healthy Workplaces) since 2019. This card offers rewards for healthy activities and makes a valuable contribution to promoting a healthy lifestyle. The card can be used at various healthcare providers in the areas of exercise, nutrition and relaxation. It can also be used for personalised endurance training courses. Due to the wide range of preventative activities offered to employees, the card allows them to select different activities according to their own preferences. The health card has proved very successful and is now used by more than two thirds of employees.

Occupational safety and health protection

In the area of occupational safety and health protection, the main focus is placed on preventing accidents, protecting against work-related health risks and employee safety. Modern occupational health and safety takes into account the complex requirements of a dynamic working world and designs health-promoting conditions for all employees. The Work Safety Committee, which meets quarterly, defines the topics of focus for the year in a structured and transparent manner, discusses suggestions, identifies needs in the company and ensures that measures are implemented competently.

Occupational health and safety support is provided by an external prevention team consisting of an occupational safety specialist, a company doctor and an occupational psychologist. Internally, the Bank has increased the number of Safety Officers contributing to occupational safety to six.

In 2024, a total of 52 employees took advantage of eye examinations offered as part of occupational health screening. If employees need glasses for working at the computer, UmweltBank will contribute €100 to the cost. Four employees applied for this subsidy in 2024.

Sustainably motivated



Sustainable remuneration policy

- Fair remuneration system
- Contractual entitlement to further training
- Pension subsidy



Family and work

- Flexible working time models
- Childcare subsidy
- Time off possible (e.g. sabbatical)



Health

- Ergonomic workplaces
- Comprehensive health management
- Subsidy for selected sports courses



Additional benefits

- Public transport ticket
- Meal vouchers
- Employee shares



4

Annual
Report

Letter from the Chair of the Supervisory Board

Dear Shareholders,

UmweltBank AG once again asked you to show patience in the 2024 financial year: Earnings hit a low point in the company’s history, the share price – despite the noticeably better communication with capital markets – fell and shareholders did not receive any dividends.

Nevertheless, there were still plenty of positive things to report from the last financial year: The company made significant progress in its comprehensive process of transformation to realign the Bank so that it is fit for the future. The Bank placed great emphasis on resolving regulatory deficits with noticeable success. The measures within the Management Board’s business strategy have taken effect: The Bank was able to increase its customer numbers at a previously unprecedented rate. The company successfully pushed forward the sale of its portfolio of participating interests. And there has already been an appreciable turnaround on the income side, although this has not yet been reflected in earnings because expenses once again rose at the same time. And maybe the most important thing, also from the perspective of the Supervisory Board, is that the company developed as forecast by the Management Board.

This fact means we can look forward with optimism to the future development of UmweltBank AG. This should give us on the Supervisory Board and also you, dear shareholders, confidence that the forecasts made by the Management Board for 2025 and subsequent years also have solid foundations, that the transformation process is now bearing fruit and that the Bank will return to sustainable profitability in 2025.

The Supervisory Board is under no illusion that the path ahead will still be challenging and that not all of the measures taken today will necessarily be successful. Framework conditions for the banking business, such as the constantly evolving regulatory requirements, the uncertain macroeconomic environment and growing competition due to the rapid advances in IT and technology, will also have an impact. The Management Board and employees of UmweltBank who tackle these challenges with great commitment thus deserve special thanks from the Supervisory Board. But I would also like to express my sincere gratitude to you, dear shareholders, for staying with UmweltBank on this journey.

Together we will make the company successful again. And this economic success will in turn boost the ecological impact that is so integral to UmweltBank and that is close to all of our hearts.

Munich, June 2025



Dr Michael Kemmer, Chair of the Supervisory Board

Management report

of UmweltBank AG, Nuremberg

2024 financial year

1 Company background

1.1 Business model

UmweltBank Aktiengesellschaft (UmweltBank or UmweltBank AG) is a listed bank on the OTC market at the Munich Stock Exchange. Since it received its full banking licence in 1997, the company has combined banking business with ecological and social values. The Bank’s core expertise lies in the financing of renewable energy projects and real estate, as well as offering sustainable investment opportunities. Alongside its customer business and managing its liquidity, income and risks, the Bank also operates its own business. The securities in the Bank’s own portfolio (Portfolio A) are likewise selected according to ecological criteria.

UmweltBank’s corporate bodies are the Management Board, Supervisory Board and Annual General Meeting. The Articles of Association also stipulate another body: the Environmental Advisory Board. It has an advisory role, supports the corporate bodies required by law and meets on a regular basis to consult on matters and discuss the latest information. If permitted by law, the Environmental Advisory Board can also fulfil other tasks in compliance with the rules of procedure.

UmweltBank and its around 375 employees at the company headquarters in Nuremberg take care of approximately 155,000 private and commercial customers throughout Germany. The Bank offers its customers a portfolio of sustainable financial services. As a rule, sustainability aspects are taken into account in all of the products and services and the Bank has published them in its “Principles for Investment Products and Financing”.

As an important corporate objective, sustainability is enshrined in the Articles of Association as follows: “UmweltBank promotes the sustainable development of society with the objective of maintaining and creating a liveable world for future generations. The Bank models its business operations on the United Nations Sustainable Development Goals. In particular, it makes contributions to the implementation of sustainable towns and

communities, to affordable and clean energy and to climate protection. In this respect, it pays attention to sustainable production and consumption as well as gender equality.”

In its private customer business, UmweltBank’s main focus is the provision of short to long-term savings accounts (call deposit accounts and term deposit accounts). The Bank’s product range also includes sustainable securities: the UmweltBank share, its own bonds, project and corporate bonds from other issuers and investment funds. In addition, the Bank actively manages three of its own funds and an ETF, which all comprise financial assets that comply with UmweltBank’s sustainability standards.

The main focus of the commercial customer business is financing renewable energy projects and real estate in Germany. In the renewable energies business field, UmweltBank finances photovoltaic plants (roof-top plants, open-field plants and PPA projects) and wind power plants. In the real estate business field, the Bank finances rental accommodation projects, commercial real estate, investor projects, care facilities, schools, nursery schools, child daycare centres and student residence projects. The Bank also offers its commercial customers a selected range of investment products.

UmweltBank invests directly or indirectly through its wholly owned subsidiary Umwelt-Projekt GmbH in real estate and energy projects, as well as in other selected companies in the sustainability sector. The Bank’s strategy includes the goal of divesting the majority of its participating interests by 2026. In 2024, UmweltBank sold five direct or indirect participating interests in the area of renewable energies and three property companies as part of an asset deal. Furthermore, the Bank has taken over four real estate investments from its subsidiary UmweltProjekt GmbH in preparation for future transactions.

The UmweltBank share is listed on the OTC market at the Munich Stock Exchange in the market segment m:access and traded on other German stock exchanges and trading platforms. According to the latest information available to the company, GLS Gemeinschaftsbank eG currently holds around 15% of the shares in UmweltBank. The company is not aware of any other shareholders who own 10% or more of the shares. According to the latest information available to the company, the other shares are in free float.

1.2 Management system

The volume of business and earnings before taxes are the most important financial performance indicators for 2024.

The Bank has defined earnings before taxes, total assets, the cost income ratio and return on equity as the most important financial performance indicators for the 2025 financial year. In contrast to 2024, total assets has replaced the volume of business as the most important performance indicator in 2025 because it is the more commonly used indicator on the market.

The volume of business is calculated from total assets, liabilities from guarantees and warranty agreements and irrevocable loan commitments.

The cost income ratio is defined as the percentage ratio of costs to income. The costs comprise the general administrative expenses and amortisation, depreciation and impairment on intangible assets and property, plant and equipment. Income is the sum of the interest result, financial result, commission and net trading income, risk provision income, the valuation result from receivables, securities of the liquidity reserve and the other operating result.

Return on equity is the ratio of earnings before taxes and the average equity in the financial year.

One of the most important non-financial key performance indicators used by Umwelt-Bank is employee satisfaction. At regular intervals (at least every two years), the Bank conducts a bank-wide survey of all employees to assess employee engagement. The survey collects four values (measuring job satisfaction, motivation, loyalty and recommendation rate) and uses them to generate a score – the so-called SINNdex. It can lie between 0% and 100%, whereby 100% is the maximum level of satisfaction.

2 Economic report

2.1 General economic and industry-specific framework conditions

The German economy once again faced economic and structural challenges in 2024 and contracted for the second year in a row. According to initial calculations by the Federal Statistical Office, price-adjusted gross domestic product fell by 0.2% in comparison to 2023. High energy costs and high interest rates continued to hamper German economic output, as did growing competition for German exports and uncertain economic prospects. As a result, the gross value added of the manufacturing sector contracted overall by 3.0% in 2024. The construction industry even recorded gross value added of minus 3.8%. In contrast, the service industry performed positively (+ 0.8 %). A price-adjusted rise in private consumption of 0.3% was, however, not able to prop up the German economy. Neither a significant drop in inflation nor wage increases were able to provide any clear positive impetus for the economy. Consumer prices in Germany rose by only 2.2% on average in 2024, compared to 5.9% in the previous year and 6.9% in 2022. Wages within collective bargaining agreements increased nominally in 2024 by 5.5% on average in comparison to the previous year. The German labour market remained robust in this challenging environment. Germany set a new employment record with an average of 46.1 million people in employment.

In response to the sharp rise in inflation in the eurozone, the European Central Bank (ECB) raised the interest rate for main refinancing operations in ten steps from 0.0% to 4.5% between July 2022 and September 2023, which was the strongest cycle of interest rate hikes since the introduction of the euro. In 2024, the ECB changed course and returned to a more expansive monetary policy. As a result, key interest rates fell in four steps to 3.15% over the course of the year. The interest on the deposit facility fell from 4.0% to 3.0% over the same period. At the end of the year, the ECB was on course to achieve its medium-term inflation target of 2% on which its monetary policy is based.

The mood on the German real estate market remained bleak in 2024. High material, energy and financing costs, a lack of skilled workers, more stringent construction standards and complicated approval processes continued to put the brakes on growth in the sector. New construction activity in Germany thus fell again over the last year. This was reflected in the number of planning permissions granted for homes. In the period from January to December 2024, planning permission was granted for a total of 215,900 homes – which

was 18.6% or 43,700 less than in the previous year. It was possible however to at least halt the sharp fall in prices for residential and commercial real estate seen in 2022 and 2023 for the time being. Real estate prices thus stabilised in 2024. According to data from the Association of German Pfandbrief Banks (Verband deutscher Pfandbriefbanken – vdp), prices for residential real estate throughout Germany increased year-on-year by 2.1% and prices for commercial real estate by 0.5%. At the same time, the upward pressure on rents continued in 2024. This especially affected new rental contracts, while rents for existing tenants remained at a moderate level. This divergent development is exacerbating tensions in the housing market and making it increasingly difficult – especially in urban areas – for households with even a medium income to find affordable housing that meets their needs. This situation is being exacerbated by high immigration and falling investment in residential construction.

The expansion of renewable energies in Germany further progressed in 2024. The installed output increased by 20 gigawatts to a total of around 190 gigawatts – an increase of 12% compared to the previous year. This development was mainly due to the expansion of wind and solar power. In 2024, 635 new onshore wind turbines with a total output of around 3.3 gigawatts were built across Germany. Although the increase in output was around 9% lower in comparison to the previous year (2023: around 3.6 GW), it was still high. According to the Federal Network Agency, new photovoltaic systems with an output of more than 16.2 gigawatts were added in 2024, compared to 14 gigawatts in the previous year. The German federal government's target of 13 gigawatts in 2024 was thus exceeded by a significant margin.

2.2 *Business performance of UmweltBank AG*

The reporting year was significantly influenced by the ongoing transformation process at UmweltBank and by the implementation of the strategic realignment that was presented at the beginning of 2024 to place more focus on the Bank's core business fields. The strategy envisages significant expansion of the deposits business on the one hand, while on the other, the Bank will use its long-standing and comprehensive expertise in the project financing business to exploit further growth opportunities, especially in the rapidly growing renewable energies segment. UmweltBank discontinued its new business in customer loans in 2024 and pushed forward with its planned divestiture of participating interests. In 2024, UmweltBank sold five direct or indirect participating interests in the area of renewable energies and three property companies as part of an asset deal. Furthermore, the Bank has taken over four real estate investments from its subsidiary UmweltProjekt GmbH in preparation for future transactions.

Despite the challenging framework conditions, the private customer business developed positively. In 2024, the Bank was able to attract more than 23,000 new customers, which represented an increase of 18% compared to the previous year. Call deposits increased in the same period by almost €1 billion. The securities business performed below expectations, which was due to the fact that the launch of the brokerage service has been delayed for the time being and the issuing of a planned bond was postponed until the current year. However, notable highlights were the high number of newly opened depots (around 4,500) and the fact that, despite only launching the UmweltBank ETF in the middle of 2024, it already had a fund volume of almost €34 million by 31 December 2024. In the commercial customer business, the Bank recorded new gross lending of almost €250 million.

Dietmar von Blücher was appointed as a Member of the Management Board with effect from 15 January 2024. He replaced former Spokesperson of the Management Board Jürgen Koppmann, who stepped down from the Management Board with effect from 31 December 2023.

The continued growth of UmweltBank is being hindered to some extent by the limited space at the current headquarters. For this reason, the Bank decided to build new company headquarters in Nuremberg and employees should be able to move into the new building in 2026. Free space in the so-called "UmweltHaus" will be rented out to commercial users. The plot of land purchased by the Bank also has enough

room for the construction of other buildings and UmweltBank is currently engaged in the urban planning stage for them.

The Bank’s volume of business, i.e. the total assets, liabilities from guarantees and warranty agreements and irrevocable loan commitments, came to €6,503.9 million at the end of 2024, which represented an increase of 6.3% compared to the previous year. Total assets increased by 8.8% to €6,185.9 million. The total volume of customer lending, including open commitments of €239.0 million and contingent liabilities of €79.0 million, was €3,466.9 million, which was 8.5% lower than in the previous year.

In 2024, UmweltBank newly financed ecological and social real estate with a volume of €103 million. As part of its new strategic alignment, the Bank is focussing its lending activities on commercial customers, whereby the private building loans and mortgages business field is no longer being actively pursued. The real estate project financing business segment was mainly characterised by residential projects.

In the 2024 financial year, UmweltBank issued new loans of €147 million (previous year: €359 million) to projects in the field of renewable energies with a total output of 114 megawatts (previous year: 473 megawatts). Market demand was substantially higher than available new lending volumes – which were restricted due to the greater requirements placed on the company’s capital.

In 2024, UmweltBank financed photovoltaic power plants with a volume of €75 million (previous year: €216 million) and an output of about 87 MWp (previous year: 364 MWp). The projects financed by the Bank were mainly for large open-field sites, with an almost even split between projects receiving EEG funding and those funded on the basis of power purchase agreements (PPAs). In the area of wind turbines, a total output of around 27 MW (previous year: 109 MW) was financed in 2024 with a volume of new lending of €72 million (previous year: €143 million).

With regard to the sector distribution of the loan portfolio (loans for sustainable projects, including open commitments), residential, social and commercial real estate lay in first place with a share of 37.9% (2023: 38.3%). Projects in the field of solar power made up 35.1% (2023: 34.6%), followed by loans for wind energy at 22.7% (2023: 21.6%). With a share of 4.3% (2023: 5.5%), the other lending volume includes, among other things, biomass and heating concepts, hydropower and sustainable agriculture.

Earnings before taxes and income from the reversal of provisions in the fund for general banking risks resulted in a net loss of €–8.5 million in 2024. This corresponds to an increase of 51.7% on the previous year. Earnings after taxes before reversals of provisions in the fund for general banking risks in accordance with Section 340g German Commercial Code (Handelsgesetzbuch – HGB) came to €–11.3 million (previous year: €–3.8 million). This corresponds to €–0.3 per share with 36.1 million no-par-value shares (previous year: €–0.1; 36.1 million no-par-value shares). The net result after tax and a reversal of provisions in the fund for general banking risks of €12.0 million was €0.7 million, as in the previous year.

The total regulatory capital ratio on the reporting date of 31.12.2024 was 16.4% (previous year: 15.7%). This increase was primarily attributable to the decrease in risk-weighted assets, which was mainly due to the sale of bonds and other fixed-interest securities, as well as the repayment of loans in the 2024 financial year.

The number of employees and interns working for UmweltBank grew to 376 as of the end of the year (previous year: 354). Converted to a 40-hour working week, the workforce increased by 7.72% to 336.1 (previous year: 312.0). This includes one apprentice.

Trading in the UmweltBank share closed at the end of the year at a price of €6.22 (XETRA closing rate on 30.12.2024). The company thus recorded market capitalisation of around €224 million.



2.3 Performance of UmweltBank AG

2.3.1 Financial performance

	01.01 – 31.12.2024 € thousand	01.01 – 31.12.2023 € thousand	Change in € thousand	Change in %
Interest result	44,950	41,106	3,844	9.4
Financial result	12,978	-2,641	15,619	> 100.0
Risk provisions for customer loans (expense (-) / income(+))	-3,767	4,509	-8,276	> -100.0
Valuation result (expense (-) / income(+))	136	146	-10	-6.8
Interest, financial and valuation result	54,297	43,120	11,177	25.9
Commission and net trading income	5,538	9,052	-3,514	-38.8
Other expenses (-) / income (+)	-818	56	-874	> -100.0
Earnings before administrative expenses and taxes	59,017	52,228	6,789	13.0
Personnel expenses	26,136	25,624	512	2.0
Other administrative expenses	40,617	31,510	9,107	28.9
thereof expenses for bank levy and deposit protection	1,822	3,235	-1,413	-43.7
Depreciation and amortization on non- current assets	764	697	67	9.6
Total administrative expenses	67,517	57,831	9,686	16.7
Earnings before taxes	-8,518	-5,603	-2,897	-51.7
Income taxes (refund)	-2,766	1,805	-4,571	> -100.0
Additions (-) to / reversals of (+) provisions in the fund for general banking risks	12,000	4,527	7,473	> 100
Net result	734	729	5	0.7
Transfer to retained earnings	178	43	135	> 100.0
Distributable profit	556	686	-130	-19.0

There may be differences in the amounts stated in the table due to rounding

Net interest income increased by 9.4%, from €41,106 thousand in 2023 to €44,950 thousand in 2024. Interest income rose by €24,666 thousand and outperformed the increase in interest expenses (+ €20,822 thousand). This was due to a sharp increase in the volume of customer deposits and their investment on the assets side with a positive interest contribution. This development led to the average interest margin increasing from 0.70% to 0.76%.

