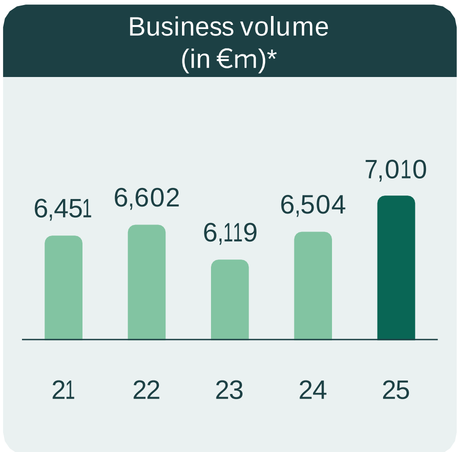
UmweltBank

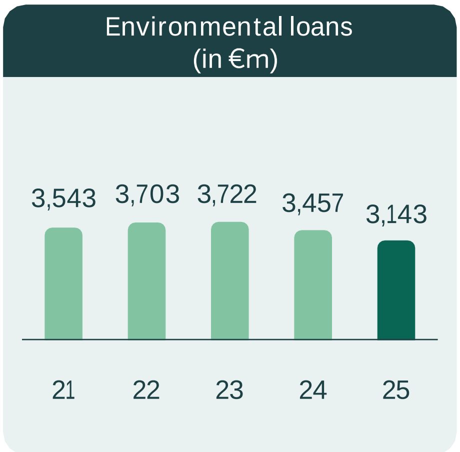
Annual Report & Sustainability Report

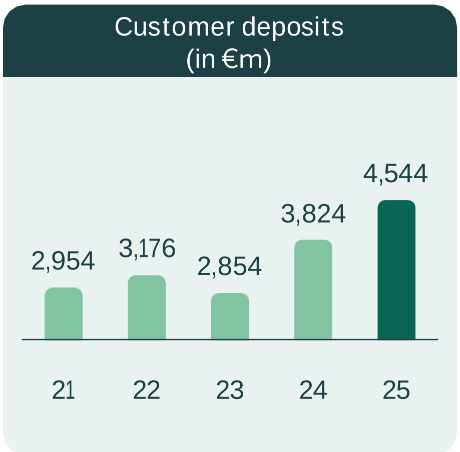
2025

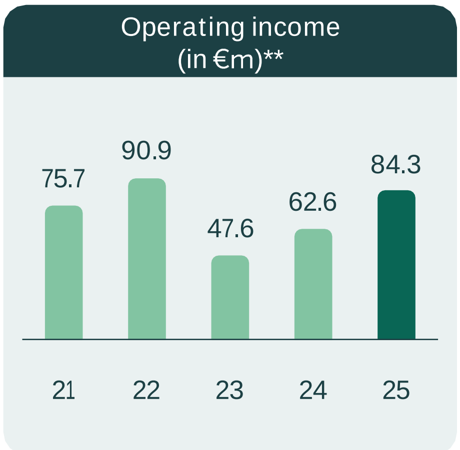
TABLE OF CONTENTS

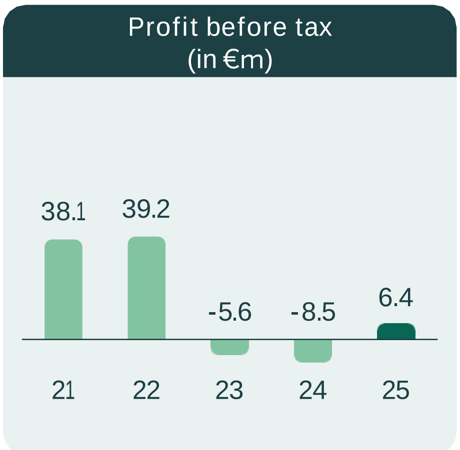
Financial Year

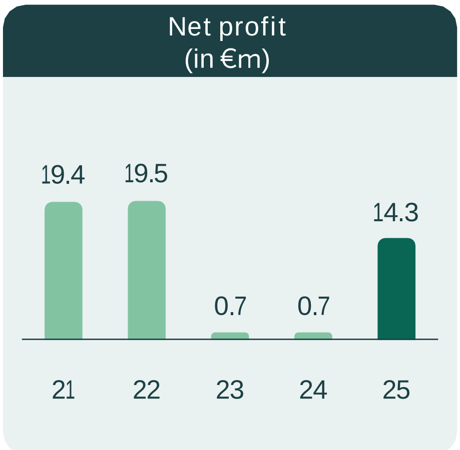


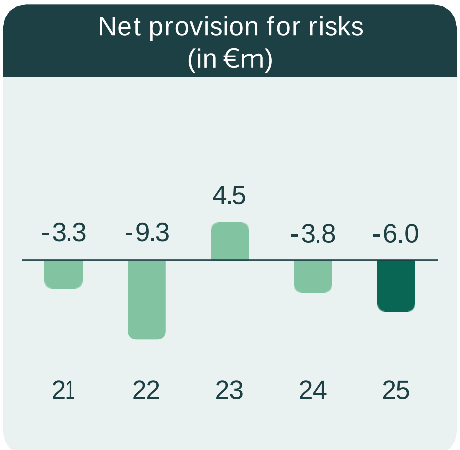


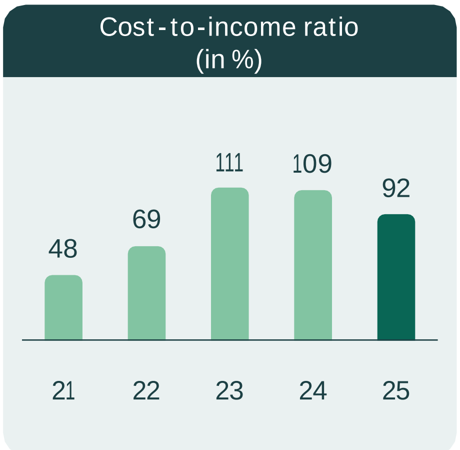


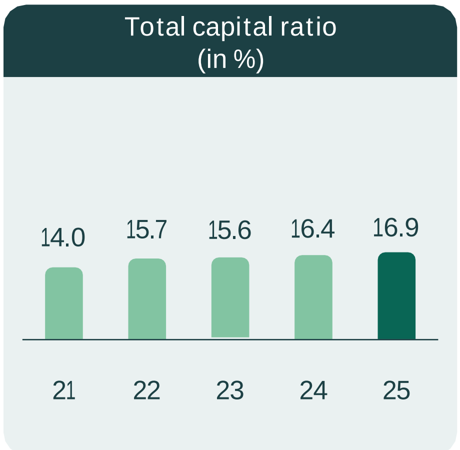












* Business volume comprises the balance sheet total, irrevocable loan commitments (outstanding commitments) and contingent liabilities (guarantees).

** Operating income comprises net interest income, net financial income, net commission and trading income, and other income.

Letter from the Executive Board

Dear readers,

With the successful conclusion of the 2025 financial year, we have reached an important milestone in our strategy. The figures for the 2025 financial year demonstrate our success following two years of extensive transformation. After recording losses in 2023 and 2024, we are once again reporting a profit before tax and have positioned UmweltBank for further strong growth. Despite this far-reaching transformation, over the past two financial years we have increased retail customer deposits by almost €2 billion, acquired over 50,000 new customers and financed sustainable projects totalling just under €400 million. In addition, we have launched new products, such as the current account and our own ETFs, streamlined our organisational structure for efficiency and performance, and strengthened our regulatory position. Building on this strong foundation, we are able and intend to significantly accelerate growth once again by 2026.

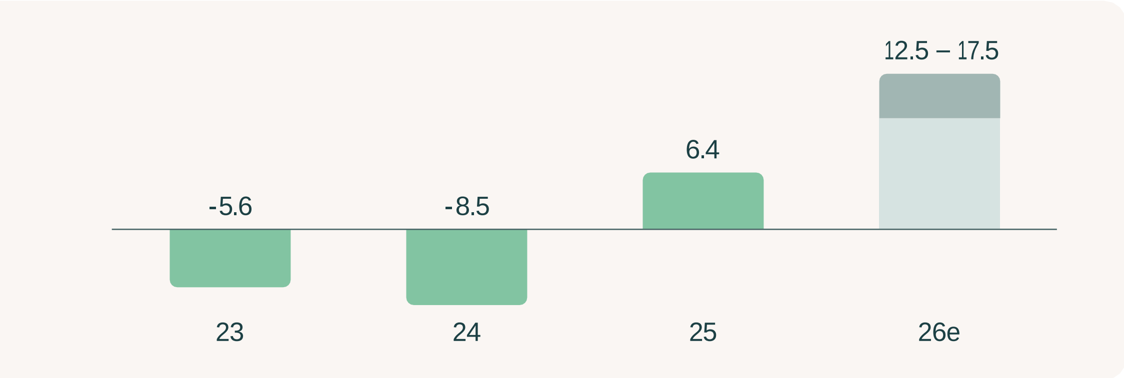
From left to right: Goran Bašić, Dr Nicole Handschuher, Dietmar von Blücher

Positive pre-tax profit in 2025

The financial year 2025 was characterised for UmweltBank by a continuing challenging environment, but also by investments as part of its transformation. Net interest income rose to €58.4 million in 2025, up from €45.0 million in the previous year. The significant improvement was largely driven by the increase in deposit volumes and the improved positioning of the treasury portfolio. At €17.6 million, the financial result was significantly higher than the previous year's figure of around €13 million, driven primarily by property sales. The divestment of equity investments continued to be accelerated in 2025. Net commission and trading income rose to €7.1 million (previous year: €5.5 million), driven in particular by the securities business.

At €30.3 million, staff costs were in line with expectations and were driven by the filling of remaining vacancies and regular salary adjustments. In terms of full-time equivalents, the bank employed around 360 staff members at the end of the year. The bank has thus achieved a sufficient staffing level to realise its planned growth in the coming years. Administrative expenses of €41.0 million remained at the previous year's level, driven by further investments as part of the transformation and in digitalisation.