The **financial result** includes the current income from equities and other non-fixed-interest securities, participating interests and shares in affiliated companies, as well as the balance of write-ups and write-downs on participating interests, shares in affiliated companies and securities treated as non-current assets. The improvement in the financial result from €-2,641 thousand in 2023 to €12,978 thousand in the reporting year was primarily due to the substantial increase in current income from shares in affiliated companies of €32,735 thousand (previous year: €5,244 thousand), which was mainly attributable to an intragroup transaction. Increased income from the sale of participating interests of €3,536 thousand (previous year: €0 thousand) and securities of €2,281 thousand (previous year: €24 thousand) also had a positive impact on the financial result. This was offset to some extent by losses from the disposal of securities of €23,975 thousand (previous year: €16 thousand) in order to reduce the Bank’s risk-weighted assets (RWA) and benefit from a general increase in interest rates.

The additions to and reversals of **risk provisions** for customer loans netted as an expense of €3,767 thousand (previous year: income of €4,509 thousand). The existing risk provisions (specific and general allowances) came to €18,388 thousand (previous year: €10,121 thousand), which makes up 0.58% (previous year: 0.30%) of the volume of customer loans issued.

The **commission and net trading income** contains commission income and expenses from the credit, securities and insurance business. Due to the suspension of trading in a fixed-interest bond, which was transferred as of 31.12.2024 from the trading portfolio to fixed assets, net trading income in the reporting year was €0 (previous year: €596 thousand). The decrease in commission from €9,052 thousand to €5,538 thousand was thus due to the fall in commission income from the insurance and lending business and from the sale of investment funds.

The transaction volumes (customer purchases) in the customer securities and inter-mediation business came to around €46.3 million in 2024 (previous year: €47.8 million).

The balance of **other operating expenses, income and taxes** resulted in an expense of €818 thousand in 2024 (previous year: income of €56 thousand).

Personnel expenses increased by 2.0% to €26,136 thousand (previous year: €25,624 thousand). The increase primarily results from the increase in the workforce to implement the HR strategy and from salary adjustments.

Other administrative expenses increased from €31,510 thousand in the previous year to €40,617 thousand in 2024. The increase predominantly stems from a budgeted rise in marketing and consulting expenses.

After taking account of the tax expense of €2,766 thousand (previous year: income of €1,805 thousand) and reversals of provisions in the fund for general banking risks of €12,000 thousand (previous year: reversal of €4,527 thousand), there was a **net result** of €734 thousand (previous year: €729 thousand).

After the transfer to retained earnings of €178 thousand (previous year: €43 thousand), there is a **distributable profit** of €556 thousand (previous year: €686 thousand).

2.3.2 Financial position

The solvency of the Bank was ensured throughout the whole of the 2024 financial year. UmweltBank would have been able to settle all due liabilities at all times.

The “liquidity coverage ratio” (LCR) to be complied with pursuant to Regulation (EU) No. 575/2013 (CRR) stood at 9.76 as of 31 December 2024 and was thus significantly higher than the minimum of 1.0. The long-term liquidity ratio – the Net Stable Funding Ratio (NSFR) – of 2.31 as of 31.12.2024 was also higher than the minimum value of 1.0. UmweltBank thus has total liquidity that significantly exceeds the legal requirements. The Bank was also able to comply with the regulatory requirements for both liquidity ratios continuously during the year. When assessing the insolvency risk, the current survival horizon determined in the management-related stress scenario of 60 months (at end of the period under consideration) is significantly higher than the strategic ambition level of 6 months. The Bank did not experience any liquidity shortages in the past year. UmweltBank’s liquidity is more than sufficient to satisfy its payment obligations both now and in the future.

2.3.3 Financial performance

ASSETS	31.12.2024 € thousand	31.12.2023 € thousand	Change in € thousand	Change in %
Cash and cash balances	38,831	116,295	-77,464	-66.6
Receivables from banks	2,025,239	10,533	2,014,706	> 100.0
Receivables from customers	3,148,935	3,356,646	-207,711	-6.2
Bonds and other fixed-interest securities	745,462	2,023,042	-1,277,580	-63.2
Equities and other non-fixed-interest securities	44	21,335	-21,291	-99.8
Trading portfolio	0	5,572	-5,572	-100.0
Participating interests and shares in affiliated companies	82,115	35,059	47,056	> 100.0
Intangible assets	709	802	-93	-11.6
Property, plant and equipment	108,009	85,819	22,190	25.9
Other assets	33,294	27,034	6,260	23.2
Prepaid expenses	429	122	307	> 100.0
Deferred tax assets	2,832	5,879	-3,047	-51.8
Total assets	6,185,899	5,688,138	497,761	8.8

There may be differences in the amounts stated in the table due to rounding.

In a year-on-year comparison, **receivables from banks** rose from €10,553 thousand to €2,025,239 thousand. This sharp increase was attributable to the short-term investment of excess liquidity with Deutsche Bundesbank in order to benefit from higher market interest rates. In the previous year, these amounts were due daily and therefore were reported under cash and cash balances.

The portfolio of **receivables from customers** fell slightly from €3,356,646 thousand to €3,148,935 thousand. Decreases in volumes for residential, social and commercial real estate were recorded due to repayments that exceeded new lending business in this area.

The volume of **bonds and other fixed-interest securities** was €745,462 thousand as of 31 December 2024, which was considerably lower than the level in the previous year (€2,023,042 thousand). This decrease was due to sales made in order to reduce the Bank’s risk-weighted assets (RWA) and to benefit from the general increase in interest rates.

The portfolio of **equities and other non-fixed-interest securities** fell in the reporting period from €21,335 thousand to €44 thousand. The reason for this development was the sale of assets held in investment funds in order to reduce the Bank’s risk-weighted assets (RWA).

The **trading portfolio** was €0 thousand (previous year: €5,572 thousand). The bond issued by the “Am Ostseeplatz” housing cooperative, ISIN DE000A30VH34, which was previously in this portfolio, was transferred in full to assets because it was not tradable as of 31.12.2024. This had no impact on the net result.

The increase in the portfolio of **participating interests and shares in affiliated companies** from €35,059 thousand to €82,115 thousand was due to the acquisition of shareholdings in the companies Volksbau Tübingen II GmbH & Co. KG, Volksbau Nürnberg GmbH & Co. KG, Volksbau 2018 GmbH & Co.KG and Volksbau Freiburg GmbH & Co. KG from a Group subsidiary.

Property, plant and equipment increased by €22,190 thousand to €108,009 thousand. The rise is essentially attributable to additions in the context of building a new head-quarters and the development of a sustainable urban district.

Other assets saw an increase of €6,260 thousand to €33,294 thousand. This increase was mainly due to tax refund claims.

Deferred tax assets fell from €5,879 thousand to €2,832 thousand. This item is the difference between the disclosed tax expense and the expected tax expense from the income statement drawn up in accordance with German commercial law. The decrease was primarily due to the sale of securities.

LIABILITIES	31.12.2024 € thousand	31.12.2023 € thousand	Change in € thousand	Change in %
Liabilities to banks	1,808,005	2,278,962	-470,957	-20.7
Liabilities to customers	3,824,405	2,854,319	970,086	34.0
Other liabilities	21,950	12,261	9,689	79.0
Prepaid expenses	249	371	-122	-32.9
Provisions	17,449	17,804	-355	-2.0
Lower-ranking liabilities	89,197	88,821	376	0.4
Profit participation rights	45,092	44,832	260	0.6
Fund for general banking risks	129,623	141,623	-12,000	-8.5
Equity	249,929	249,145	784	0.3
Total equity and liabilities	6,185,899	5,688,138	497,761	8.8

There may be differences in the amounts stated in the table due to rounding.

Alongside equity and longer-term deposits, public subsidies for environmental projects serve as a **source for long-term refinancing**. In this respect, the vast majority of liabilities to banks are attributable to KfW (€1,522,669 thousand; previous year: €1,499,511 thousand) and Landwirtschaftliche Rentenbank (€229,278 thousand; previous year: €246,649 thousand). Both the refinanced receivables from the final borrowers and further securities with a nominal value of €155,827 thousand have been transferred to the development banks as collateral.

The **refinancing ratio**, defined as the ratio between the balance sheet items liabilities to banks and receivables from customers, decreased from 67.9% to 57.4%. Overall, liabilities to banks fell by €470,957 thousand to €1,808,005 thousand, which was mainly due to the planned return of funds in connection with targeted longer-term refinancing operations of the Bundesbank in the amount of €470,000 thousand.

Liabilities to customers increased by 34.0% from €2,854,319 thousand to €3,824,405 thousand. This development was attributable to the expansion of the deposits business, as part of the new strategic alignment of the Bank. The overnight deposits come to €2,712,156 thousand and make up 70.9% (previous year: 62.1%) of liabilities to customers. This is followed in second place by other liabilities with an agreed maturity or notice period of €635,790 thousand with a share of 16.6% (previous year: 15.4%) and in third place by savings deposits of €476,459 thousand with a share of 12.5% (previous year: 22.5%).

At €21,950 thousand, **other liabilities** are up 79.0% on the previous year. This increase was primarily attributable to a rise in trade payables and higher tax liabilities.

The item **lower-ranking liabilities** includes the UmweltBank-CoCo-Bond 2016/2017 in the amount of €26,326 thousand (previous year: €26,331 thousand), the Umwelt-Bank-Green-Bond-junior in the amount of €42,761 thousand (previous year: €42,376 thousand) and registered bonds in the amount of €20,110 thousand (previous year: €20,114 thousand).

The decrease in **provisions** from €17,804 thousand in the previous year to €17,449 thousand was mainly due to an adjustment to the calculation method for provisions for bonus payments and to interest rate adjustments for savings contracts.

The **equity recognised on the balance sheet** increased by €784 thousand from €249,145 thousand to €249,929 thousand. This increase was mainly due to the net result of €734 thousand.

The **irrevocable loan commitments** fell to €238,987 thousand (previous year: €346,801 thousand). The **liabilities from guarantees and warranty agreements** fell to €78,982 thousand (previous year: €84,104 thousand).

Regulatory equity

UmweltBank’s **equity** exceeds the current statutory requirements. Following approval of the annual financial statements for 2024, regulatory equity came to €505.2 million (previous year: €525.2 million). Of this figure, €378.1 million is classified as Common Equity Tier 1 capital, €26.0 million as additional core capital and €101.2 million as supplementary capital.

The fall in equity in the 2024 financial year was primarily attributable to a reversal of provisions in the fund for general banking risks in the Common Equity Tier 1 capital and of contingency reserves in the supplementary capital.

The Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin) issued a notice pursuant to the Supervisory Review and Evaluation Process (SREP) according to which UmweltBank must comply with a total capital surcharge of 3.2 percentage points. This comprises increases in the capital requirements of 1.0% due

to interest rate exposure and 1.5% for other material risks, as well as a special increase in the capital requirements for UmweltBank of 0.7%. According to the provisions of the Capital Requirements Regulation (CRR) valid as of the reporting date, UmweltBank is subject to the following equity ratios taking account of this surcharge as of the reporting date of 31 December 2024:

	Regulatory requirement 31.12.2024	31.12.2024	31.12.2023
Total capital ratio	14.5%	16.4%	15.7%
Tier 1 capital ratio	11.7%	13.1%	12.4%
Common Equity Tier 1 capital ratio	9.6%	12.3%	11.6%

The increase in the ratios is essentially attributable to the fall in own risk-weighted assets, which was mainly due to the sale of bonds and other fixed-interest securities, as well as the repayment of loans in the 2024 financial year.

Over the financial year the key figures exceeded the minimum regulatory requirements at all times.

According to the regulations valid as of the reporting date and at the point in time the annual financial statements were approved, UmweltBank’s **leverage ratio** stood at 6.3% (previous year: 7.0%).

2.3.4 Financial and non-financial indicators

In 2024, the Management Board used the volume of business and earnings before taxes as the most important financial performance indicators for managing the bank. In addition, SINNdex – the Bank’s own employee satisfaction index – is used as an important non-financial performance indicator for the Bank.

In terms of the most important key financial indicators, the targets for 2024 stated in the management report for 2023 were met or, in part, not achieved:

The **volume of business** of €6,503.9 million, which comprises total assets of €6,185.9 million, liabilities from guarantees and warranty agreements of €79.0 million and irrevocable credit commitments of €239.0 million, increased by 6.3% in 2024 in comparison to the previous year and was thus slightly below the forecast. The increase in 2024 was mainly due to the rise in liabilities to customers of €970.1 million. On the assets side,

bonds and other fixed-interest securities decreased by €1,277.6 million due to the sale of securities. The resulting liquidity was invested short-term at Deutsche Bundesbank, which was reflected in an increase of €2,014.7 million in receivables from banks.

Earnings before taxes of €-8.5 million was lower than the level in the previous year but within the forecasted range of between €-5 and €-10 million. Net interest income was considerably higher than the previous year's figure and also outperformed the forecast. Commission and net trading income was significantly below the previous year's figure and also below the forecast. The financial result clearly outperformed both the previous year's figure and the forecast. Risk provisions were below both the forecast and also the previous year's figure. Personnel expenses and general administrative expenses each increased in comparison to the previous year, as forecast. However, general administrative expenses were below the forecast despite this increase.

An employee survey carried out in October 2024 with a participation rate of 80% produced a **SINNdex** of 76% for the last financial year. This was noticeably lower than the value of 83% in the previous year. This development was due to, among other things, structural changes and the transformation of the Bank, as well as the additional work associated with it. However, it is important to note that both employee motivation and loyalty remained at a high level. Alongside employee satisfaction, UmweltBank also considers the number of employees, fluctuation, tenure and training and education measures. The Bank had 376 employees at the end of 2024 (31.12.2023: 354 employees). The fluctuation rate increased significantly from 8.8% in the previous year to 13.3%. The average tenure remained unchanged at 5.6 years. In 2024, an average of 5.2 days (previous year: 2.9 days) per employee were invested in education and training. The expenses for personal development and training were around €513,000 (previous year: €488,000.00).

2.4 Summary assessment of the Bank's business development and economic situation

Despite the currently challenging framework conditions (geopolitical uncertainties, economic stagnation in Germany), the Management Board assesses the business development and economic situation of UmweltBank as satisfactory with regard to its original plans because earnings before taxes were within the forecasted range.

In the operating business, the Bank was able to slightly exceed the projected interest result but was unable to achieve the forecast for net commission income, which was due to, among other things, the postponement of a securities issuance from 2024 to

2025. The financial result was significantly higher than projected thanks to higher-than-planned income from the participating interest business. Administrative expenses were lower than planned, especially IT and consulting expenses. The cost income ratio was thus significantly better than planned.

The Bank's financial position was characterised in 2024 by sufficient capital resources because the regulatory requirements were exceeded both in the previous year and also in the financial year.

Risk provisions were formed to adequately take the credit risk into account.

UmweltBank's financial position and liquidity fulfilled both the regulatory and operational requirements.

3 Risk reporting

3.1 Risk management system

UmweltBank’s aim is to enter into only those transactions that have a positive risk-opportunity profile. Building on this principle, a risk management system has been put in place that constantly monitors and manages all relevant business segments. The instruments employed in risk management are refined on an ongoing basis.

The basis for the management and monitoring of risks is a **business and risk strategy** defined by the Management Board and discussed with the Supervisory Board.

A risk inventory performed on an annual basis reviews the completeness of the risk strategy and the material risks. In this respect, UmweltBank differentiates between the following material risk types:

- Credit risks
- Market price risks
- Liquidity risks
- Operating risks
- Income and cost risks

Risk concentrations within a risk type (“intra”), risk concentrations that span risk types (“inter”), reputational risks and ESG risks are not quantified and managed as individual types of risk but instead considered and assessed as risk drivers, for example, as a transverse risk across all relevant risk type subcategories.

Real estate risks and energy price risks within the participating interest portfolio were measured and managed within credit risk in the sense of credit-substituting participating interests up until 30 September 2024. The method was changed on 31.12.2024 so that risk from participating interests in real estate is measured within the real estate risk, similarly to the Bank’s own real estate. The real estate risk is included in the market price risk. Energy price risks were not classified as material in the risk inventory and are thus no longer included in the calculation of risk-bearing capacity from 31.12.2024 onwards.

Share risks and foreign exchange risks were not classified as material in the risk inventory and are thus no longer included in the operational management of risks from 31.12.2024 onwards.

Risk management pursues the objective of identifying risks at an early stage using targeted measures to keep existing risks under control and thus safeguard the Bank’s economic existence.

The risk-bearing capacity is calculated in accordance with regulatory guidelines from a normative and economic perspective:

- The Bank determines and compares the development of the existing and required equity based on the integrated strategy and planning process. Information on the development of the equity ratios in the planning scenario is supplemented with an assessment of potential adverse developments, which when taken together provides the **normative perspective**.
- For the economic perspective, the present value of the exposure for the material risks determined in the Bank’s own risk calculation is compared to the current cash value of the risk coverage potential. Value-at-risk models are used to calculate the risk levels with a confidence level of 99.9% and a holding period of one year.
Risks are measured for the economic perspective using defined scenarios or models on at least a quarterly basis. Appropriate measures are used to guarantee that material risks are covered by the risk coverage potential at all times.
The utilisation of the Bank’s overall risk bearing capacity is determined by summing the individual risks without taking account of or utilising diversification and correlation effects across risk types.