All in all, profit before tax at the parent company level for the past financial year stood at €6.4 million. Net profit for the year was €14.3 million. The bank's shareholders are also set to benefit directly from UmweltBank's success. The Board of Directors therefore plans to propose the resumption of a dividend of 5 cents at this year's Annual General Meeting.



Profit before tax (in €m)

Capital ratio rises from 16.4% to around 17%

In 2025, UmweltBank's regulatory position was further improved. As a result of the progress made, the appointment of the BaFin special representative, which was due to run until 14 July 2025, came to an end. In addition, UmweltBank raised around 21 million euros in fresh capital as part of a capital increase. At the end of 2025, the total capital ratio, including the allocation to retained earnings, stood at 16.9 per cent, well above the regulatory requirement of 15.6 per cent. In this context, it is encouraging to note that an initial reduction in the regulatory capital add-ons by 60 basis points was announced at the start of 2026. As a result, the total capital requirement (including the own funds recommendation) will stand at 14.97% from April 2026, giving the bank further scope to expand its lending business.

Banking in line with the 1.5-degree target of the Paris Climate Agreement

For almost 30 years, UmweltBank has been combining ecology and economy. As a listed bank, we demonstrate that sustainability is economically viable. The core of the bank – our lending business – consists entirely of sustainable projects. At the same time, these projects have a high credit rating and low historical default rates. At the end of 2025, the loan portfolio stood at €3.1 billion, of which around 60 per cent was accounted for by loans for renewable energy projects and around 40 per cent by financing for sustainable property. In total, UmweltBank helped to avoid around 1,300,000 tonnes of CO_2 in 2025. This is roughly equivalent to the annual CO_2 emissions of the residents of a major city such as Wolfsburg.

We are particularly proud of our climate strategy, published in 2025, in which we have set ourselves ambitious short-term climate targets for 2030 – so-called 'near-term targets'. These describe the extent to which a company will reduce its emissions in order to get on track for the 1.5-degree target. To ensure these targets are scientifically validated, UmweltBank is collaborating with the Science Based Targets initiative. This independent organisation verifies whether climate targets contribute to limiting global warming to 1.5 degrees and whether companies are following a credible reduction pathway. UmweltBank is playing a pioneering role in this regard: its loan portfolio does not need to be aligned with the Paris Agreement targets; it is already 1.5-degree-compliant today. UmweltBank is the first – and so far the only – financial institution worldwide to have successfully had its so-called 'maintenance targets' validated by the SBTi. These climate targets are particularly ambitious, as they can only be defined by companies whose business model is already aligned with the 1.5-degree target. In this way, we are underlining our pioneering role in sustainable banking.

Focus on growth and rising profitability in 2026

We intend to continue on our current growth trajectory in the 2026 financial year. As such, retail customer deposits are expected to grow by over one billion euros to around 5.4 billion euros in the current financial year. The bank aims to increase its customer base by around 75,000 to 260,000. We see our current account, the recently introduced standardised investment advice and attractive terms and conditions in the deposit business as the key drivers of this growth. In addition, the bank is working on the gradual introduction of complementary products and new account models in order to realise the full earnings potential. Furthermore, we expect the partnership with Triodos Bank N.V. Germany to have a positive impact on our retail banking business over the course of the year. As part of this collaboration, Triodos Bank is supporting its retail customers in switching to UmweltBank.

For the current year, we also anticipate significant growth in gross new lending to €450 million (2025: €120 million). Financing deals totalling around €300 million have already been finalised or are at an advanced stage of negotiation by the third quarter. In addition, further loan enquiries totalling €500 million have been received, leading us to believe that the full-year target is achievable. Particularly encouraging is our successful entry into the financing of battery energy storage systems. The first two projects – a stand-alone storage system and a co-location project – were financed in early 2026. This marks UmweltBank's entry into an exciting growth market, which contributes to the further diversification of the loan portfolio.

Overall, administrative costs are expected to fall significantly in the current financial year. The cost and efficiency programme is expected to deliver total savings of around 13 million euros in the current financial year. This will more than offset the planned growth investments of €8 million. At the same time, we anticipate operating income to remain at the previous year's level. On balance, the Executive Board expects a pre-tax profit of between €12.5 million and €17.5 million at AG level.

By consistently pursuing our strategy, we are increasing our contribution to sustainable transformation in Germany and aiming for a significant increase in the company's value. UmweltBank is therefore targeting a cost-to-income ratio of no more than 60 per cent by 2028, as well as a return on equity before tax of at least 12 per cent. The measurable successes achieved over the past two years of transformation show us that we are on the right track. We will therefore continue to pursue our chosen strategic path with determination – together with you, our loyal shareholders and customers as well as our motivated workforce. We would like to take this opportunity to thank the latter in particular for their tireless and passionate commitment.

We would like to thank you warmly for your trust and loyalty. Please continue to support UmweltBank and join us in shaping a world worth living in for us and future generations.