As it is not possible to appropriately limit the insolvency risk through the risk coverage potential, it is not included in the risk-bearing capacity concept. Nevertheless, the insolvency risk is taken into account outside of the risk-bearing capacity concept using risk management and controlling methods such as calculating the liquidity bearing capacity, preparing a liquidity gap report and continuously monitoring the regulatory and supervisory requirements and guidelines with respect to liquidity.

The material risks, the development of the risk-bearing capacity and the utilisation of risk limits are presented in the Risk Report on a quarterly basis. Risks are managed on an ongoing basis using reports created at least every quarter and/or as required in response to certain events.

The regular Risk Report and the reports in response to certain events provide the Management Board with information about UmweltBank’s risk situation. The Supervisory Board is informed about the Bank’s risk utilisation before each of its meetings.

Alongside measuring risk-bearing capacity, UmweltBank additionally performs various regular stress tests and stress tests in response to certain events. In all cases, continuation of business activities is possible without substantial restrictions. Once a year, additional reverse stress tests are deployed to develop extreme scenarios that take the risk-bearing capacity to the extreme in order to uncover potential gaps in the existing risk management system. In addition, sensitivity analyses are carried out on the risk types. The management and the Supervisory Board are informed on a regular basis on the outcome of the stress tests.

3.2 Credit risk

Credit risk is defined as the potential loss that may arise from the partial or complete default of a borrower or issuer or a downgrade in their credit rating.

The credit risk is limited already by the fact that only those types of loans stated in the **credit risk strategy** are permitted and that, for these, clear assessment criteria have been defined. Depending on the loan amount and risk relevance, the appropriate personnel, which may include Management Board members, are brought into the loan decision-making process.

Every loan is also assessed using the VR rating system from parclT. This system uses 25 rating classes for creditworthiness and assigns a probability of default to each rating class. Creditworthiness is determined methodologically using the rating methods VR rating for private customers, VR rating for commercial customers / large companies, VR rating for real estate and the VR rating for renewable energies.

The types of collateral accepted to secure the loans and the methods to determine their value are defined in the internal organisational guidelines.

As part of the Bank's ongoing credit monitoring system, the borrower's economic circumstances and the value of the collateral provided are reviewed on a regular basis (annually, as part of the disclosures for Section 18 KWG) and in response to certain events (within the risk early warning system in accordance with criteria defined in the organisational guidelines). The Bank also has a systematic risk management system. The loan accounts are automatically monitored using pre-defined early warning criteria and a report is produced if any criteria are violated. This includes monitoring overdrafts and screening direct debit returns, rating changes and arrears in payments. Files are created with information on the reports for the respective exposure and the case is passed on

to customer service employees. This procedure is intended to identify emerging risks at an early stage and to allow suitable measures to be taken. In the event of an impairment, the unsecured portion of the loan is taken as the basis for the evaluation. The unsecured portion is determined by deducting the aggregate of the collateral values serving as security for the corresponding loans according to the declaration of purpose from the utilisation of the loan. When determining the current value of the collateral, the approaches for determining the value must be reviewed and adjusted as necessary.

For the calculation of risk-bearing capacity, the **rating migration risk and counterparty default risk for customer loans** are measured regularly using a Monte Carlo simulation in combination with a value-at-risk approach based on the credit portfolio view method. The Bank uses the application VR-Control KRM from parclT to measure the risk, which includes the KPM-KG risk model. The present value credit risk model takes the impact on the present value for every simulated rating migration into account in the calculation. Defaulting customers are not considered in the simulation.

According to the regulatory definition of a default, default events are fixed and are assigned to the default classes of the rating system accordingly.

The risks related to participating interests in real estate and energy generation projects are measured by integrating the credit-substituting participating interest into the present value credit portfolio model. Participating interests of the subsidiary UPG are included using the look-through approach. On 31.12.2024, there was a change in the model with which the value of participating interests is measured. The value of participating interests from the real estate sector was measured on this reporting date as part of the real estate risk. A factor model is used that simulates fluctuations in the value of the real estate over a one-year horizon. The model depicts both systematic influences and also independent, property-specific influences on the value of the real estate. The value of all other participating interests (including participating interests in the renewable energies area) is measured using a method for participating interest risk. The present value participating interest risk model is based on a so-called "multiplier approach". Relevant performance indicators such as "value at risk" are determined by multiplying the value of the participating interest by a suitable factor.

A separate limit is set for each issuer. Compliance with the limits is monitored on a weekly basis by an office independent of trading.

The **rating migration risk and counterparty default risk of securities and receivables from banks with an external rating** are simulated using the credit metrics method. The change in value is depicted by integrating the change in creditworthiness and the potential change in value based on variations in the market-wide and individual credit spread into the simulation.

The **loan portfolio report** prepared on a quarterly basis presents UmweltBank’s entire loan portfolio broken down by customer groups, rating classes, sectors and volume concentrations. In this context, both the lending volume and the number of exposures are evaluated. The loan portfolio report splits the exposure into life classes (up to and including class 3e) and default classes (from class 4a) with the corresponding probabilities of default. The report presents the risk volumes and unsecured volumes. It also has a section on the different types of collateral where it transparently presents the qualities of the collateral in the portfolio. Notable exposures (e.g. large loans, participating interests, loans requiring management attention or (partially) impaired cases) are presented. In addition, investments in securities are presented separately. The loan portfolio report is submitted to management. The Supervisory Board is also informed of the risk situation both verbally and in written form at each of its meetings.

3.3 Market price risks

The market price risk is defined as the risk of a change in market prices or market interest rates.

The **market price risk section** of the business and risk strategy is the basis for managing market price risk. Market price risks at UmweltBank take the form of, in particular, interest rate risks and real estate risks.

In the normative perspective, interest rate risks include interest-rate induced price change risks and fluctuations in net interest income, while in the economic perspective it includes the present value of all interest-bearing transactions at the Bank. Since the reporting date of 31.12.2024, the calculation of the real estate risk not only covers the Bank’s own real estate but also the real estate risks associated with direct and indirect participating interests, which were previously handled as part of the participating interest risk. Share, currency, raw materials and other price risks are not classified as material for UmweltBank.

Interest rate risk means that generally there could be cash losses on cashflow for the whole Bank as a result of a change in market interest rates (economic perspective), and, as well as valuation losses on interest-bearing securities, there could be higher interest expenses that are not counterbalanced by a corresponding rise in interest income (normative perspective). The differences in the fixed interest rates arise primarily on account of differing customer interests in the area of financial investment and in the area of borrowing. Consequently, UmweltBank performs maturity transformation in order to satisfy customer requirements.

To determine the risk exposure to market price risks for calculating the risk-bearing capacity, UmweltBank’s **interest rate exposure in terms of present value** is also determined every quarter in the risk report. The simulation is based on historical interest rate trends, which give notable risk values after the inclusion of the significant interest rate rises in 2022 and 2023. Furthermore, six scenarios defined by the regulatory authorities are considered in accordance with the EBA guidelines* from 2022 (EBA/ITS/2021/07), which were applied in Germany for the first time in September 2024. On the reporting date of 31.12.2024, the scenario with the highest risk value is the “Parallel shift up”.

As of the 31 December 2024 reporting date, the risk assessment in terms of present value and according to the set of scenarios specified by the regulatory authorities is as follows:

Interest rate risk in terms of present value according to the IRRBB guidelines	Change in present value in € thousand	Change in present value in relation to core capital in %
Parallel shift up	-10,280	-2.5
Parallel shift down	13,154	3.2
Steepening of the yield curve	-5,924	-1.5
Flattening of the yield curve	4,575	1.1
Short-term shock down	1,147	0.3
Short-term shock up	-688	-0.2

The impact of changes in the yield curve on the result of UmweltBank calculated in accordance with commercial law is also analysed and reported. This report covers the change in value of the Bank’s own interest-bearing securities and presents the changes in the Bank’s income statement for 2025 in comparison to the projected value based on a constant business structure:

Net interest income according to IRRBB guidelines	Change in net interest income in € thousand	Changes in market value
Base scenario	41,042	516,982
Difference with a parallel shock down	+4,997	-17,706
Difference with a parallel shock up	-4,656	+19,248

On 31 July 2023, the European Banking Authority (EBA) published its final package on the regulatory reporting obligations for interest rate risk in the banking book (IRRBB). The first quarterly report was submitted for the reporting date of 30 September 2024. An important criterion for deciding whether an institution should be considered an “institution with an increased interest rate risk” is the periodic interest income risk (net interest income = NII without valuation effects) in a parallel up/down scenario over a one-year horizon. As of 31 December 2024, the risk in the worst-case scenario, i.e. a parallel shock down, was 1.2% of the Tier-1 capital and thus below the 5% threshold.

The **real estate risk** describes the risk that a revaluation will be necessary in the event of a change in market conditions. The risk is derived from fluctuations in selected real estate indices. As of 31.12.2024, the measurement method for real estate risk was changed to also explicitly include real estate from participating interests instead of integrating these into the credit portfolio model. As already described under the section on counterparty default risk, this is the factor model that simulates fluctuations in the value of the real estate over a one-year horizon. The model depicts both systematic influences and also independent, property-specific influences on the value of the real estate.

3.4 Liquidity risks

Within the scope of the liquidity risk, UmweltBank differentiates between the insolvency risk, which is covered by the liquidity coverage potential, and the refinancing cost risk, which is covered in the calculation of risk-bearing capacity by the risk-covering assets.

The insolvency risk is determined on a quarterly basis with the aid of liquidity gap reports and liquidity coverage potentials in several risk scenarios by reviewing whether the strategic survival horizon can be maintained. The basis for the risk scenarios is the liquidity planning with a time horizon of five years, which is derived from the medium-term planning and thus represents the expected cash flows. For determining risk, the cumulated net cash flow is set against the existing liquidity coverage potential, thus measuring the Bank’s solvency.

The refinancing cost risk, which is covered by the risk coverage potential, is calculated by means of a spread premium on the liquidity cash flow.

For **liquidity management** purposes, UmweltBank held as of 31 December 2024 a credit balance with Deutsche Bundesbank, and liquid Pfandbriefs and bonds issued by public bodies or banks. Significant sources of the Bank’s funding are the deposit-taking business and refinancing through development banks, specifically the KfW and Landwirtschaftliche Rentenbank. As of the 31 December 2024 reporting date, the liquidity situation is as follows:

Planning scenario	In € millions
Especially liquid funds (liquidity coverage potential)	2,493
Cumulated liquidity gap in the management-related stress scenario (within 6 months)	906

The liquidity gap report in the planning scenario is derived from the medium-term planning and thus constitutes the refinancing plan required by the MaRisk.

3.5 Operating risks

UmweltBank defines operating risk as the risk of loss incurred as a consequence of the inadequacy or failure of internal procedures, people or systems, or as a result of external events, including legal risks.

The strategic objective consists of **limiting operating risks** and any associated damage to an acceptable residual risk, provided that the measures necessary for this are economically justified from a cost/benefit perspective. Material operating risks arise for UmweltBank in fraud prevention, information technology (IT), payment transactions, project management and political, statutory or regulatory developments in the banking sector. Operating damage is recorded in a damage incident database. This makes it possible to perform a subsequent evaluation of all operating damage in a calendar year and to establish any preventive measures. Damage above a threshold of €50,000 is reported to the Management Board on an ad hoc basis.

Legal risks are limited by means of collaboration with external specialists such as lawyers, notaries or auditors and associations as well as by selecting business partners and projects carefully. Customers are provided with information on potential risks inherent in transactions such as securities trading. Transactions with related parties (companies and individuals) are reviewed as to whether they are being conducted at arm’s length.

In the **area of IT**, the connection to an external computer centre with a backup solution for the core banking system provides an appropriate degree of security from the Bank’s perspective. Nevertheless, there is a certain risk that downtime, incorrectly implemented functions or insufficient security measures could lead to damage. The IT department is subject to strict service-provider management and controls to reduce risks. Ongoing development of the core banking system due to any changes in legislation is taken on by the service provider.

Within the scope of the structured **self-assessment** carried out annually, the Bank draws up a risk map. Departmental managers and other central offices prepare prospective risk assessments on the basis of conceivable constellations with an operating risk. This makes it possible to identify material operating risk drivers and derive any risk mitigation and management measures. In addition, the probability of occurrence and a potential damage amount is recorded for each case.

The risk value is determined using a Monte Carlo simulation of all possible cases.

3.6 Other risks

In the area of other risks, the Bank has identified the strategic and business risk as a material risk together with the ESG risk, which impacts other material risks as a transverse risk. The monitoring of these (planning deviation) risks takes place within the scope of the quarterly reporting process in the controlling report and as part of stress testing.

3.7 Risk concentrations

Considerations of risk concentrations and income concentrations are presented in the Bank’s risk inventory.

On the basis of its **refinancing structure**, the Bank does not identify any risk concentrations in its procurement of funds. The largest lender is the bank KfW, which provides refinancing for individual projects with matching maturities. Customer deposits have a high level of granularity.

In the **lending business**, compliance with the regulatory limits on large loans and additional internal structural limits prevent risk concentrations. The maturity structure of own deposits is monitored on a weekly basis.

In the area of **operational risks**, the Bank identified a risk concentration in the employee area in the risk inventory.

There is an **income concentration** with regard to the interest result. According to the risk inventory, we do not consider the income risk concentrations to be material. Further intra-risk concentrations regarding financial business models, issuers held, maturities or rating classes were analysed as part of the risk inventory and were classified as not material. Inter-risk concentrations were analysed based on the dependency of the risk types on the same risk drivers and were classified as not material.

3.8 Result of the analysis of risk-bearing capacity

As of the reporting date of 31 December 2024, the economic perspective of the risk-bearing capacity was as follows:

	Amount in € thousand	Utilisation
Risk coverage potential	435,540	
Aggregate of risks	192,075	44.1%

As of the reporting date of 31 December 2024, the risks and limits for the economic perspective of the risk-bearing capacity are as follows:

Risk type	Risk in € thousand	Limit in € thousand	Utilisation of limit
Credit risks	91,147	190,000	48.0%
Market price risks	89,457	160,000	55.9%
Liquidity risks	0	5,000	0.0%
Operating risks	11,471	25,000	45.9%
Aggregate of risks and limits	192,075	380,000	50.5%

In the normative perspective, the total capital ratio, core capital ratio and Tier 1 capital ratio are determined in a base scenario and in multiple adverse scenarios and then compared to the capital requirements defined by the regulatory authorities. For the management-relevant total capital ratio as required by the risk strategy, the following values were determined in the planning scenario and the stress scenario “severe economic downturn”:

Scenario		2025	2026	2027	2028	2029
Planning scenario (Reporting date 30.09.2024)	Total capital ratio	15.82%	15.72%	15.92%	15.09%	14.61%
Minimum requirement (OCR+P2G)	Minimum require- ment (OCR+P2G)	15.59%	14.89%	14.39%	14.38%	13.88%
Severe economic down- turn stress scenario (Reporting date 31.12.2024)	Total capital ratio	14.63%	14.32%	13.98%	12.92%	12.09%
Minimum requirement (TSCR)	Minimum require- ment (TSCR)	11.20%	11.20%	11.20%	11.20%	11.20%

3.9 Summary assessment of the Bank’s risk position

UmweltBank’s risk position did not change significantly in 2024. The risk-bearing capacity of UmweltBank was ensured at all times. Following the transition to the Atruvia system, the risk models provided by parclT were used for the first time as of the reporting date of 31.12.2023 and used as the basis for calculating the risk-bearing capacity.

On the reporting date of 31.12.2024, UmweltBank complied with the SREP overall capital requirements (OCR) for all regulatory capital ratios. In the economic perspective, the risk-bearing capacity of UmweltBank was ensured on the reporting date, the sum of the risks only utilised 44.1% of the risk coverage potential.

As of 1 January 2025, the Bank is subject to the increased capital requirements in the regulatory package “CRR III”. In the planning scenario created by UmweltBank based on data from 30.09.2024, compliance with the minimum regulatory capital requirements is ensured in the planning period.

For any adverse developments that were also determined, various severe but plausible scenarios were calculated based on the data from 31.12.2024. In these scenarios, the Bank complied with the minimum regulatory requirements in the stress scenarios (TSCR). The Bank has developed a series of measures to restore compliance with the regulatory capital recommendations (OCR & P2G) in the hypothetical case that one of the stress scenarios actually occurs.

4 Forecast report

4.1 Sector development and economic trends

The German economy will continue to face headwinds in 2025. Among other things, high energy prices, the consequences of demographic change and high regulatory costs will continue to hamper companies. Alongside these structural challenges, Germany's export-oriented industry is also facing increasingly protectionist tendencies and growing competition on global markets. The most recent forecast from the ifo Institute in Munich for 2025 (as of 12 December 2024) predicted a slight growth in price-adjusted gross domestic product of 0.4% in the baseline scenario. It anticipates a slight recovery of the economy during the current year. In addition, the ifo Institute economists expect inflation of 2.3% in Germany in 2025, which is about the same level as in the current year. At the same time, the rate of unemployment for 2025 is estimated at 6.3% (2024: 6.0%), which means it will remain relatively low.

Looking ahead to 2025, the ECB is expected to continue its expansionary monetary policy. This was underlined when the ECB cut its key interest rates by 25 basis points to 2.75% on 5 February. Market observers expect further reductions in interest rates during the course of the year. This was consistent with the ECB's statement that current interest rate levels continue to inhibit lending.

The German real estate market should regain some momentum in 2025, particularly as a result of lower interest rates. At the same time, the challenges faced in previous years such as skills shortages, supply bottlenecks, high construction costs and strong regulation continue to shape the industry. Therefore, a significant revival in new construction activity is not expected in 2025. At the same time, market observers still expect surplus demand for housing and rising rents. Due to the fall in the rate of housing construction and the return to rising population figures – especially due to immigration – demand is significantly higher than the supply of accommodation in large towns and cities. Rising rents could be an increasing incentive to invest in new properties in the medium term.