The Board of UmweltBank

Goran Bašić
Member of the Board

Dietmar von Blücher
Speaker of the Board

Dr Nicole Handschuher
Member of the Board

Goran **Bašić**
Member of the Executive Board

- Renewable Energy Financing
- Property Financing
- Own Investments & Sustainability

Dietmar von Blücher
Speaker of the Executive Board

- Corporate Development
- Retail Banking
- Client Management
- IT & Project Management
- Human Resources
- Organisational Management

Dr Nicole Handschuher
Member of the Executive Board

- Risk Management & Control
- Analysis & Management of the Loan Portfolio
- Controlling & Analytics
- Internal Audit
- Legal & Compliance
- Accounting, Tax & Operations

UmweltBank: We are driving the sustainable transition

Since its foundation in 1997, UmweltBank AG has combined sustainability with economic success. It finances exclusively projects in the fields of renewable energy and sustainable property. In doing so, it is driving forward the energy transition and promoting social and ecological housing construction. At the same time, UmweltBank offers sustainable financial products, ranging from current accounts and savings products to securities. With a consistent focus on sustainability, UmweltBank is pursuing 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 economics and ecology by offering our customers attractive investment opportunities and financing exclusively sustainable projects.

Comprehensive positive and exclusion criteria form the basis of our actions

UmweltBank finances projects and invests in companies that enable a sustainable improvement in current living conditions – in line with the United Nations' 17 Sustainable Development Goals (SDGs). This is a universal agenda aimed at ending poverty, protecting the planet and ensuring that all people enjoy peace and prosperity by 2030.

UmweltBank does not finance projects or invest in companies that

- harm people's well-being and/or
- harm the preservation of nature and/or
- lack sufficient transparency in their business practices.

umweltbank.de/investment-criteria

The future of sustainable banking: **UmweltBank AG's 2028 scenario**

UmweltBank is pursuing a consistent growth strategy through to 2028. As part of a comprehensive transformation, the bank has completely overhauled its organisational structure in recent years, streamlining it for efficiency and performance. At the same time, its regulatory position has been strengthened. Meanwhile, new products have also been launched, such as a current account and in-house ETFs. Despite this far-reaching transformation, retail customer deposits have increased by almost €2 billion over the past two financial years, more than 50,000 new customers have been acquired, and sustainable projects with a total value of just under €400 million have been financed. Building on this strong foundation, UmweltBank is able and determined to significantly accelerate its growth once again from 2026 onwards. In doing so, we will increase our environmental and social impact and enhance our contribution to sustainable transformation in Germany.

As part of its strategic realignment, UmweltBank is focusing on growth, customer needs, product diversity and efficiency

1 Scaled growth in the core business

We are attracting customers (and their deposits) and increasing the volume of new loans.

2 Expansion of the product range

We are sensibly expanding our product portfolio and exploring entry into new areas to further differentiate ourselves.

3 Cost reduction & process optimisation

We are consistently reducing our administrative costs and establishing customer-friendly processes.

4 Profitability

We are increasing net interest income, amongst other things by expanding our treasury portfolio, and strengthening our commission-based business.

Banking in line with the 1.5-degree target of the Paris Climate Agreement:

With its climate strategy, UmweltBank demonstrates that its business activities are already in line with the 1.5-degree target of the Paris Climate Agreement. This has been scientifically verified through external validation by the Science Based Targets Initiative (SBTi). UmweltBank is playing a pioneering role in this regard, as it does not first need to align its loan portfolio with the Paris Agreement's climate targets, but is already 1.5-degree-compliant today.

"UmweltBank is the first – and so far the only – financial institution in the world to have succeeded in having so-called 'maintenance targets' validated by the SBTi. These targets are particularly ambitious, as they can only be set by companies whose business model is already aligned with the 1.5-degree target. This underlines our pioneering role in sustainable banking."

Goran Bašić
Member of the
Executive Board

Through its climate strategy, UmweltBank has set itself ambitious short-term climate targets for 2030 – so-called 'near-term targets'. These describe the extent to which a company must reduce its own emissions in order to get on track for the 1.5-degree target. To have its targets scientifically verified, UmweltBank is collaborating with the Science Based Targets initiative. This independent organisation assesses whether climate targets contribute to limiting global warming to 1.5 degrees – and whether companies are following a credible reduction pathway. The SBTi's analysis confirms that UmweltBank's business model already operates below the emissions level required for 1.5-degree compatibility.

umweltbank.de/climate-strategy

In focus: UmweltHaus

The UmweltHaus is set to become UmweltBank's new headquarters on Nuremberg's Nordwestring. Alongside space for UmweltBank and additional office space available for rent, the UmweltHaus will also house an organic supermarket with a café.

"We want to create an open, flexible and connected working environment that gives our staff the space to flourish," says Goran Bašić, a member of the UmweltBank Executive Board. "Our energy- and resource-efficient building concept embodies the values that define us as UmweltBank." To meet these sustainability standards, the green bank is constructing its headquarters as a hybrid timber building. Environmental considerations played a central role in the construction process, such as the use of renewable raw materials and renewable energy sources.