The expansion of **renewable energies** in Germany will continue as it is politically desired. Alongside a positive contribution to climate protection, regenerative energy sources have gained appreciably in importance again for reasons of energy security since the outbreak of the Ukraine war. The German federal government has set the expansion target for photovoltaics in 2030 at an installed output of 215 gigawatts (2024: 99 gigawatts). It has

also set a target of 115 gigawatts of installed output from onshore wind power by 2030 (2024: 63 gigawatts).

The expansion of onshore **wind energy** in Germany is currently being forecast at between 4.8 and 5.3 gigawatts for 2025, which would constitute a significant increase in comparison to 2024 (3.3 gigawatts). The sector is optimistic that the addition of new output will significantly pick up speed again in future. Projects with an output of 14 gigawatts were approved by the authorities in 2024 alone – which was almost twice as much as in the previous year. The German federal government has set the expansion target for photovoltaics in 2025 at 18 gigawatts, compared to 13 gigawatts in the previous year.

4.2 Expected business development and expected economic situation of UmweltBank AG

The management report contains forward-looking statements about expected developments. These statements are based on current estimates and are therefore subject to risks and uncertainties, i.e. the actual results may differ from the statements made in the management report.

Total assets are expected to reach around €7.0 billion by the end of the 2025 financial year. This significant increase in comparison to the previous year (2024: €6.2 billion) will be due, in particular, to the planned strong growth of the private customer business. The Bank will strive to substantially increase its customer deposits and expects to attract around 55,000 new customers in 2025 (2024: around 23,000). This will be especially boosted by the planned introduction of a current account from the middle of 2025. In the current financial year, UmweltBank expects to issue new loans with a volume of between €250 million to €350 million, which will only be limited by the greater requirements now being placed on the company's capital.

Net interest income should increase significantly to between €60 and €65 million in 2025 (2024: €45 million), based on the planned strong increase in deposits and the continuous reduction in the old portfolio of loans with low interest rates. The financial result is anticipated to be higher than the previous year's figure. The Bank also expects to sell its last remaining participating interests in the renewable energies area in 2025 and further sales in the real estate sector are planned. Commission and net trading income is expected to exceed the level in the previous year (€5.5 million) and reach between €7 and €11 million due to increased income from the securities and lending businesses. In the securities business, the investment advisory services for customers, increasing

sales activities for the Bank’s own funds and the expansion of the issuance business will make a substantial contribution to net commissions.

In 2025, the Bank anticipates a slight increase in the number of employees. As a result, there will be a slight increase in personnel expenses to around €28 million (2024: €26 million). Once the transformation process has been completed, there should be significantly lower consulting costs in 2025, while IT and marketing expenses should both remain at the same level as in the previous year. UmweltBank anticipates a significant decrease in administrative expenses overall to around €36 million.

Due to the sharp increase in income combined with a reduction in general administrative expenses, the Bank expects the cost income ratio to fall to 89%.

Overall, the Management Board of UmweltBank anticipates earnings before taxes of between €5 million and €10 million in the 2025 financial year.

A return on equity before taxes of 2.0% is expected.

The Bank anticipates that the SINNdex – a key indicator of employee satisfaction – will be at the same level as in the previous year.

The Management Board reviews other options to strengthen the core capital on a regular basis, whether through a capital increase or through the issuing of additional core capital instruments.

4.3 Risks

Many companies in Germany are suffering as a result of the multiple global crises and are facing an uncertain economic outlook. High energy costs and a lack of skilled workers are placing a particular strain on Germany. A poor **economic situation** can have a negative impact on the banking sector overall.

In the **real estate sector**, UmweltBank has to differentiate between the financing of rental residential real estate, commercial real estate and owner-occupied real estate. The vast majority of the **rental residential real estate** financed by UmweltBank is let at below-market-cost rent. This makes the accommodation more affordable even in times of crisis. However, a higher level of rent default risk cannot be excluded. **Commercial**

real estate is of subordinate importance for UmweltBank. While the Bank has discontinued new business in building loans and mortgages, the loan portfolio still includes the financing of **owner-occupied real estate**. The direct impact of this weak economic phase on the market value of financed properties and mortgaged properties should remain manageable due to the preference for metropolitan locations and high ecological and social standard. But over the medium term, a major economic crisis may lead to appreciable arrears in payments. Although the amounts loaned against the financed real estate tend to be moderate, a situation may be increasingly likely to arise in individual cases where the proceeds from realisation of real estate are insufficient to cover the loan receivables, meaning that a higher than usual rate of credit defaults filters through to UmweltBank. New business risks will arise in particular due to the ongoing crisis in the real estate sector. But also political decisions such as the sudden stop to KfW funding in 2022 are causing uncertainty on the housing market. Likewise, stricter criteria for KfW funding programmes have the potential to slow new business.

There are also real estate risks in the **Bank’s own direct and indirect portfolio**, which could result in a revaluation in the event of a change in market conditions.

Political changes to the subsidy regime will pose a risk to the loan portfolio and also new business in the field of renewable energies. In particular, a reduction or complete removal of the guaranteed feed-in payments under the Renewable Energies Act (EEG) could have a negative impact on the planned new business. The resulting loss in trust could have a huge negative impact on the willingness to invest in these types of projects, which would in turn impact UmweltBank’s new business. At the current point in time, this risk appears to be low because of the expansion targets set by the German government and its target of achieving climate neutrality by 2045. The Bank’s new business also faces risks as a result of factors that could restrict the expansion of renewable energies in the future. These factors include the grid infrastructure, which must be expanded at the same pace, and potential restrictions due to disruptions in supply chains and above all the dependence on raw materials, technologies and products from abroad.

UmweltBank aims to grow over the next few years, especially in the private customer business, and expects a significant earnings contribution in this area. There are risks associated with the traditionally strong competition in the German finance sector. This is exacerbated by the entry of foreign banks onto the market and also the formation of new institutions, such as neobrokers. UmweltBank’s focus on sustainability gives it a unique position in this landscape. There are also some risks associated with the priority given to

sustainability by the public and politicians. If sustainability becomes less relevant, there could be a negative impact on the demand for products and services from UmweltBank.

4.4 Opportunities

The German government has committed to making Germany climate neutral by 2045. The energy transition will play a prominent role in achieving this goal. It will be necessary to push forward the expansion of renewable energies to achieve the climate targets and this will require a huge amount of investment. As a partner with long-standing and verifiable expertise in the financing of onshore wind energy and photovoltaic projects, UmweltBank has very good opportunities to benefit from the further expansion of renewable energies in Germany. Last but not least, the expansion of renewable energies must be accompanied by an increase in storage capacities. UmweltBank will start progressively exploiting this new business field – the financing of storage systems – over the coming years.

The real estate sector will also play a prominent role in achieving the climate targets set by the German federal government. Following two years of crises, the framework conditions for the sector brightened again in 2024 – driven especially by falling financing costs. Construction activities are expected to increase again over the next few years. There has been a sharp increase in rents, especially in urban areas, which will make the new construction of homes and apartments more attractive to investors. An increasing number of **residential and commercial properties** are now being planned and built in Germany in accordance with ecological and social criteria. In particular, energy efficiency is having an increasing influence on the attractiveness and intrinsic value of properties over the long term. UmweltBank will be able to benefit from an upturn in the real estate sector as it specialises on the financing of sustainable real estate and anticipates solid demand for real estate financing over the coming years.

In the **private customer business**, UmweltBank offers its customers a select range of sustainable products – from an easy access savings account to the UmweltBank ETF – and believes that there are strong opportunities for growth. Last but not least, the planned introduction of a current account in the second quarter of 2025 will open up completely new customer groups for UmweltBank and also expand its cross-selling potential. The Bank aims to grow its securities business substantially with its plans to launch investment advisory services. UmweltBank has positioned itself in the growing market for sustainable funds thanks to its own three actively managed funds and the UmweltBank ETF, and will thus be able to tap into additional earnings potential.

5 Report on subsequent events

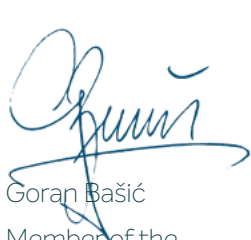
5.1 Important events after the reporting date

In the first quarter of 2025, the company Volksbau Wangen GmbH & Co. KG was acquired from the Group subsidiary UmweltProjekt GmbH. Furthermore, UmweltBank AG signed contracts in April 2025 for the sale of its shares in the subsidiaries Volksbau Tübingen II GmbH & Co. KG and Volksbau Nürnberg GmbH & Co. KG. The economic transfer of the shares to the buyer will take place in the second half of 2025.

Nuremberg, 2 June 2025

UmweltBank AG, Nuremberg

The Management Board



Goran Bašić
Member of the
Management Board



Dietmar von Blücher
Spokesperson of the
Management Board



Heike Schmitz
Member of the
Management Board



Balance sheet

of UmweltBank AG, Nuremberg

as of 31 December 2024

Assets side						Equity and liabilities side					
		€	€	Financial year	Previous year			€	€	Financial year	Previous year
				€	€ thousand					€	€ thousand
1	Cash and cash balances					1	Liabilities to banks				
a)	Cash balances			0.00	0	a)	due daily		1,728.85		7,046
b)	Credit balance at central banks		38,831,127.30		116,295	b)	with agreed maturity or notice period	1,808,003,537.30		1,808,005,266.15	2,271,916
	thereof: at Deutsche Bundesbank	38,831,127.30			(116,295)						
c)	Credit balance at post office banks			0.00	0	2	Liabilities to customers				
2	Debt issued by public-sector borrowers and bills of exchanges eligible for refinancing at central banks					a)	Savings deposits				
a)	Treasury bills and discounted treasury notes, as well as similar debt issues by public-sector borrower			0.00	0	aa)	with agreed maturity of three months	472,308,142.14			638,074
	thereof: at Deutsche Bundesbank					ab)	with agreed maturity of more than three months	4,151,286.21	476,459,428.35		4,877
	refinanceable	0.00			(0)	b)	Other liabilities				
b)	Bills of exchange		0.00		0	ba)	due daily	2,712,156,004.01			1,772,608
3	Receivables from banks					bb)	with agreed maturity or notice period	635,789,379.12	3,347,945,383.13	3,824,404,811.48	438,760
a)	due daily		2,025,238,934.70		10,533	3	Securitised liabilities				
b)	Other receivables			0.00	0	a)	Bonds issued		0.00		0
4	Receivables from customers			3,148,934,938.95	3,356,646	b)	Other securitised liabilities		0.00	0.00	0
	thereof:						thereof:				
	secured by mortgages	432,587,199.82			(533,451)		Money market papers	0.00			(0)
	Municipal loans	3,314,678.04			(3,529)		Own acceptances and promissory notes outstanding	0.00			(0)
5	Bonds and other fixed-interest securities					3a.	Trading portfolio			0.00	0
a)	Money market papers				0	4	Trust liabilities			0.00	0
aa)	of public issuers		0.00		(0)		thereof: trust loans	0.00			(0)
	thereof: acceptable as collateral at Deutsche Bundesbank	0.00			0	5	Other liabilities			21,950,728.89	12,261
ab)	of other issuers		0.00		0	6	Prepaid expenses			249,261.62	371
	thereof: acceptable as collateral at Deutsche Bundesbank	0.00			(0)	6a.	Deferred tax liabilities			0.00	0
b)	Bonds				0	7	Provisions				
ba)	of public issuers		0.00		0	a)	Provisions for pension and similar obligations		0.00		0
	thereof: acceptable as collateral at Deutsche Bundesbank	0.00			(0)	b)	Tax provisions		633,203.62		755
bb)	of other issuers		745,461,742.26	745,461,742.26	2,023,042	c)	Other provisions		16,815,974.93	17,449,178.55	17,049
	thereof: acceptable as collateral at Deutsche Bundesbank	698,805,806.66			(1,636,591)	8	[deleted]			0.00	0
c)	Own bonds		0.00	745,461,742.26	0	9	Lower-ranking liabilities			89,196,527.18	88,821
	Nominal value	0.00			(0)	10	Profit participation rights			45,091,845.63	44,832
6	Equities and other non-fixed-interest securities			44,000.00	21,335		thereof: due before the end of two years	0.00			(0)
6a.	Trading portfolio			0.00	5,572	11	Fund for general banking risks			129,622,563.71	141,623
7	Participating interests			16,875,210.95	16,358		thereof: special item according to Section 340e (4) HGB	965,480.49			(965)
	thereof:					12	Equity				
	in banks	7,554,876.16			(7,578)	a)	Called-up capital				
	in financial services institutions	0.00			(0)		Subscribed capital	36,116,946.00			36,058
	in securities institutes	0.00			(0)		less uncalled outstanding capital contributions	0.00			0
8	Shares in affiliated companies			65,240,316.76	18,701		less treasury shares or own shares	5,153.00	36,111,793.00		11
	thereof:					b)	capital reserves		108,673,829.58		108,674
	in banks	0.00			(0)	c)	Retained earnings				
	in financial services institutions	0.00			(0)	ca)	statutory reserves	26.20			0
	in securities institutes	0.00			(0)	cb)	Reserve for shares in companies in which the Bank has a controlling or majority interest	0.00			0
9	Trust assets			0.00	0	cd)	other retained earnings	104,586,808.75	104,586,834.95		103,738
	thereof: trust loans	0.00			(0)	d)	Distributable profit		556,338.62	249,928,796.15	686
10	Equalisation claims against public authorities including bonds resulting from their conversion			0.00	0		Total equity and liabilities			6,185,898,979.36	5,688,138
11	Intangible assets										
a)	Self-created industrial property rights and similar rights and values		0.00		0	1	Contingent liabilities				
b)	Franchises acquired for monetary consideration, industrial property rights and similar rights and assets as well as licences for such rights and assets		708,833.19		124	a)	Contingent liabilities from rediscounted bills of exchange		0.00		0
c)	Goodwill		0.00		0	b)	Liabilities from guarantees and warranty agreements	78,982,022.65			84,104
d)	Prepayments made		0.00	708,833.19	678	c)	Liability arising from the provision of collateral for third-party liabilities		0.00	78,982,022.65	0
12	Property, plant and equipment			108,009,021.97	85,819	2	Other obligations				
13	Called-up capital not paid			0.00	0	a)	Repurchase obligations from non-genuine repurchase agreements		0.00		0
14	Other assets			33,294,194.00	27,034	b)	Placement and underwriting obligations		0.00		0
15	Prepaid expenses			428,416.53	122	c)	Irrevocable loan commitments	238,987,388.58	238,987,388.58		346,801
16	Deferred tax assets			2,832,242.75	5,879		thereof: Delivery obligations arising from interest-related forward transactions	0.00			(0)
	Total assets			6,185,898,979.36	5,688,138						

Income statement

of UmweltBank AG, Nuremberg

for the period from 1 January to 31 December 2024

	€	€	€	Financial year €	Previous year € thousand
1. Interest income from					
a) lending and money market business	115,477,107.19				81,423
b) fixed-interest securities and debt register claims	<u>10,185,515.33</u>	125,662,622.52			19,574
thereof: negative interest in a) and b)	0.00				(0)
2. Interest expenses		<u>80,713,213.93</u>	44,949,408.59		59,891
thereof: negative interest received	77,018.00				(73)
3. Current income from					
a) Equities and other non-fixed-interest securities		45,384.06			181
b) Participating interests		887,869.75			2,278
c) Shares in affiliated companies		32,734,993.43	33,668,247.24		5,244
4. Income from profit pooling, profit transfer or partial profit transfer agreements			0.00		0
5. Commission income		6,493,895.45			8,926
6. Commission expenses		<u>955,534.30</u>	5,538,361.15		471
7. Net income / expenses for the trading portfolio			0.00		596
8. Other operating income			361,146.75		459
9. [deleted]			0.00		0
10. General administrative expenses					
a) Personnel expenses					
aa) Wages and salaries	22,391,052.12				21,918
ab) Social security, pension and other benefit costs	<u>3,745,152.37</u>	26,136,204.49			3,706
thereof: for pensions	237,776.21				(0)
b) Other administrative expenses		<u>40,617,062.25</u>	66,753,266.74		31,510
11. Amortisation, depreciation and impairment on intangible assets and property, plant and equipment			763,892.92		697
12. Other operating expenses			1,197,198.70		435
13. Amortisation and impairment of receivables and certain securities and additions to provisions in the lending business		3,631,082.91			0
14. Income from write-ups to claims and certain securities as well as the reversal of provisions in the loan business		<u>0.00</u>	-3,631,082.91		4,656
15. Depreciation and impairment of participating interests, shares in affiliated companies and securities treated as non-current assets		20,689,858.35			10,344
16. Income from write-ups on participating interests, shares in affiliated companies and securities treated as non-current assets		<u>0.00</u>	-20,689,858.35		0
17. Expenses from assumption of losses			0.00		0
18. [deleted]			0.00		0
19. Result from normal business activities			-8,518,135.89		-5,635
20. Extraordinary income		0.00			0
21. Extraordinary expenses		<u>0.00</u>			0
22. Extraordinary result			0.00		(0)
23. Income taxes		2,765,464.99			-1,805
thereof deferred taxes	3,047,173.74				(-2,377)
24. Other taxes, if not disclosed in Item 12		<u>-17,979.50</u>	2,747,485.49		-32
24a. Income from the reversal of provisions in the fund for general banking risks			<u>12,000,000.00</u>		4,527
27. Net result			734,378.62		729
28. Profit carryforward from the previous year			0.00		0
			<u>734,378.62</u>		729
30. Withdrawals from retained earnings					
a) from the statutory reserves		0.00			0
b) from the reserve for shares in companies in which the bank has a controlling or majority interest		0.00			0
c) from the reserves under the Articles of Association		0.00			0
d) from other retained earnings		<u>0.00</u>	0.00		0
			<u>734,378.62</u>		729
32. Transfers to retained earnings					
a) to the statutory reserves		0.00			0
b) to the reserve for shares in companies in which the bank has a controlling or majority interest		0.00			0
c) to the reserves under the Articles of Association		0.00			0
d) to other retained earnings		<u>178,040.00</u>	178,040.00		43
34. Distributable profit			<u>556,338.62</u>		<u>686</u>

Notes to the financial statements

of UmweltBank AG, Nuremberg

on the reporting date for the financial statements of 31 December 2024

I. General information

UmweltBank AG is a stock corporation incorporated under German law with its registered office in Nuremberg. It is registered in the commercial register at Nuremberg local court under the number HR B 12.678. As UmweltBank AG holds majority shareholdings in several subsidiaries either directly or indirectly, it also prepares consolidated financial statements and publishes them in the Company Register.