UmweltBank is constructing the building as one of the first non-residential buildings to meet the "KfW Efficiency House 40 NH" standard and is aiming for Platinum certification from the German Sustainable Building Council (DGNB), for which it has already received the relevant pre-certificate. In addition, the UmweltHaus was awarded the Special Prize for Innovation by the Nuremberg Chamber of Industry and Commerce for Middle Franconia as part of the IHK Property Awards.

umwelthaus-nuernberg.de

We are set to become THE sustainable universal bank

From current accounts to call money, and from ETFs to fund savings plans, customers can find the right product for every stage of life. By the end of 2025, 184,000 customers across Germany had already placed their trust in UmweltBank. Retail customer deposits totalled 4.3 billion euros, and the assets held in custody accounts stood at around 550 million euros. In doing so, the bank recorded a significant increase in customer deposits (~€800 million) and the number of customers (~30,000 net) in the 2025 financial year, driven in particular by a successful new customer campaign.

Product range for retail customers

Saving & Payments	Current account, instant-access savings, fixed-term deposits
Investing	Active funds and ETFs, UmweltBank shares, bonds

Strategic Objectives

Customer Growth	**Growth in the core business:** We are leveraging our brand and market positioning, building on these further, and aim to significantly expand our customer base.
Product & Service Expansion	**Universal bank product range:** We are gradually and strategically expanding our product range so that we can position ourselves as a universal bank for our customers.
Strengthening the commission-based business	**Sustainable investment offering:** We are expanding our ETF and Article 9 fund families and offering the appropriate advisory services to our customers.
Increasing internal efficiency	**Operational excellence & customer experience:** We are consistently optimising our internal processes for greater efficiency and further developing our external processes to ensure our customers receive the best possible product and service experience.

In focus: UmweltGiro – the sustainable everyday companion

UmweltBank has expanded its range of sustainable savings and investment products to include a green current account. The UmweltGiro is the sustainable everyday companion for customers who wish to manage their daily banking transactions in a sustainable way.

umweltbank.de/girokonto

In focus: UmweltBank funds – uncompromisingly sustainable

UmweltBank launched its first in-house fund back in 2020. This was followed in 2024 by its first in-house ETF. By the end of 2025, UmweltBank's five funds had already reached a total fund volume of 290 million euros. In 2026, the bank plans to launch three further ETFs – two bond ETFs and one equity ETF. This will enable the bank to offer a comprehensive investment universe for sustainability-focused investors.

FNG-SIEGEL 2025

umweltbank.de/fonds

"The UmweltBank fund family has emerged from years of active dialogue with our investors. Our aim is to combine UmweltBank's expertise in the field of green investments with the wishes and needs of our clients. The investment philosophy of the UmweltBank funds is based on UmweltBank's sustainability approach. Consequently, our active funds invest in hand-picked companies that are characterised by a particularly sustainable core business and act out of conviction."

Volker Grimm
Head of Investment Funds

UmweltBank is continuously expanding its investment range with in-house sustainability funds.
An ETF product launch is planned for 2026.

2020

Sustainable Europe
ISIN: LU2078716052
Active mixed fund
Focus: Europe

2022

Green Future
ISIN: LU2373430185
Active equity fund
Focus: Environment

Social Future
ISIN: LU2373429849
Active equity fund
Focus: Education, Health

202

Global SDG Focus
ISIN: LU2679277744
Equity ETF
Focus: Global

2025

Green & Social Bonds Euro
ISIN: LU3093383670
Bond ETF
Focus: Europe

2026

Europe SDG Focus
Equity ETF
Focus: Europe

Green & Social Government Bonds (Euro)
Bond ETF
Focus: Sovereigns, Europe

Green & Social Corporate Bonds (Euro)
Bond ETF
Focus: Companies, Europe

Outlook

UmweltBank aims to significantly expand its product portfolio for retail customers in the coming years. In doing so, it aims to become the first and only port of call for sustainable banking for its customers in all circumstances – the home of green money.

Payment Services

UmweltBank will round off its main bank product portfolio in the coming years. Plans include joint current accounts and accounts for minors. This will make the UmweltGiro an everyday companion in all stages of life.

Pension provision

Private pension provision is becoming increasingly important in terms of retirement. UmweltBank aims to help its customers make sustainable provisions for their retirement and will be expanding its product range in a targeted manner over the coming years.

Pension savings account:

In future, UmweltBank will offer the state-subsidised pension savings account. Using UmweltBank's in-house ETFs, investors can make sustainable provisions for their retirement whilst keeping management costs low.

Asset management:

Simply letting your money work for you – that is the concept behind asset management. It offers a structured, professional and convenient way to build and preserve wealth over the long term. At UmweltBank, investors can rely on high sustainability standards at fair terms. The service is scheduled to launch in 2027.

Securities:

UmweltBank will open its securities account to all securities in the course of 2026. This will give customers access to a comprehensive online brokerage service. To help its customers make their securities portfolios as sustainable as possible, sustainable securities will be offered at more favourable prices. In addition, UmweltBank is gradually expanding its in-house range of funds.

Insurance:

Insurance remains a key component of retirement planning. UmweltBank is exploring sensible additions to its product portfolio.