The annual financial statements as of 31 December 2024 were prepared observing the relevant provisions of the German Commercial Code (Handelsgesetzbuch – HGB) and the relevant provisions of stock corporation law and the Ordinance Regulating the Accounting Requirements for Financial Institutions, Financial Service Providers and Securities Institutions (Verordnung über die Rechnungslegung der Kreditinstitute, Finanzdienstleistungsinstitute und Wertpapierinstitute – RechKredV).

The annual financial statements were prepared in euros (€) and explained using thousands of euros (€ thousand), which means that rounding differences may occur. All figures used in the notes to the financial statements are in € thousand unless stated otherwise.

II. Accounting and valuation methods

The accounting and valuation methods applied in the previous year have been retained with no changes, unless otherwise indicated below.

Cash and cash balances

Cash and cash balances are generally measured at their nominal value. Funds in foreign currencies are translated in accordance with the regulations for currency translation (Section 256a HGB in combination with Section 340h HGB). In principle, there is no risk of default, although there are possible country-specific risks in the form of transfer risk.

Receivables from banks / receivables from customers

Receivables are measured at acquisition cost (Section 253 (1) sentence 1 HGB) or their lower fair value in the event of depreciation or impairment (Section 253 (4) sentence 2 HGB). The actual amount of the loan utilised is reported (not the loan commitment). Unrecoverable receivables are impaired. Non-performing loans are also impaired accordingly. Specific allowances are reported for exposures at risk of default as the difference between the loan commitment or the amount utilised if higher and the expected cash flows for the loan or the expected cash flows from the collateral. Specific allowances, general allowances and contingency reserves (Section 340f HGB) are deducted from the corresponding assets. Pro rata interest must be taken into account.

General allowances pursuant to IDW AuS BFA 7 have been recognised for counterparty default risks in the lending business relating to individual borrowers that are foreseeable but have not yet arisen. Alongside all receivables from customers (customer loans outstanding, less loan relationships on which specific allowances have been recognised), these also include credit commitments, contingent liabilities that have not yet been utilised and receivables from banks.

For this purpose, UmweltBank applies the simplified method (recognition of general allowance in the amount of the expected loss determined without offsetting rating premiums). The expected loss (EL) for general allowances is determined in the VR Control Module KRM using the following formula:

$$EL = EAD * PD * LGD$$

whereby the following applies:

- EAD: Exposure at default (current risk volume)
- PD: Probability of default
- LGD: Loss given default

To determine the probabilities of default at an individual customer level, the VR rating method from parclT is used for the following segments:

- Private customers (VRR PK)
- Commercial customers (VRR FK)
- Real estate customers (VRR Immo/IK)
- Renewable energies (VRR EE)

The ratings are updated on a regular basis (monthly/annually) depending on the method used. The relevant risk factors/parameters for each segment are validated on an annual basis and adjusted if necessary.

Bonds and other fixed-interest securities / equities and other non-fixed-interest securities

Bonds and other fixed-interest securities treated as assets and equities and other non-fixed-interest securities are recognised at their acquisition costs and valued using the less strict lowest-value principle. The lower fair value is only impaired if the impairment is expected to be permanent. The year-end closing prices in the securities notifications (Wertpapiermitteilungen) from WM Datenservice are used in this case. If there is no active market, the fair value is determined using generally accepted valuation methods.

When there is a change in credit rating, the Bank tests whether the impairment is permanent based on a rating comparison of the issuers.

Fixed-interest securities acquired above par value are written down to nominal value using the straight-line method in relation to the relevant period and fixed-interest securities acquired under par value are written up to nominal value using the straight-line method in relation to the relevant period.

Trading portfolio

In the previous year, the trading portfolio was valued at fair value less a risk discount pursuant to Section 340e (3) HGB. Pursuant to Section 255 (4) HGB, the fair value corresponds to the market price. Where there was no active market, the fair value was determined using generally accepted valuation methods.

As of 31.12.2024, the trading portfolio was transferred in full to assets because the assets it contained were no longer tradable. This had no impact on the net result.

Participating interests and shares in affiliated companies

Participating interests and shares in affiliated companies were valued according to the less strict lowest-value principle on the basis of the calculation of capitalised earnings or another recognised valuation method. The accounting treatment of participating

interests in partnerships is based on accounting standard IDW AuS HFA 18. Under this standard, repayments of capital are treated as reductions in the carrying amount of the participating interests performed directly in equity and disclosed in the statement of changes in non-current assets as a disposal of a participating interest. Shares of income are only recorded as income from participating interests when the special loss accounts are balanced out.

Intangible assets and property, plant and equipment

Intangible assets acquired and property, plant and equipment for monetary consideration were valued pursuant to Section 340e HGB according to the provisions applicable to non-current assets, i.e. at cost less straight-line amortisation and depreciation.

The useful life of intangible assets is between two and five years, that of equipment, furniture and fixtures is between three and 15 years. Installations in third-party buildings are depreciated to the residual term of the respective lease agreements at the time of capitalisation.

Intangible assets as well as property, plant and equipment are written down pro rata temporis. Low-value assets up to €250 were posted as expenses in the year of acquisition. Low-value assets of between €250.01 and €1,000.00 were fully written off in the year of acquisition and presented as a disposal.

Deferred tax assets

In exercise of the option pursuant to Section 274 (1) Sentence 2 HGB the excess of deferred tax assets was capitalised. The temporary differences were valued at the combined tax rate for corporate income tax, trade tax and solidarity surcharge applicable for the financial year of 32.17%. Differences relating to partnerships subject to trade tax were taken into account at a combined tax rate for corporate income tax and solidarity surcharge of 15.83%. As of 31.12.2024, there were tax loss carryforwards for corporate income tax of €36,918 thousand and for trade tax of €51,191 thousand, for which no deferred tax assets have been recognized.

Liabilities

Liabilities were recognised at their settlement amount in accordance with Section 253 (1) Sentence 2 HGB.

Lower-ranking liabilities / profit participation rights

These were disclosed at their nominal amounts plus the pro rata interest for the financial year.

Provisions

Provisions take account of all identifiable risks and uncertain liabilities and are set at the settlement amount necessary under sound commercial judgement. Provisions with a residual term of more than one year are discounted in accordance with Section 253 (2) HGB using the actuarial interest rate for the respective term of the provision from the Regulation on the Discounting of Provisions (RückAbzinsV). The burden from deposits with increasing interest was taken into account with provisions.

UmweltBank’s banking book was reviewed pursuant to IDW AuS BFA 3 with regard to the necessity for a provision for pending losses. For this, the interest-driven present values were compared with the carrying amounts and the risk and portfolio administrative costs deducted from any positive excess. A provision for pending losses is recognised for any remaining net loss. No provision had to be recognised at the reporting date.

In the reporting year, the calculation method for provisions for savings deposits with rising interest rates and products with bonus interest payments was amended. This had a positive effect on the interest result of €3,118 thousand.

Provisions for products with bonus interest payments have been measured up to now using the interest scale method, whereby the entire bonus balance is recognised as a provision by taking the proportion for the current year relative to the entire term less all bonus payments made to date. The provision is then discounted with the aid of the termination vectors and discount vectors calculated on the reporting date. The new calculation method calculates the provision using a standardised calculation in accordance with German accounting standards by applying the average interest rate. In addition, the length of the residual term, taking into account a certain level of fluctuation in the transactions, is also used to discount the provisions. Interest expenses are thus spread out evenly over the entire term.

In the case of savings deposits with rising interest rates, the full residual term was used up to now to discount the gross provisions, whereas the new calculation method is based

on the length of the residual term, taking into account a certain level of fluctuation in the transactions. The length of the residual term also takes into account the risk for the Bank that a customer terminates the product prematurely after a capitalisation and the provision formed before the capitalisation is not sufficient.

Fund for general banking risks

A special item “fund for general banking risks” has been formed to cover general banking risks (Section 340g (1) HGB).

Contingent liabilities

Contingent liabilities (liabilities from guarantees and warranty agreements) are disclosed at the nominal amount and swap guarantees at the credit equivalent amount less general allowances and earmarked assets. Specific provisions for contingent liabilities were not required and did not exist on the reporting date. The amounts shown do not present the cash flows to be expected from these agreements in future as the vast majority of the contingent liabilities expire without being utilised. The contingent liabilities were valued using the method for the valuation of receivables from customers and banks.

Irrevocable loan commitments

Irrevocable loan commitments comprise the portions of commitments granted but not yet utilised. They are disclosed at the nominal amount less general allowances. Specific provisions for irrevocable loan commitments were not required and did not exist on the reporting date. The irrevocable loan commitments were valued using the method for the valuation of receivables from customers and banks.

Foreign currency translation

All monetary assets and liabilities denominated in foreign currency are translated into the functional currency (euros) using the mean exchange rate on the reporting date while taking account of the imparity principle. The results of the foreign currency translation are recorded through profit and loss in the income statement under other operating expenses and income.

III. Notes to and explanations of the balance sheet

Assets side of the balance sheet

Receivables from banks

All of the receivables from banks of €2,025,239 thousand (31.12.2023: €10,553 thousand) were due daily on the reporting date.

Receivables from customers

Receivables from customers break down by residual term as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
up to three months	77,304	80,431
more than three months up to one year	224,828	280,988
more than one year up to five years	928,905	971,128
more than five years	1,917,591	2,000,011
with indefinite term	307	24,088
Total	3,148,935	3,356,646

Receivables from reduced interest rate promotional loans with a volume of €1,780,586 thousand (31.12.2023: €1,773,677 thousand) have been assigned to the refinancing public development banks.

Receivables from customers contain receivables from companies in which a participating interest is held of €18,296 thousand (31.12.2023: €11,948 thousand) and receivables from affiliated companies of €0 thousand (31.12.2023: €33,772 thousand).

Bonds and other fixed-interest securities

This item breaks down as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
marketable fixed-interest securities	745,462	2,022,553
thereof listed	658,671	1,851,878
thereof not listed	86,791	170,675
non-marketable fixed-interest securities	-	489
Total	745,462	2,023,042

Bonds and other fixed-interest securities with a nominal value of €58,708 thousand (31.12.2023: €571,729 thousand) will mature in the year following the reporting date.

Fixed-interest securities in the investment portfolio with a carrying amount of €745,462 thousand (31.12.2023: €2,008,040 thousand) were measured according to the less strict lowest-value principle and kept in separate securities accounts.

The write-downs avoided on these securities as of 31 December 2024 amounted to €48,219 thousand (31.12.2022: €105,710 thousand). Write-downs according to Section 253 (3) Sentence 5 HGB were not carried out for these securities because they will be paid back at par value and there is no indication that the repayments will be reduced. The hidden reserves in the bonds and other fixed-interest securities amounted to €0 thousand as of 31 December 2024 (31.12.2023: €243 thousand).

In the second half of the year, securities with a nominal value of €563,000 thousand (carrying amount: €562,372 thousand) were sold in order to reduce the Bank's risk-weighted assets (RWA). This led to a loss of €22,401 thousand.

Overall, fixed-interest securities with a nominal value of €155,827 thousand (31.12.2023: €125,827 thousand) were provided as collateral to development banks to secure liabilities, while fixed-interest securities with a nominal value of €50,000 thousand (31.12.2023: €40,000 thousand) were provided as collateral for swap guarantees.

Equities and other non-fixed-interest securities

This item breaks down as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
Marketable shares and other non-fixed-interest securities	-	21,291
thereof listed	-	-
thereof not listed	-	21,291
Non-marketable shares and other non-fixed-interest securities	44	44
Total	44	21,335

The non-marketable equities and other non-fixed-interest securities comprised the company's own profit participation certificates as in the previous year.

Trading portfolio

The trading portfolio stood at €0 thousand as of 31 December 2024 (31.12.2023: €5,572 thousand). The bond “Am Ostseeplatz” (WKN A30VH3) with a carrying amount of €5,518 thousand, which was previously in the trading portfolio, was transferred in full to assets because it was not tradable as of 31.12.2024. This had no impact on the net result.

Participating interests

There are participating interests in the following companies:

Company	Headquarters	Bank's share in the company's equity (percent)	Carrying amount 31.12.2024 € thousand	Carrying amount 31.12.2023 € thousand	Result (year) € thousand	Equity recognised on the balance sheet (year) € thousand
3 BANKA AKCIONARSKO DRUSTVO NOVI SAD	Novi Sad	29.85	7,555	7,578	4,410 (2023)	43,244 (2023)
Klimaprojekt Sonnenkraft 1 GmbH & Co. KG	Köthen	50	2,543	0	-461 (2024)	929 (2024)
Utopia GmbH	Munich	26.84	1,972	4,620	-214 (2023)	532 (2023)
Windpark Altenbruch-Ost GmbH & Co. KG	Cuxhaven	24.99	1,827	0	470 (2023)	6,052 (2023)
Visavis Wohnungsbau GmbH & Co. KG	Berlin	45	1,494	1,494	326 (2024)	3,320 (2024)
eno Windpark GmbH & Co. Wilmersdorf KG	Ostseebad Rerik	29.37	967	967	1,518 (2023)	4,713 (2024)
Naturata AG	Marbach	13.44	212	212	124 (2024)	4,002 (2024)
KWA Solarkraftwerk Arenborn GmbH & Co.KG limited partnership contributions	Stuttgart	36.96	168	168	271 (2023)	2,300 (2023)
Windpark Fonds Amesdorf-Wellen GmbH & Co. KG	Mettmann	26.72	137	137	1,726 (2023)	1,335 (2023)
Umwelt Wind Energie UWE GmbH & Co. Bergen/Nordenham KG	Cuxhaven	-	-	305	-	-
Enertrag Windpark Neuenfeld GmbH & Co. KG	Schenkenberg	-	-	877	-	-
Total			16,875	16,358		

The participating interests in the companies Umwelt Wind Energie UWE GmbH & Co. Bergen/Nordenham KG and Enertrag Windpark Neuenfeld GmbH & Co. KG were sold in the reporting year. Overall, this transaction contributed €3,523 thousand to the result. Further sales are planned in 2025 due to the new strategic alignment of the participating interest portfolio.

None of the participating interests are marketable.

Shares in affiliated companies

The following companies (interest over 50%) are disclosed in the shares in affiliated companies:

Company	Head- quarters	Bank's share in the company's equity (percent)	Carrying amount 31.12.2024 € thousand	Result 2024 € thousand	Carrying amount 31.12.2023 € thousand	Equity rec- ognised on the balance sheet 2024 € thousand
Volksbau Tübingen II GmbH & Co. KG	Nuremberg, Germany	89.5	21,829	-	524	8,154
UPG UmweltProjekt GmbH	Nuremberg, Germany	100	15,520	15,520	26,682	22,781
Volksbau Nürnberg GmbH & Co. KG	Berlin	89.47	10,855	-	285	4,116
Volksbau 2018 GmbH & Co. KG	Berlin	85.5	9,208	-	267	6,705
Volksbau Freiburg GmbH & Co. KG	Berlin	89.5	5,187	-	225	2,090
Gisela 36 Wohnungsbau GmbH & Co. KG	Berlin	90	1,822	1,823	5,974	2,025
StadtWerk Berlin KG Beteiligungsgesellschaft für Projekte in der Stadterneuerung	Berlin	77.32	783	783	2,697	2,387
UmweltKontakt GmbH	Nuremberg, Germany	100	36	190	-5	36
Emilienstraße 3 GmbH & Co. KG	Nuremberg, Germany	-	-	385	-	
Total			65,240	18,701		-

The companies Volksbau Tübingen II GmbH & Co. KG, Volksbau Nürnberg GmbH & Co. KG, Volksbau 2018 GmbH & Co.KG and Volksbau Freiburg GmbH & Co. KG were acquired from the Group subsidiary UPG UmweltProjekt GmbH in 2024. These transactions generated income that compensated for the losses from the sale of securities in the Bank's own portfolio at the level of UmweltBank AG.

The company Emilienstraße 3 GmbH & Co. KG was dissolved with effect from 31.12.2024 following its merger with UmweltBank AG.

The shares in affiliated companies are non-marketable shares.

Statement of changes in non-current assets

The statement of non-current assets summarises the assets of various balance sheet items to be valued according to the principles for non-current assets.

Property, plant and equipment mainly relates to land used by third parties of €26,379 thousand (31.12.2023: €26,379 thousand) and land and commercial buildings currently under construction for the Bank's own use of €72,581 thousand (31.12.2023: €52,196 thousand). The manufacturing costs in the financial year are mainly related to the construction of UmweltHaus and include construction costs (around €13,800 thousand), planning costs (around €4,300 thousand) and incidental construction costs (around €2,000 thousand).