Financing

Creating affordable and sustainable housing is a key priority for UmweltBank. From mid-2026, UmweltBank will offer financing for housing cooperatives, thereby supporting a cost-effective and personalised route to home ownership. Housing cooperatives are groups of people who plan and build housing together. The members act as their own developers and play an active role in designing their future homes. There are also plans to introduce an instalment loan, which customers can use, for example, to finance a solar panel system for their home.

Corporate Banking:
Growth in the core business and diversification

Sustainable projects for a world worth living in

At UmweltBank, money makes the world a better place – because it is channelled in the right direction. **Clear positive and exclusion criteria,** together with an external environmental council, ensure the highest sustainability standards in lending. The bank uses its customers' money exclusively to finance **renewable energy projects and sustainable property.** In doing so, it drives forward the energy transition and creates affordable, environmentally high-quality housing. Through its financing, the bank contributes to its vision of creating a world worth living in for us and future generations.

At the end of 2025, UmweltBank's lending volume stood at around €3.1 billion. In the 2025 financial year, selective new business totalling €120 million was realised. Overall, the lending business was characterised by a tight capital situation, as well as the postponement of projects to the first half of 2026. The capital increase carried out in 2025 lays the foundation for strong new business in 2026.

The operating environment remains favourable as the green transformation of the German economy continues to progress. As a result, UmweltBank continues to experience high demand in the renewable energy and residential property sectors. In addition, in spring 2026 the bank granted its first loans in the field of battery energy storage systems. Alongside its successful entry into the financing of storage systems, the bank is exploring further areas of growth.

Strategic Objectives

Growth in our core business	**We utilise our in-depth expertise and network to achieve above-average growth in the market.**
Diversification and expertise as competitive advantages	**New business areas such as battery storage and PPA financing for wind power projects are perfect strategic additions to the loan portfolio. We utilise our existing network to enter these markets.**
Increasing internal efficiency	**Focus on efficient, digital and intelligent processes.**

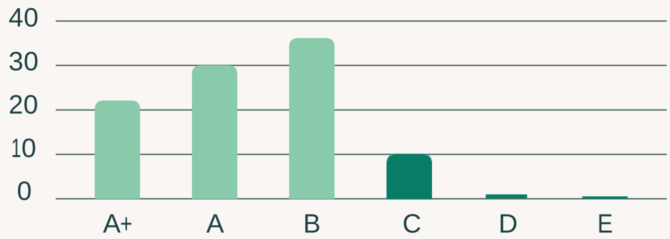
Property

UmweltBank has been financing sustainable property for almost 30 years. Its portfolio covers social projects, residential property and commercial property. Project partners can rely on UmweltBank for comprehensive advice and holistic support.

In focus: Energy efficiency ratings of the property portfolio

Around 90 per cent of the properties financed by UmweltBank achieve energy efficiency classes A+, A or B. Buildings are categorised in energy performance certificates into classes ranging from A+ (very efficient) to H (very inefficient). Studies of the existing building stock show that residential buildings in Germany correspond on average to energy efficiency classes D–E. This highlights UmweltBank's high standards for sustainable and energy-efficient properties in its portfolio.

Energy efficiency classes in **UmweltBank's** property portfolio



Financed by UmweltBank – Kooperative Grossstadt eG: An exceptional block of flats

An innovative planning concept has made this modern property with flexible floor plans possible. This means that residential units can be enlarged or reduced in size as required, and space that is unused by some residents is thereby made available to others. The Kooperative Grossstadt eG co-operative has set itself the task of exploring Munich for new potential in order to continue developing the city for EVERYONE. In 2024, the co-operative was awarded the Bavarian Architecture Prize by the Bavarian Chamber of Architects. The award recognised its approach to creating sustainable urban neighbourhoods that help tackle the housing shortage.

umweltbank.de/ kooperative-grossstadt

Rental housing projects

Commercial property

Investment projects

Education & Upbringing

Student Accommodation

Building cooperatives

Renewable Energy

Since its foundation almost 30 years ago, UmweltBank has been financing renewable energy projects, making it one of the pioneers of the energy transition. Whether it's a tender or a PPA, a rooftop solar installation or a wind farm – UmweltBank is the ideal partner.

Photovoltaics

- Over 10,000 photovoltaic projects financed
- tailored and innovative solutions
- personalised support and pragmatic decision-making

Wind power

- Experts in onshore wind energy across Germany
- Experience since 1997
- Clear and streamlined contracts

Battery storage

- Stand-alone storage and co-location projects
- Loan terms of up to 15 years
- Bridge financing for VAT

Financed by UmweltBank – Dippoldiswalde Solar Park: Regeneration of intensively farmed land

The solar park and its associated substation in the district of Saxon Switzerland–Osterzgebirge cover an area of around 19 hectares. During the planning and construction phases, extensive measures were taken to regenerate the project site, which had previously been used for intensive agriculture. Extensive grassland has been created on the undeveloped land within the photovoltaic plant. Flower strips and shrub hedges planted with native species have also been established along the edges. A notable feature is that the solar park benefits from a combination of EEG subsidies and a PPA agreement with a renowned off-taker.