Statement of changes in non-current assets

	Acquisition/manufacturing costs				Write-ups		Depreciation				Carrying amount	
	As of 01.01.2024	Additions	Disposals	Transfers	Current year	Disposals	Cumulated balance of write-ups/ downs 01.01.2024	Disposals (-)/ additions (+)	Current year	31.12.2024 cumulated	As of 31.12.2024	31.12.2023
	€ thousand	€ thousand	€ thousand	€ thousand	€ thou- sand	€ thou- sand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand	€ thousand
Bonds	2,008,040	2,228	1,270,378	5,572	-	-	9,814	-9,814	-	-	745,462	2,008,040
Equities including non-fixed-interest securities	21,335	-	21,291	-	-	-	-	-	-	-	44	21,335
Participating interests	16,882	4,370	1,867	-	19	-	524	-	2,005	2,528	16,875	16,358
Shares in affiliated companies	19,361	47,463	385	-	-	-	660	-	539	1,199	65,240	18,701
Property, plant and equipment	89,703	22,663	395	-	-	-	3,884	-380	458	3,962	108,009	85,819
1. Land, land rights and buildings, including buildings on third-party land	43,362	-	-	-	-	-	682	-	7	689	42,673	42,679
2. Other plant, equipment, furniture and fixtures	4,567	37	395	-	-	-	3,202	-380	451	3,273	936	1,365
3. Prepayments made and assets under construction	41,774	22,626	-	-	-	-	-	-	-	-	64,400	41,774
Intangible assets												
Franchises acquired for monetary consideration, industrial property rights and similar rights and assets as well as licences for such rights and assets	4,030	213	-	-	-	-	3,228	-	306	3,534	709	802

Other assets

Other assets break down as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
Tax refund claims	18,007	6,193
Clearing account for payment transactions, direct debits	7,691	8,555
Shares in cooperatives	2,510	2,510
Input tax refund claims UmweltQuartier	2,027	2,166
Single Resolution Board (SRB)	962	962
Gisela 36 Wohnungsbau GmbH & Co. KG (withdrawable profit shares)	667	211
Commission receivables	643	521
Emilienstraße 3 GmbH & Co KG (withdrawable profit shares)	0	1,481
Dividend resolution UPG Income 2022	0	3,742
Other	787	693
Total	33,294	27,034

Tax refund claims relate to refund claims for UmweltBank AG for prepaid corporate income tax and solidarity surcharges of €11,283 thousand (31.12.2023: €1,715 thousand) and prepaid trade tax of €6,724 thousand (31.12.2023: €4,478 thousand).

The shares in cooperatives relate to participating interests in GLS Gemeinschaftsbank eG (€1,000 thousand), Evangelischen Bank eG (€1,000 thousand) and the Genossenschaft für urbane Kreativität eG (€510 thousand).

Prepaid expenses

Prepaid expenses of €428 thousand (31.12.2023: €122 thousand) primarily consist of advance payments for software leases.

Deferred taxes

	Deductible temporary differences 31.12.2024 € thousand	Taxable temporary differences 31.12.2024 € thousand	Deferred tax assets € thousand	Deferred tax liabilities € thousand
Partnerships (subject to trade tax)	1,841	-	291	-
Other provisions	1,355	1	436	-
Total	10,383	642	3,038	206
Netting			-206	-206
Balance 31.12.2024			2,832	
As of 01.01.2024			5,879	
Reversal of deferred tax assets as of 31.12.2024			3,047	

Assets denominated in foreign currency

As of 31.12.2024, there were assets in foreign currency of €7,555 thousand (31.12.2023: €7,578 thousand) from the participating interest in 3 Banka AD.

Equity and liabilities side of the balance sheet

Liabilities to banks

Liabilities to banks with agreed maturity or notice period break down by residual term as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
up to three months	30,064	493,764
more than three months up to one year	93,153	92,557
more than one year up to five years	482,431	460,769
more than five years	1,202,357	1,224,826
Total	1,808,005	2,271,916

The liabilities to banks with an agreed maturity or notice period are reduced interest rate loans from public development banks.

The sharp fall in the maturity band of up to three months was due to the repayment of TLTRO funds of €470 million in the first quarter of 2024.

Liabilities to banks were fully collateralised by the following items (nominal value):

	31.12.2024 € thousand	31.12.2023 € thousand
Assigned and pledged receivables	1,780,586	1,773,677
Pledged fixed-interest securities	155,827	125,827
Total	1,936,413	1,899,504

Liabilities to customers

Savings deposits with agreed notice periods of more than three months break down by residual term as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
up to three months	-	-
more than three months up to one year	4,151	-
more than one year up to five years	-	4,877
more than five years	-	-
Total	4,151	4,877

The other liabilities to customers with agreed maturity or notice period break down by residual term as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
up to three months	118,118	8,260
more than three months up to one year	267,763	250,879
more than one year up to five years	176,427	113,142
more than five years	65,540	63,557
with indefinite term	7,941	2,921
Total	635,789	438,759

The liabilities to customers contain liabilities to companies in which a participating interest is held of €1,377 thousand (31.12.2023: €1,149 thousand) and liabilities to affiliated companies of €11,878 thousand (31.12.2023: €3,207 thousand).

Other liabilities

Other liabilities break down as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
Trade payables	146	2,394
Outstanding taxes	15,077	2,495
Trade payables for UmweltQuartier	3,242	6,814
Other	3,485	558
Total	21,951	12,261

Liabilities for outstanding taxes include €7,625 thousand for outstanding capital gains tax and solidarity surcharges on interest income for UmweltBank AG’s customer business. €7,238 thousand of these liabilities are for outstanding capital gains tax and solidarity surcharges on an untaxed dividend from UmweltProjekt GmbH. UmweltBank AG paid this tax liability to the responsible tax office at the beginning of the 2025 financial year using an abbreviated payment method.

Deferred income

This item includes accrued interest from receivables of €249 thousand (31.12.2023: €371 thousand).

Tax provisions

Tax provisions of €633 thousand (31/12/2023: €755 thousand) are for income taxes for 2022.

Other provisions

This item breaks down as follows:

	31.12.2024 € thousand	31.12.2023 € thousand
Provision for rising bonus and interest adjustments relating to the environmental savings plan (Umweltsparvertrag)	9,404	11,765
Provision for outstanding invoices	3,955	1,514
Provision for personnel expenses and social security contributions	1,298	707
Provision for audit costs	958	558
Other	1,201	2,505
Total	16,816	17,049

The decrease in the provision for the environmental savings plan (Umweltsparvertrag) is due to the change in the calculation method described above. The corresponding reversal was recognised as a correction to the interest expenses.

Outstanding invoices were recognised as provisions instead of liabilities for the 2024 annual financial statements because the invoices had not yet been received at the close of accounts.

The provisions for personnel expenses include severance claims of €750 thousand.

Lower-ranking liabilities

Value date	Type, securities code, nominal amount in € thousand, expenses incurred in the financial year in € thousand	Number subscribed	Nominal amount € thousand	Interest rate in % p.a.	Term
01.12.2016	Lower-ranking contingent convertible bond (CoCo bond), securities code A2BN54, up to 40,000, 635	103,815 units with a nominal value of €250.00	25,954	2.465 until 31.05.2026, then fixing on basis of the swap rate for euro swap transactions with a term of five years plus a constant margin of 2.717 percentage points	open-ended

The bonds are classified as unsecured, lower-ranking liabilities and according to Regulation (EU) no. 575/2013 (CRR) count as additional tier 1 capital (additional core capital). In the event of insolvency, liabilities from the bonds are subordinate to the claims from instruments of the supplementary capital (“T2”). The CoCo bond is converted into shares in the Bank if the Tier 1 capital ratio falls below 5.125%. An early redemption obligation arises in the event of termination by the issuer.

Value date	Type, securities code, nominal amount in € thousand, expenses incurred in the financial year in € thousand	Number subscribed	Nominal amount € thousand	Interest rate in % p.a.	Term
30.6.2018	Bearer bonds with subordination agreement (UmweltBank Green Bond junior), securities code A2LQ-KU, up to 90,000, 1,223	41,951,397 units with a nominal value of €1.00 each	41,951	3.86 until 30.06.2029 thereafter fixing at a five-year interval on the basis of the swap rate for euro swap transactions with a term of five years plus a margin of a maximum of 100 basis points	open-ended
08.11.2018	Registered bonds with subordination agreement	UmweltBank NSV 3.85% 2018 (28), 20,000, 765	20,000	3.85 for the whole term	08.11.2028

These are unsecured lower-ranking liabilities that count as tier 2 capital (supplementary capital) according to the CRR. In the event of UmweltBank’s insolvency the claims rank lower than the claims of all non-subordinate creditors (bail-in instrument). With the Green Bond junior, an early redemption obligation arises in the event of termination by the issuer. Expenses of €2,624 thousand were incurred for lower-ranking liabilities in the reporting year (previous year: €2,255 thousand).

Profit participation rights

According to the CRR, €44,132 thousand of the profit participation rights constitutes eligible equity. The profit participation rights holders receive an annual distribution of the stated interest rate in relation to the nominal amount of the profit participation rights that ranks higher than the shareholders’ profit entitlement.

Value date	Type, securities code, nominal amount in € thousand	Number subscribed	Nominal amount € thousand	Interest rate in % p.a.	Term
31.12.2011	Profit participation certificate, securities code A2PMFT, up to 5,539	5,538,500	5,539	3.50 until 31.12.2028, thereafter fixing on basis of six-year federal bond plus 1.00 percentage points	Open-ended, can be terminated by issuer to 31.12.2028, thereafter every six years with a notice period of twelve months to 31.12. of the respective year
30.09.2011	Profit participation certificate, securities code A2PMFS, up to 5,539	5,538,500	5,539	1.00 until 31.12.2026, thereafter fixing on basis of five-year federal bond plus 1.00 percentage points	Open-ended, can be terminated by issuer to 31.12.2026, thereafter every five years with a notice period of twelve months to 31.12. of the respective year
31.12.2010	Profit participation certificate, securities code A2PMFR, up to 5,539	5,538,500	5,539	0.90 until 31.12.2025, thereafter fixing on basis of four-year federal bond plus 1.00 percentage points	Open-ended, can be terminated by issuer to 31.12.2025, thereafter every four years with a notice period of two years to 31.12. of the respective year
01.04.2010	Profit participation right, registered profit participation right 000 505, up to 5,539	5,481,000	5,481	1.00 until 31.12.2024, thereafter fixing on basis of four-year federal bond plus 1.00 percentage points	Open-ended, can be terminated by issuer to 31.12.2024, thereafter every four years with a notice period of two years to 31.12. of the respective year
30.06.2009	Profit participation right, registered profit participation right 000 504, up to 5,539	5,538,500	5,539	3.50 until 31.12.2026, thereafter fixing on basis of four-year federal bond plus 1.00 percentage points	Open-ended, can be terminated by issuer to 31.12.2026, thereafter every four years with a notice period of two years to 31.12. of the respective year
30.06.2008	Profit participation right, registered profit participation right 000 503, up to 5,538	5,519,240	5,519	3.42 to 31.12. 2025, thereafter fixing on basis of two-year federal bond plus 1.00 percentage points	Open-ended, can be terminated by issuer to 31.12.2025, thereafter every two years with a notice period of two years to 31.12 of the respective year
31.12.2007	Profit participation right, registered profit participation right 000 502, up to 5,538	5,491,240	5,491	1.00 until 31.12.2024, thereafter fixing on basis of four-year federal bond plus 1.00 percentage points	Open-ended, can be terminated by issuer to 31.12.2024, thereafter every four years with a notice period of two years to 31.12. of the respective year
31.03.2007	Profit participation right, registered profit participation right 000 501, up to 5,538	5,486,640	5,487	3.02 until 31.12.2025, thereafter fixing on basis of four-year federal bond plus 1.00 percentage points	Open-ended, can be terminated by issuer to 31.12.2025, thereafter every four years with a notice period of two years to 31.12. of the respective year

Equity

The share capital comprises 36,116,946 no-par-value bearer shares with an imputed nominal value of €1.00 each.

According to the latest information available to the company, GLS Gemeinschaftsbank eG currently holds around 15% of the shares in UmweltBank. The company is not aware

of any other shareholders who own 10% or more of the shares. According to the latest information available to the company, the other shares are in free float.

The Management Board is authorised until 24 June 2025 to increase, with the consent of the Supervisory Board, the company’s capital stock by a total of up to €3,527,297.00 by issuing on one or more occasions up to 3,527,297 no-par-value bearer shares with a pro rata share in the capital stock of €1.00 each in return for a cash consideration and/or contribution in kind (Authorised Capital 2020). The shareholders are generally entitled to the statutory subscription right. In this process, the new shares may also be assumed by one or more banks or companies operating pursuant to Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the Banking Act (Kreditwesengesetz – KWG) specified by the Management Board with the obligation to offer them to the shareholders for subscription.

The Management Board is authorised, with the consent of the Supervisory Board, to determine the further content of the share rights and the further details of implementation of the capital increase(s). The Management Board is further authorised, with the consent of the Supervisory Board, to exclude the shareholders’ subscription right in the following cases:

- for fractional amounts arising from the subscription ratio;
- in the case of capital increases in return for a contribution in kind, including but not limited to performance of what is known as a share dividend where the shareholders are offered the option of contributing their dividend entitlement (in full or in part) as a contribution in kind in return for the granting of new shares from the authorised capital pursuant to Section 5 (5) of the company’s Articles of Association;
- where it is necessary to grant the holders of conversion rights or the holders of convertible bonds with a conversion obligation a subscription right to the extent to which they would be entitled after exercise of the conversion rights or fulfilment of the conversion obligations;
- in the case of capital increases in return for a cash contribution if the pro rata amount attributable to the new shares for which the subscription right is excluded does not exceed 10% in total of the capital stock and the issue amount does not fall significantly short of the quoted price;
- in order to issue employee shares to the company’s employees and Management Board members and to employees of the company’s affiliated companies.

The Management Board is further authorised until 22 June 2027 to increase, with the consent of the Supervisory Board, the company’s capital stock by a total of up to

€13,508,428.00 by issuing on one or more occasions up to 13,508,428 no-par-value bearer shares with a pro rata share in the capital stock of €1.00 each in return for cash consideration and/or contribution in kind (Authorised Capital 2022). The shareholders are generally entitled to the statutory subscription right. In this process, the new shares may also be assumed by one or more banks or companies operating pursuant to Section 53 (1) Sentence 1 or Section 53b (1) Sentence 1 or (7) of the Banking Act (Kreditwesengesetz – KWG) specified by the Management Board with the obligation to offer them to the shareholders for subscription. The Management Board is further authorised, with the consent of the Supervisory Board, to exclude the shareholders' subscription right in the following cases:

- to exclude fractional amounts from the shareholders' subscription rights;
- in the case of capital increases in return for a contribution in kind for the purpose of purchasing (also indirectly) companies, parts of companies or participating interests in companies, of other material operating resources or other assets, including receivables from the company or its group companies;
- in the case of capital increases in return for a cash contribution if the issue amount of the new shares does not fall significantly short of the quoted price at the time the issue amount is determined and the shares issued excluding the subscription right pursuant to Section 203 (1) and (2), Section 186 (3) Sentence 4 of the German Stock Corporation Act (Aktiengesetz – AktG) at the time the authorisation becomes effective or – if such value is lower – at the time of utilisation of the authorisation do not exceed 10% of the capital stock. Those shares are to be offset against the upper limit that were or are to be issued during the term of this authorisation until the time of their utilisation to service option or convertible bonds to the extent that the bonds were issued subject to the corresponding application of Section 186 (3) Sentence 4 AktG excluding the subscription right as well as treasury shares that were acquired on the basis of an authorisation pursuant to Section 71 (1) No. 8 AktG and were sold excluding the subscription right of the shareholders pursuant to Section 186 (3) Sentence 4 AktG;
- to the extent that this is necessary to grant the holders of conversion rights or conversion obligations in circulation at the time of the utilisation of the approved capital 2022/I from convertible bonds already issued or to be issued in the future a subscription right to new shares to the extent to which they would be entitled as shareholders after exercise of the conversion right or after fulfilment of a conversion obligation;
- to perform what is known as a scrip dividend (dividend paid in shares), in which an offer is made to the shareholders to contribute their dividend entitlement to the company optionally (in full or in part) as a contribution in kind in return for the

granting of new shares from the approved capital 2022/I;

- in order to issue employee shares to the company's employees and Management Board members and to employees of the company's affiliated companies. The Management Board is authorised, with the consent of the Supervisory Board, to determine the further details and terms of the performance of capital increases from approved capital and the issue of shares. In this context, the dividend entitlement of the new shares can be designed in deviation from Section 60 (2) AktG; to the extent permitted by law, the new shares can be specifically assigned a dividend entitlement as of the beginning of the financial year preceding their issue if at the time of issue of the new shares a resolution on the appropriation of profit has not yet been passed by the Annual General Meeting relating to the profit for this financial year. After utilisation of the approved capital 2022/I or expiry of the deadline for utilisation of the approved capital 2022/I, the Supervisory Board is entitled to amend the wording of the Articles of Association.

By resolution of the Annual General Meeting of 10 October 2024, €686 thousand (previous year: €746 thousand) from the previous year's distributable profit were transferred to retained earnings.

In a capital increase, 58,534 new no-par-value bearer shares were issued with an imputed nominal value of €1.00 each.

€178 thousand was appropriated to a special reserve (Section 204 (3) German Stock Corporation Act (Aktiengesetz – AktG)) for the issuing of employee shares.

This item stood at €182 thousand as of 31 December 2024 (31.12.2023: €60 thousand).

The company holds 5,153 treasury shares as of the reporting date. The reduction in the number of treasury shares in the 2024 financial year was due to an allocation of shares as part of the employee participation programme.

Notes under the bottom line of the balance sheet

Contingent liabilities

As of 31.12.2024, there were contingent liabilities from sureties, guarantees and swap guarantees of €78,982 thousand (31.12.2023: €84,104 thousand). This item does not contain any individual amounts that are of material importance in relation to the overall business activities. The risk of claims being made from the contingent liabilities is deemed to be low overall due to the rating classifications.

Other obligations

As of 31 December 2024, there were irrevocable credit commitments of €238,987 thousand (31.12.2023: € 346,801 thousand). This item does not contain any individual amounts that are of material importance in relation to the overall business activities. It is not possible to identify any particular credit risks from future lending.

IV. Notes to the income statement

Interest income

The interest income breaks down as follows:

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
From lending business	78,438	73,243
From money market business	37,003	8,166
From fixed-interest securities and debt register claims	10,186	19,574
Other	36	14
Total	125,663	100,997

The significant increase in interest income from money market business of €28,837 thousand to €37,003 thousand was due to increased reinvestment of liquidity at the Deutsche Bundesbank.

The decrease in the interest income from fixed-interest securities and debt register claims by €9,388 thousand to €10,186 thousand was primarily attributable to the considerable decrease in the portfolio of bonds and other fixed-interest securities from €2,023,042 thousand in the previous year to €745,462 thousand.

Interest expenses

The interest expenses break down as follows:

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
Call deposit accounts	35,413	1,670
Refinancing via pass-through loans	20,760	15,802
Terminated deposits and fixed-term deposits, customers	12,187	9,503
Saving deposits with agreed notice period of less than 4 years	5,013	6,412
Open market transactions with Deutsche Bundesbank	3,753	23,532
Lower-ranking liabilities	1,859	1,483
Payment of profit participation rights	960	700
Bonds issued	765	772
Other	3	17
Total	80,713	59,891

The increase in interest expenses on call deposit accounts by €33,743 thousand to €35,413 thousand was attributable to the significant increase in customer deposits in call deposit accounts.

In the 2024 financial year, the interest expenses related to refinancing via pass-through loans with development banks increased from €15,802 thousand to €20,760 thousand, which was mainly due to increased refinancing costs.

Interest expenses related to open market transactions in the previous year were mainly due to interest expenses on the TLTRO funds. These funds were fully repaid in the 2024 financial year resulting in interest expenses falling in total by €19,779 thousand in comparison to the previous year.

Current income from equities and other non-fixed-interest securities, participating interests, shares in affiliated companies

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
From shares in affiliated companies	32,735	5,244
From participating interests	888	2,278
From equities and other non-fixed-interest securities	45	181
Total	33,668	7,703

The current income from shares in affiliated companies includes €20,000 thousand for an interim dividend on the net result for 2024 at UmweltProjekt GmbH, €3,700 thousand for the pro rata recognition through profit and loss of the net result for 2023 at UmweltProjekt GmbH and €5,333 thousand for the pro rata recognition of the net result for 2024 for the same period at Gisela 36 Wohnungsbau GmbH & Co. KG and €3,513 thousand at Stadtwerk Berlin KG.

Commission income

Commission income breaks down as follows:

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
Securities/insurance business	3,470	3,541
Lending business	2,140	4,611
Payment transactions	366	345
Other	518	429
Total	6,494	8,926

Commission expenses

Commission expenses break down as follows:

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
Securities/insurance business	914	394
Lending business	-	1
Payment transactions	42	76
Total	956	471

The administration and intermediation services rendered for third parties are essentially attributable to the customer securities and insurance intermediary business.

Net income from trading portfolio

In the reporting year, there was no net income from the trading portfolio (2023: € 596 thousand).

Other operating income

Other operating income breaks down as follows:

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
Income from the reversal of other provisions	224	339
Income from shares in cooperatives	48	19
Other	89	101
Total	361	459

Income from the reversal of provisions of €172 thousand related to provisions formed in the previous year. The reversal of provisions included €92 thousand for outstanding invoices, €46 thousand for the employee participation programme and €31 thousand for the provision for compensatory payments for severely disabled employees.

Amortisation, depreciation and impairment on intangible assets and property, plant and equipment

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
Property, plant and equipment	458	538
Intangible assets	306	159
Total	764	697

Other administrative expenses

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
Consulting expenses	11,413	8,022
IT expenses	9,065	11,115
Marketing	8,486	2,237
Regulatory costs	2,953	3,702
Audit expenses	2,934	1,362
Other personnel expenses	1,205	996
Rental and leasing expenses	993	949
Other	3,568	3,127
	40,617	31,510

Consulting expenses increased significantly, which was due above all to the BAIT project, additional external personnel capacities to handle the necessary transformation of the Bank and expenses for the migration project.

In contrast, IT expenses decreased due to the changeover from one-off expenses related to the migration project to ongoing expenses, especially for the use of the new core banking system.

In addition, there were significantly higher expenses for marketing in order to increase awareness for the brand and attract new customers.

Other operating expenses

Other operating expenses break down as follows:

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
Addition to other provisions	500	73
Expenses for the construction of new company headquarters	440	147
Expenses for corporate events	101	92
Other	156	123
Total	1,197	435

€500 thousand was added to other provisions to cover fine proceedings initiated by BaFin.

Audit costs

The total fees for the independent auditor for the 2024 financial year contained within administrative expenses came to €1,506 thousand (previous year: €451 thousand) and break down as follows:

	01.01 - 31.12.2024 € thousand	01.01 - 31.12.2023 € thousand
Fees relating to audit of financial statements	1,344	256
thereof for the		
Annual and consolidated financial statements 2024	696	-
thereof for the supplementary audit 2023	86	-
thereof supplementary annual and consolidated financial statements 2023	562	-
Fees for other assurance services	162	195
Fees for tax advisory services	-	-
Other services	-	-
Total	1,506	451

Other assurance services include in particular fees for the audit pursuant to Section 89 (1) German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) and for a project-specific audit in connection with a planned IT migration. The expenses for the supplementary audit 2023, the supplementary annual and consolidated financial statements 2023 and the project-specific audit in connection with an IT migration are attributable to the previous auditor.

Income taxes

In the reporting year, income tax relating to prior periods of €319 thousand was reported. This was primarily due to tax loss carrybacks in 2022 and 2023.

Fund for general banking risks

In accordance with Section 340g (1) HGB, €12,000 thousand was withdrawn from the special item “fund for general banking risks” in the reporting year (previous year: €4,527 thousand).

V. Other financial obligations

Following repayments of limited partnership contributions, there are financial obligations of €1,321 thousand, of which €0 thousand to affiliated companies (Section 172 (4) HGB).

Furthermore, there are financial obligations under lease agreements of €1,270 thousand p.a. and €9,932 thousand p.a. from maintenance, servicing and licence agreements.

The total amount subject to a pay-out block amounted to €2,832 thousand as of the reporting date for the annual financial statements (31.12.2023: €5,879 thousand) and is attributable in full to deferred tax assets.

VI. Information on the company and its governing bodies

Employees

On an annual average (using quarterly figures), the company’s headcount came to 356 (previous year: 347) employees pursuant to Section 267 (5) HGB. Of this figure, 334 (previous year: 320) were full-time or part-time employees and 22 (previous year: 27) part-time student workers.

Remuneration of governing bodies

The total remuneration of the Management Board for the 2024 financial year came to €1,064 thousand (previous year: €986 thousand). The remuneration and reimbursement of costs for members of the Supervisory Board totalled €152 thousand (2023: €145 thousand).

Management Board

The following persons have been appointed to the Management Board:

Goran Bašić, Nuremberg,
Front-office function for the lending business according to the Minimum Requirements for Risk Management (Mindestanforderungen an das Risikomanagement – MaRisk), responsible for the areas of Financing Renewable Energies and Real Estate, Participating Interests, Treasury & Sustainability

Heike Schmitz, Seevetal and Nuremberg
Responsible for the areas of Accounting, Taxes & Operations, Controlling&Analytics, Risk Management & Controlling (including Reporting), Legal & Compliance, Internal Auditing

Appointed on 15 January 2024:
Dietmar von Blücher, Viernheim and Nuremberg
Spokesperson of the Management Board, Responsible for Customer Management and Private Customer Business (including PR&IR), Analysis and Management of the Loan Portfolio, Organisational Management, IT and Project Management, Corporate Development, Management Board Support Office, Personnel/Human Resources

Supervisory Board

The following individuals were members of the Supervisory Board in the 2024 financial year:

Dr Michael Kemmer, member of the supervisory boards and boards of directors of various companies, Chair of the Supervisory Board

Silke Stremlau, Chair of the Federal Government Sustainable Finance Advisory Committee, Deputy Chair of the Supervisory Board

Susanne Horn, Senior Manager Corporate Social Responsibility and Corporate Development at DEHN SE, Neumarkt i.d.OPf.

Heinrich Klotz, Retired Notary

Until 10 October 2024:

Dr Michael Maier, member of the Management Board (Chief Technology Officer) of Habib Bank Ltd., Karachi (Pakistan)

Edda Schröder, Managing Director of Invest in Visions GmbH, Frankfurt am Main

Since 10 October 2024:

Finja Carolin Kütz, Senior Advisor, Supervisory Board member and investor

Georg Schürmann, Independent Management Consultant

Loans to Supervisory Board/Management Board

No loans, sureties or guarantees had been made to members of the Management Board or the Supervisory Board as of 31 December 2024.

VIII. Proposal for the appropriation of profit

The Management Board will propose to the Annual General Meeting the transfer of the remaining distributable profit of €556,338.62 to other retained earnings.

VII. Report on subsequent events

In the first quarter of 2025, the company Volksbau Wangen GmbH & Co. KG was acquired by the Group subsidiary UPG UmweltProjekt GmbH. Furthermore, UmweltBank AG signed contracts in April 2025 for the sale of its shares in the subsidiaries Volksbau Tübingen II GmbH & Co. KG and Volksbau Nürnberg GmbH & Co. KG. The economic transfer of the shares to the buyer will take place in the second half of 2025.

Nuremberg, 2 June 2025

UmweltBank AG, Nuremberg
The Management Board



Goran Basic
Member of the Management Board



[unintelligible]
Member of the Management Board



Heike Schmitz
Spokesperson of the Management Board

BESTÄTIGUNGSVERMERK DES UNABHÄNGIGEN ABSCHLUSSPRÜFERS

An die UmweltBank AG, Nürnberg

PRÜFUNGSURTEILE

VERMERK ÜBER DIE PRÜFUNG DES JAHRESABSCHLUSSES UND DES LAGEBERICHTS

PRÜFUNGSURTEILE

Wir haben den Jahresabschluss der UmweltBank AG, Nürnberg – bestehend aus der Bilanz zum 31. Dezember 2024 und der Gewinn- und Verlustrechnung für das Geschäftsjahr vom 1. Januar 2024 bis zum 31. Dezember 2024 sowie dem Anhang, einschließlich der Darstellung der Bilanzierungs- und Bewertungsmethoden – geprüft.

Darüber hinaus haben wir den Lagebericht der UmweltBank AG für das Geschäftsjahr vom 1. Januar 2024 bis zum 31. Dezember 2024 geprüft. Die unter „SONSTIGE INFORMATIONEN“ genannten Informationen haben wir in Einklang mit den deutschen gesetzlichen Vorschriften nicht inhaltlich geprüft.

Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse

- entspricht der beigefügte Jahresabschluss in allen wesentlichen Belangen den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften und vermittelt unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- und Finanzlage der Gesellschaft zum 31. Dezember 2024 sowie ihrer Ertragslage für das Geschäftsjahr vom 1. Januar 2024 bis zum 31. Dezember 2024 und
- vermittelt der beigefügte Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft. In allen wesentlichen Belangen steht dieser Lagebericht in Einklang mit dem Jahresabschluss, entspricht den deutschen gesetzlichen Vorschriften und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar. Unser Prüfungsurteil zum Lagebericht erstreckt sich nicht auf den Inhalt der „SONSTIGEN INFORMATIONEN“.

Gemäß § 322 Abs. 3 Satz 1 HGB erklären wir, dass unsere Prüfung zu keinen Einwendungen gegen die Ordnungsmäßigkeit des Jahresabschlusses und des Lageberichts geführt hat.

GRUNDLAGE FÜR DIE PRÜFUNGSURTEILE

Wir haben unsere Prüfung des Jahresabschlusses und des Lageberichts in Übereinstimmung mit § 317 HGB und der EU-Abschlussprüferverordnung (Nr. 537/2014; im Folgenden „EU-APrVO“) unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführt. Unsere Verantwortung nach diesen Vorschriften und Grundsätzen ist im Abschnitt „VERANTWORTUNG DES ABSCHLUSSPRÜFERS FÜR DIE PRÜFUNG DES JAHRESABSCHLUSSES UND DES LAGEBERICHTS“ unseres Bestätigungsvermerks weitergehend beschrieben. Wir sind von dem Unternehmen unabhängig in Übereinstimmung mit den europarechtlichen sowie den deutschen handelsrechtlichen und berufsrechtlichen Vorschriften und haben unsere sonstigen deutschen Berufspflichten in Übereinstimmung mit diesen Anforderungen erfüllt.

Darüber hinaus erklären wir gemäß Art. 10 Abs. 2 Buchst. f) EU-APrVO, dass wir keine verbotenen Nichtprüfungsleistungen nach Art. 5 Abs. 1 EU-APrVO erbracht haben.

Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zum Jahresabschluss und zum Lagebericht zu dienen.

BESONDERS WICHTIGE PRÜFUNGSSACHVERHALTE IN DER PRÜFUNG DES JAHRESABSCHLUSSES

Besonders wichtige Prüfungssachverhalte sind solche Sachverhalte, die nach unserem pflichtgemäßen Ermessen am bedeutsamsten in unserer Prüfung des Jahresabschlusses für das Geschäftsjahr vom 1. Januar 2024 bis zum 31. Dezember 2024 waren. Diese Sachverhalte wurden im Zusammenhang mit unserer Prüfung des Jahresabschlusses als Ganzem und bei der Bildung unseres Prüfungsurteils hierzu berücksichtigt; wir geben kein gesondertes Prüfungsurteil zu diesen Sachverhalten ab.

Wir haben die folgenden Sachverhalte als besonders wichtige Prüfungssachverhalte bestimmt, die in unserem Bestätigungsvermerk mitzuteilen sind:

- 1. ANGEMESSENHEIT DER EINZELWERTBERICHTIGUNGEN AUF FORDERUNGEN AN KUNDEN
- 2. ANGEMESSENHEIT DER PAUSCHALWERTBERICHTIGUNG AUF FORDERUNGEN AN KUNDEN

1. ANGEMESSENHEIT DER EINZELWERTBERICHTIGUNGEN AUF FORDERUNGEN AN KUNDEN

Sachverhalt

Die Forderungen an Kunden stellen mit EUR 3.166,9 Mio. (Vorjahr EUR 3.370,6 Mio.) bzw. 51,2 % (Vorjahr 59,3 %) der Bilanzsumme den größten Vermögensposten bei der UmweltBank AG dar. Von den ausgewiesenen Forderungen an Kunden wurden die gebildeten Einzelwertberichtigungen abgesetzt.

Die Einzelwertberichtigungen auf Forderungen an Kunden sind ein wesentlicher Bereich, in dem das Management Ermessensentscheidungen trifft. Einzelwertberichtigungen werden bei ausfallgefährdeten Engagements als Differenz zwischen den Kreditzusagen bzw. höheren Inanspruchnahmen und den zu erwartenden Zahlungsströme aus dem Darlehen respektive erwarteten Zahlungsströme aus den Sicherheiten erfasst. Die Ermittlung von Einzelwertberichtigungen ist mit Unsicherheiten verbunden und beinhaltet verschiedene Annahmen und Einflussfaktoren, insbesondere in Bezug auf die Einschätzung der Finanzlage der Schuldner, die Erwartungen zu künftigen Zahlungsmittelflüssen sowie die Bewertung der gestellten Sicherheiten. Veränderungen in den Annahmen können zu deutlich veränderten Wertansätzen führen.

Das Risiko für den Jahresabschluss besteht darin, dass notwendige Einzelwertberichtigungen nicht rechtzeitig identifiziert oder nicht in angemessener Höhe gebildet werden. Vor diesem Hintergrund haben wir die Angemessenheit der Einzelwertberichtigungen auf Forderungen im Rahmen unserer Abschlussprüfung als besonders wichtigen Prüfungssachverhalt eingestuft.

Die Angaben der Gesellschaft zur Bewertung von Forderungen an Kunden inkl. der Bestimmung von Einzelwertberichtigungen sind im Anhang unter den Kapiteln „II. Bilanzierungs- und Bewertungsgrundsätze“ und „III. Angaben und Erläuterungen zur Bilanz“ dargestellt.

Prüferische Reaktion

Wir haben die Angemessenheit und Wirksamkeit des internen Kontrollsystems in Bezug auf die wesentlichen, rechnungslegungsrelevanten Kreditprozesse beurteilt. Dies umfasst insbesondere die Kreditüberwachung, die Intensivbetreuung und Problemerkreditbearbeitung, die Identifikation von Wertberichtigungsbedarfen dem Grunde nach sowie die Prozesse zum Rating sowie der Prozess der Analyse der Informationen zur wirtschaftlichen Lage der Kreditnehmer und der Bewertung der Sicherheiten.

Darüber hinaus haben wir in einer risikoorientiert ausgewählten Stichprobe aussagebezogene Prüfungshandlungen vorgenommen und hierbei die Angemessenheit der ermittelten Einzelwertberichtigungen beurteilt. Hierfür haben wir zunächst auf Portfolioebene analytische Prüfungshandlungen durchgeführt und die Erkenntnisse bei der risikoorientierten Auswahl der Kreditengagement anhand der Kriterien „erhöhtes Risiko“, „Ausfallrating und Blankoanteil“, „Kreditvolumen“ sowie „Neugeschäft“ und „Branche“ der Kreditnehmer berücksichtigt.

Im Rahmen der Stichprobenprüfung haben wir die wesentlichen Annahmen der Bank nachvollzogen. Dies beinhaltete die Überprüfung der individuellen Schätzungen zu den erwarteten künftigen Rückflüssen, einschließlich der Rückflüsse aus der Realisierung von Kreditsicherheiten. Dabei haben wir externe Wertgutachten in Einzelfällen durch eigene Spezialisten plausibilisieren lassen. Die Beurteilung des rechtlichen Bestandes von gestellten dinglichen und persönlichen Sicherheiten erfolgte anhand von Verträgen und Grundbuchauszügen.