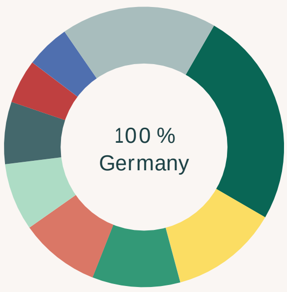
umweltbank.de/
solarpark-dippoldiswalde

Impact of money at UmweltBank

In 2025 alone, the projects financed by UmweltBank prevented around 1.3 million tonnes of CO_2e – equivalent to the annual emissions of around 126,000 people in Germany. UmweltBank provides detailed information on its sustainability performance in its sustainability report, which is prepared in accordance with the ESRS light standard.

UmweltBank boasts a solid, diversified and fully sustainable loan portfolio.

Countries and regions

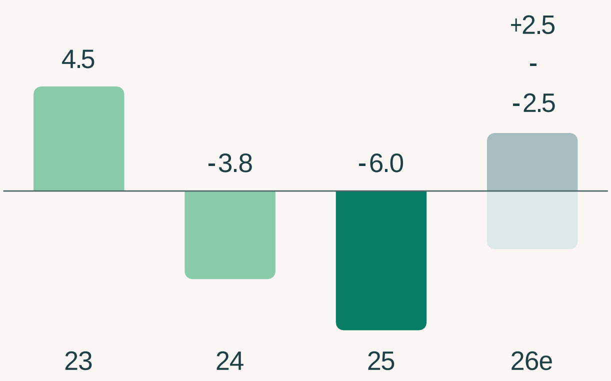


Bavaria	25%
Berlin	13%
Baden-Württemberg	10%
North Rhine-Westphalia	9%
Lower Saxony	7%
Schleswig-Holstein	8 %
Saxony	5 %
Hesse	5 %
Other federal states	18 %

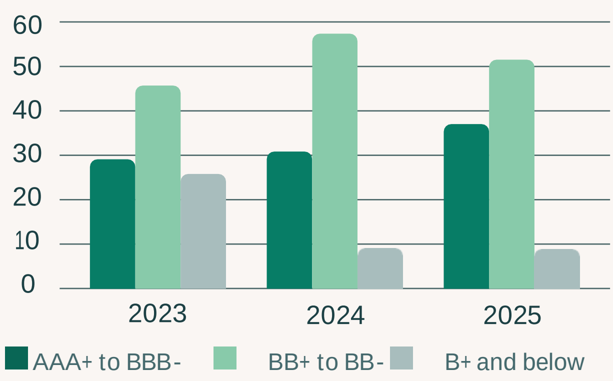
Sectors

Sustainable property	38%
Solar energy	34%
Wind energy	22%
Other	6%

Provisions for risks (in €m)



Breakdown of loan portfolio by rating (in %)



A meaningful job at UmweltBank

UmweltBank relies on committed, qualified and responsible staff. This is because they are co-entrepreneurs and play a key role in shaping the bank's success. Working at UmweltBank means choosing a meaningful career that combines professional banking with a commitment to the environment. In 2025, around 360 staff members (permanent workforce in full-time equivalents) were working at the green bank in Nuremberg.

UmweltBank is a dynamic organisation with flat hierarchies and clear yet flexible structures. The corporate culture is characterised by trust and mutual respect. Staff are supported, but also encouraged. Within this framework, UmweltBank offers plenty of scope for initiative and the opportunity to take on responsibility.

Humanity as the recipe for success

"Team spirit and genuine solidarity are a given for us. We treat one another as equals, practise equality and see diversity as a driving force for creativity and innovation. In our day-to-day work, one thing matters above all else: maximum customer focus – underpinned by a strong sense of camaraderie amongst colleagues."

Tamara Gürtler
Recruitment Officer

UmweltBank brings together what belongs together. People seeking meaningful work will find in UmweltBank an employer that places equal emphasis on social, environmental and economic concerns.

Germany's green bank share

UmweltBank's shares are the only listed sustainable bank shares in Germany. Thanks to the bank's strategic focus on renewable energy and eco-friendly housing, an investment in this green bank is also an investment in future trends. Around 85 per cent of the shares are in free float and can be traded via XETRA, Tradegate and other stock exchanges.

Reasons for making a sustainable investment in UmweltBank

A strong brand for sustainable banking
UmweltBank is capitalising on the societal trend towards sustainability and combines economics and ecology.

Experts for the green transformation
Over 25,000 renewable energy and building projects funded on the basis of collaborative customer relationships.

Focus on profitability
Following two years of transformation, profitability is set to increase significantly in the coming years.