2. ANGEMESSENHEIT DER PAUSCHALWERTBERICHTIGUNG AUF FORDERUNGEN AN KUNDEN

Sachverhalt

Von den Forderungen an Kunden in Höhe von EUR 3.166,9 Mio. (Vorjahr EUR 3.370,6 Mio.) bzw. 51,2 % (Vorjahr 59,3 %) der Bilanzsumme wurden unter anderem auf die nicht einzelwertberichtigte Forderungen gebildeten Pauschalwertberichtigungen abgesetzt. Vor dem Hintergrund der Bedeutung der Forderungen an Kunden für die Vermögens-, Finanz- und Ertragslage stellen auch die Pauschalwertberichtigungen auf diese Vermögensposition einen wesentlichen Faktor für das Verständnis des Jahresabschlusses dar.

Die Bildung von Pauschalwertberichtigungen auf die nicht einzelwertberichtigten Kredite ist ein wesentlicher Bereich, in dem das Management Ermessensentscheidungen trifft. Die UmweltBank folgt bei der Ermittlung und Bemessung von Pauschalwertberichtigungen dem IDW RS BFA 7. Aufgrund der angenommenen Ausgeglichenheitsvermutung zum Zeitpunkt der Kreditausreichung und der Folgebewertung bezogen auf den erwarteten Verlust und der Bonitätsprämie berücksichtigt die Bank vereinfachend den erwarteten Verlust auf Basis von 12 Monaten. Die Ermittlung der Pauschalwertberichtigungen erfolgt mittels eines parameterbasierten Expected-Loss-Modells auf Basis der erwarteten Kreditverluste. Die diesbezüglichen Ermessensentscheidungen umfassen unter anderem die Auswahl des verwendeten Modells für die Wertermittlung (Geeignetheit des Modells) und die im Modell verwendeten Schätzparameter. Dieses Vorgehen ist mit Unsicherheiten verbunden und beinhaltet verschiedene Annahmen und Einflussfaktoren, insbesondere in Bezug auf die Ausfallwahrscheinlichkeiten und Verlustquoten. Veränderungen in den Annahmen können zu deutlich veränderten Bewertungen führen.

Das Risiko für den Jahresabschluss besteht darin, dass notwendige Pauschalwertberichtigungen für latente Kreditrisiken nicht in angemessener Höhe gebildet werden. Vor diesem Hintergrund haben wir die Angemessenheit der Pauschalwertberichtigungen auf Forderungen im Rahmen unserer Abschlussprüfung als besonders wichtigen Prüfungssachverhalt eingestuft. Die Angaben der Gesellschaft zu den Pauschalwertberichtigungen im Kreditgeschäft sind im Anhang unter den Kapiteln „II. Bilanzierungs- und Bewertungsgrundsätze“ und „III. Angaben und Erläuterungen zur Bilanz“ dargestellt.

Prüferische Reaktion

Wir haben die Angemessenheit und Wirksamkeit des internen Kontrollsystems in Bezug auf die wesentlichen, rechnungslegungsrelevanten Prozesse beurteilt. Im Fokus standen dabei die parameterbasierte Berechnung der Pauschalwertberichtigungen sowie die Modellvalidierung.

Im Einzelnen haben wir die wesentlichen Annahmen im Rahmen des Wertberichtigungsprozesses nachvollzogen. Dabei haben wir die Herleitung der PD aus dem korrekten Rating-Modul (VR-Control), die Ableitung der LGD aus den historischen Daten der Umweltbank einschließlich der angewendeten Abschlüsse beurteilt.

Darüber hinaus haben wir auf Basis einer risikoorientierten Stichprobe die rechnerische Richtigkeit der Pauschalwertberichtigungen nachvollzogen.

SONSTIGE INFORMATIONEN

Die gesetzlichen Vertreter bzw. der Aufsichtsrat sind für die sonstigen Informationen verantwortlich. Die sonstigen Informationen umfassen:

- die übrigen Teile des Nachhaltigkeits- und Geschäftsberichts, der uns voraussichtlich nach dem Datum dieses Bestätigungsvermerks zur Verfügung gestellt werden wird, mit Ausnahme des geprüften Jahresabschlusses und Lageberichts sowie unseres Bestätigungsvermerks

Unsere Prüfungsurteile zum Jahresabschluss und zum Lagebericht erstrecken sich nicht auf die sonstigen Informationen, und dementsprechend geben wir weder ein Prüfungsurteil noch irgendeine andere Form von Prüfungsschlussfolgerung hierzu ab.

Im Zusammenhang mit unserer Prüfung haben wir die Verantwortung, die sonstigen Informationen zu lesen und dabei zu würdigen, ob die sonstigen Informationen

- wesentliche Unstimmigkeiten zum Jahresabschluss, Lagebericht oder unseren bei der Prüfung erlangten Kenntnissen aufweisen oder
- anderweitig wesentlich falsch dargestellt erscheinen.

VERANTWORTUNG DER GESETZLICHEN VERTRETER UND DES AUFSICHTSRATS FÜR DEN JAHRESABSCHLUSS UND DEN LAGEBERICHT

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Jahresabschlusses, der den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften in allen wesentlichen Belangen entspricht, und dafür, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie in Übereinstimmung mit den deutschen Grundsätzen ordnungsmäßiger Buchführung als notwendig bestimmt haben, um die

Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen falschen Darstellungen aufgrund von dolosen Handlungen (d. h. Manipulationen der Rechnungslegung und Vermögensschädigungen) oder Irrtümern ist.

Bei der Aufstellung des Jahresabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen. Des Weiteren haben sie die Verantwortung, Sachverhalte in Zusammenhang mit der Fortführung der Unternehmenstätigkeit, sofern einschlägig, anzugeben. Darüber hinaus sind sie dafür verantwortlich, auf der Grundlage des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit zu bilanzieren, sofern dem nicht tatsächliche oder rechtliche Gegebenheiten entgegenstehen.

Außerdem sind die gesetzlichen Vertreter verantwortlich für die Aufstellung des Lageberichts, der insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt. Ferner sind die gesetzlichen Vertreter verantwortlich für die Vorkehrungen und Maßnahmen (Systeme), die sie als notwendig erachtet haben, um die Aufstellung eines Lageberichts in Übereinstimmung mit den anzuwendenden deutschen gesetzlichen Vorschriften zu ermöglichen, und um ausreichende geeignete Nachweise für die Aussagen im Lagebericht erbringen zu können.

Der Aufsichtsrat ist verantwortlich für die Überwachung des Rechnungslegungsprozesses der Gesellschaft zur Aufstellung des Jahresabschlusses und des Lageberichts.

VERANTWORTUNG DES ABSCHLUSSPRÜFERS FÜR DIE PRÜFUNG DES JAHRESABSCHLUSSES UND DES LAGEBERICHTS

Unsere Zielsetzung ist, hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen falschen Darstellungen aufgrund von dolosen Handlungen oder Irrtümern ist, und ob der Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss sowie mit den bei der Prüfung gewonnenen Erkenntnissen in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt, sowie einen Bestätigungsvermerk zu erteilen, der unsere Prüfungsurteile zum Jahresabschluss und zum Lagebericht beinhaltet.

Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit § 317 HGB und der EU-APrVO unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführte Prüfung eine wesentliche falsche Darstellung stets aufdeckt. Falsche Darstellungen können aus dolosen Handlungen oder Irrtümern resultieren und werden als wesentlich angesehen, wenn vernünftigerweise erwartet werden könnte, dass sie einzeln oder insgesamt die auf der Grundlage dieses Jahresabschlusses und Lageberichts getroffenen wirtschaftlichen Entscheidungen von Adressaten beeinflussen.

Während der Prüfung üben wir pflichtgemäßes Ermessen aus und bewahren eine kritische Grundhaltung. Darüber hinaus

- identifizieren und beurteilen wir die Risiken wesentlicher falscher Darstellungen im Jahresabschluss und im Lagebericht aufgrund von dolosen Handlungen oder Irrtümern, planen und führen Prüfungshandlungen als Reaktion auf diese Risiken durch sowie erlangen Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zu dienen. Das Risiko, dass eine aus dolosen Handlungen resultierende wesentliche falsche Darstellung nicht aufgedeckt wird, ist höher als das Risiko, dass eine aus Irrtümern resultierende wesentliche falsche Darstellung nicht aufgedeckt wird, da dolose Handlungen kollusives Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen bzw. das Außerkraftsetzen interner Kontrollen beinhalten können.
- erlangen wir ein Verständnis von den für die Prüfung des Jahresabschlusses relevanten internen Kontrollen und den für die Prüfung des Lageberichts relevanten Vorkehrungen und Maßnahmen, um Prüfungshandlungen zu planen, die unter den Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit der internen Kontrollen der Gesellschaft bzw. dieser Vorkehrungen und Maßnahmen abzugeben.
- beurteilen wir die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den gesetzlichen Vertretern dargestellten geschätzten Werte und damit zusammenhängenden Angaben.
- ziehen wir Schlussfolgerungen über die Angemessenheit des von den gesetzlichen Vertretern angewandten Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die bedeutsame Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit aufwerfen können. Falls wir zu dem Schluss kommen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, im Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss und im Lagebericht aufmerksam zu machen oder, falls diese Angaben unangemessen sind, unser jeweiliges Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch dazu führen, dass die Gesellschaft ihre Unternehmenstätigkeit nicht mehr fortführen kann.
- beurteilen wir Darstellung, Aufbau und Inhalt des Jahresabschlusses insgesamt einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegenden Geschäftsvorfälle und Ereignisse so darstellt, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt.
- beurteilen wir den Einklang des Lageberichts mit dem Jahresabschluss, seine Gesetzesentsprechung und das von ihm vermittelte Bild von der Lage der Gesellschaft.
- führen wir Prüfungshandlungen zu den von den gesetzlichen Vertretern dargestellten zukunftsorientierten Angaben im Lagebericht durch. Auf Basis ausreichender geeigneter

Prüfungsnachweise vollziehen wir dabei insbesondere die den zukunftsorientierten Angaben von den gesetzlichen Vertretern zugrunde gelegten bedeutsamen Annahmen nach und beurteilen die sachgerechte Ableitung der zukunftsorientierten Angaben aus diesen Annahmen. Ein eigenständiges Prüfungsurteil zu den zukunftsorientierten Angaben sowie zu den zugrunde liegenden Annahmen geben wir nicht ab. Es besteht ein erhebliches unvermeidbares Risiko, dass künftige Ereignisse wesentlich von den zukunftsorientierten Angaben abweichen.

Wir erörtern mit den für die Überwachung Verantwortlichen unter anderem den geplanten Umfang und die Zeitplanung der Prüfung sowie bedeutsame Prüfungsfeststellungen, einschließlich etwaiger bedeutsamer Mängel in internen Kontrollen, die wir während unserer Prüfung feststellen.

Wir geben gegenüber den für die Überwachung Verantwortlichen eine Erklärung ab, dass wir die relevanten Unabhängigkeitsanforderungen eingehalten haben, und erörtern mit ihnen alle Beziehungen und sonstigen Sachverhalte, von denen vernünftigerweise angenommen werden kann, dass sie sich auf unsere Unabhängigkeit auswirken, und sofern einschlägig, die zur Beseitigung von Unabhängigkeitsgefährdungen vorgenommenen Handlungen oder ergriffenen Schutzmaßnahmen.

Wir bestimmen von den Sachverhalten, die wir mit den für die Überwachung Verantwortlichen erörtert haben, diejenigen Sachverhalte, die in der Prüfung des Jahresabschlusses für den aktuellen Berichtszeitraum am bedeutsamsten waren und daher die besonders wichtigen Prüfungssachverhalte sind. Wir beschreiben diese Sachverhalte im Bestätigungsvermerk, es sei denn, Gesetze oder andere Rechtsvorschriften schließen die öffentliche Angabe des Sachverhalts aus.

SONSTIGE GESETZLICHE UND ANDERE RECHTLICHE ANFORDERUNGEN

ÜBRIGE ANGABEN GEMÄß ARTIKEL 10 EU-APRVO

Wir wurden von der Hauptversammlung am 10. Oktober 2024 als Abschlussprüfer gewählt. Wir wurden am 11. Oktober 2024 vom Aufsichtsrat beauftragt. Wir sind ununterbrochen seit dem Geschäftsjahr 2024 als Abschlussprüfer der UmweltBank AG tätig.

Wir erklären, dass die in diesem Bestätigungsvermerk enthaltenen Prüfungsurteile mit dem zusätzlichen Bericht an den Prüfungsausschuss nach Artikel 11 EU-APrVO (Prüfungsbericht) in Einklang stehen.

VERANTWORTLICHER WIRTSCHAFTSPRÜFER

Der für die Prüfung verantwortliche Wirtschaftsprüfer ist Olga Lingner-Fink.

München, 2. Juni 2025

BDO AG
Wirtschaftsprüfungsgesellschaft

gez. Eisenhuth
Wirtschaftsprüfer

gez. Lingner-Fink
Wirtschaftsprüfer

About this report

Together, we are creating a world worth living in for ourselves and future generations. UmweltBank underscores with this vision its commitment to contribute to a better world through its actions. But it also emphasises the potential of banks for solving environmental, social and economic challenges.

UmweltBank has published a Sustainability and Annual Report each year since its foundation in 1997. In it, the Bank informs its stakeholders about the company’s business development and sustainability performance. In addition to the complete annual financial statements, the report contains detailed information, audited in accordance with EMAS, on the Bank’s environmental performance as well as its sustainable personnel policy.

This report has been prepared with referencing to GRI Standards (GRI-referenced). It refers to the calendar year 2024. This also corresponds to UmweltBank’s financial year. No significant changes in the organisation or its supply chain occurred during the reporting period. Comparability of the data with the previous Sustainability and Annual Report is thus ensured.

Contacts for questions about the report

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Performance figures for **UmweltBank AG 2024**

Economic position		31.12.2020	31.12.2021	31.12.2022	31.12.2023	31 December 2024
Volume of business	€ million	5,393	6,451	6,602	6,119	6,504
Total assets	€ million	4,944	5,928	5,981	5,688	6,186
Customer deposits	€ million	2,694	2,954	3,176	2,854	3,824
Environmental loans (including open commitments)	€ million	3,247	3,543	3,703	3,722	3,421
Volume of customer securities accounts	€ million	682	949	791	687	620
Volume in UmweltSpektrum funds	€ million	42	100	131	151	151.8
Interest result	€ thousand	52,103	63,238	58,791	41,106	44,950
Financial result	€ thousand	3,377	2,965	24,829	–2,641	12,978
Risk provisions (expense (–) / income(+))	€ thousand	–1,365	–3,263	–9,291	4,509	–3,767
Valuation result (expense (–) / income(+))	€ thousand	230	263	–285	146	136
Commission and net trading income	€ thousand	5,148	9,421	9,345	9,052	5,538
Other expenses (+) / other income (–)	€ thousand	6,148	55	–2,017	56	–818
Earnings before administrative expenses and taxes	€ thousand	65,641	72,680	81,372	52,228	59,017
Personnel expenses	€ thousand	13,778	17,154	19,880	25,624	26,136
Other administrative expenses	€ thousand	13,288	16,512	21,574	31,510	40,617
Depreciation and amortization on non–current assets	€ thousand	727	929	708	697	764
Total administrative expenses	€ thousand	27,793	34,595	42,162	57,831	67,517
Earnings before taxes	€ thousand	37,848	38,085	39,210	–5,603	–8,500
Taxes	€ thousand	11,350	12,710	8,661	–1,805	2,766
Earnings (after taxes)	€ thousand	26,498	25,375	30,549	–3,798	–11,266
Addition to reserve pursuant to Section 340g HGB Addition (–), Reversal (+)	€ thousand	–8,000	–6,000	–11,000	+4,527	+12,000
Net result	€ thousand	18,498	19,374	19,549	729	734
Cost income ratio	%	43.1	47.7	68.6	111.2	109.3%
Equity, regulatory	€ million	408	427	504	524	505
Total capital ratio, regulatory	%	14.6	14.0	15.7	15.6	16.4%
Common Equity Tier 1 capital ratio, regulatory	%	9.8	9.5	11.5	11.6	12.3%
Environment						
Financed loan projects since 1997	Number	23,881	24,513	24,949	25,122	
Volume of new loans	€ million	689	845	623	459	250
Environmental loans (including open commitments)	€ million	3,247	3,543	3,703	3,722	3,457
thereof residential, social and commercial real estate	%	43.3	43.3	44.6	38.3	37.9%
thereof solar power	%	32.9	34.0	33.5	34.6	35.1%
thereof wind power	%	21.3	20.6	20.2	21.6	22.7%
thereof other financing	%	2.5	2.1	1.7	5.5	4.3%
CO ₂ emissions avoided	tCO ₂ e	1,098,161	1,203,270	1,163,974	1,340,493	1,304,000
People						
Customers	Number	121,166	132,087	132,157	131,678	154,877
Employees	Number	250	299	332	354	376
Number of permanent employees	Number	221	263	301	327	354
Length of service (permanent employees)	Years	6.1	5.6	5.6	5.6	5.6
Employees (converted to full–time equivalents)	Number	191.4	239.5	275.5	306	336.1

Risks

The market value of securities is subject to fluctuations and can – especially in the event of negative economic or stock market developments – lie permanently and significantly below the purchase price. Invested capital is subject to a risk of loss. As a consequence, funds are not suitable for investors seeking a risk-free investment. Investors should not aim to withdraw their money from the fund within a period of five years, as otherwise a risk exists that potential fluctuations in value will not have equalised within the recommended holding period. Furthermore, a risk exists that future performance will not match past performance.

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These documents form the sole binding basis for investment in the fund. In particular, please read the fund’s sales prospectus and key information document before making a final investment decision.

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