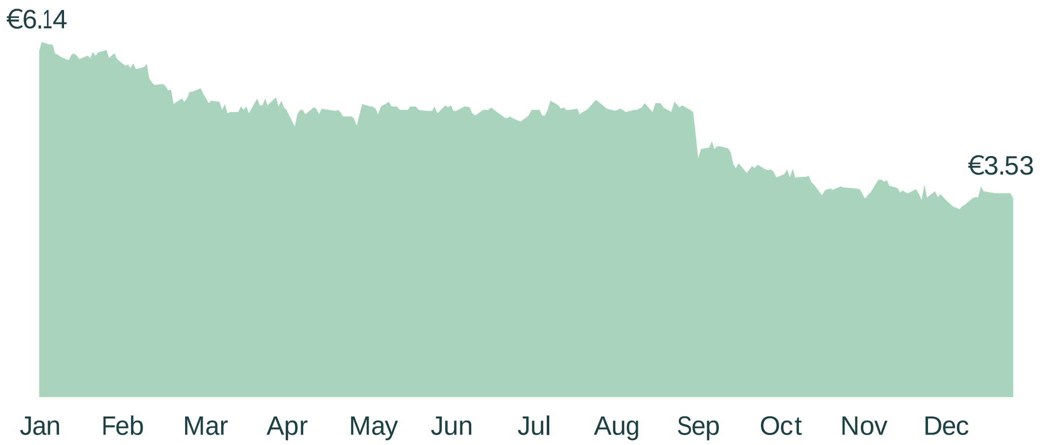
Focused growth strategy
The transformation lays the foundations for a significant increase in growth through a customer-focused range of products and services.

Scalable business model
A new core banking system enables state-of-the-art banking and paves the way for rapid product launches and more efficient processes.

Experienced management
A management team, each with around 30 years' experience in the financial sector and in senior management roles.

Dividend
The Executive Board and Supervisory Board will propose to the Annual General Meeting on 30 July 2026 that dividend payments be resumed at 5 cents per share. Shareholders are to continue to share in the company's success through dividends in the future.

Share price performance 2025



Ownership structure

UmweltBank is an independent public limited company. Around 85 per cent of the shares are in free float, held predominantly by customers and staff, but also by institutional investors. The sole major shareholder is GLS Gemeinschaftsbank eG, with a stake of around 15 per cent.

Corporate rating

The international credit rating agency Fitch rates UmweltBank AG's creditworthiness as BBB- (outlook stable). This places UmweltBank AG in the 'investment grade' category.

Sustainability rating

Since 2011, UmweltBank has held 'Prime Status' from ISS ESG. The corporate rating assesses companies' sustainability performance based on an absolute 'best-in-class' approach across the environmental, social and governance (ESG) dimensions. Companies with an overall rating above the sector-specific prime threshold are awarded prime status, meaning they meet demanding absolute ESG requirements.

Analysts' views

UmweltBank is covered by the three research firms Montega, GBC and Warburg Research, which regularly publish reports on UmweltBank shares. The latest analyst reports and recommendations are available online.

umweltbank.de/analysts

IR Newsletter

UmweltBank regularly publishes an investor relations newsletter containing the latest information on business performance, company figures and events. You can subscribe online.

umweltbank.de/info/ir-newsletter

Key figures for the UmweltBank share as at 31 December 2025

XETRA year-end price	€3.53
Market capitalisation	€146 million
Price-to-earnings ratio	10.3
Price-to-book ratio	0.4
WKN / ISIN / Reuters ticker	557 080 / DE0005570808 / UBK
Listing	Munich Stock Exchange, m:access / Frankfurt Stock Exchange, Scale
Other trading venues	Xetra, Frankfurt, Tradegate, other regional stock exchanges
Number of shares	41,396,717 bearer shares
Share capital	€41,396,717

UmweltBank AG figures

		31.12.2021	31.12.2022	31.12.2023	31.12.2024	31.12.2025
Business volume	€m	6,451	6,602	6,119	6,504	7,010
Total assets	€m	5,928	5,981	5,688	6,186	6,806
Customer deposits	€m	2,954	3,176	2,854	3,824	4,544
Environmental loans (including outstanding commitments)	€m	3,543	3,703	3,722	3,457	3,143
New lending volume	€m	845	623	459	250	120
Client deposit volume	€m	949	791	687	620	556
Volume in the UmweltBank funds	€m	100	131	151	152	290
Net interest income	€k	63,238	58,791	41,106	44,950	58,448
Financial result	€k	2,965	24,829	-2,641	12,978	17,565
Provisions for risks (expense (-) / income (+))	€k	-3,263	-9,291	4,509	-3,767	-6,028
Valuation result (expense (-) / income (+))	€k	263	-285	146	136	0
Net commission and trading income	€k	9,421	9,345	9,052	5,538	7,088
Other expenses (+) / Other income (-)	€k	55	-2,017	56	-818	1,268
Total revenue	€k	72,680	81,372	52,228	59,017	78,341
Staff costs	€k	17,154	19,880	25,624	26,136	30,290
Other administrative expenses	€k	16,512	21,574	31,510	40,617	41,002
Depreciation of fixed assets	€k	929	708	697	764	614
Total administrative expenses	€k	34,595	42,162	57,831	67,517	71,906
Profit before tax	€k	38,085	39,210	-5,603	-8,518	6,435
Reserves in accordance with Section 340g of the German Commercial Code (HGB): Allocation (-), Release (+)	€k	-6,000	-11,000	4,527	12,000	5,000
Taxes (tax expense (-) / tax income (+))	€k	-12,710	-8,661	1,805	-2,748	2,826
Net profit for the year	€k	19,374	19,549	729	734	14,261
Regulatory capital	€m	427	504	524	505	521
of which: Tier 2 capital	€m	110	111	110	101	98
of which: Core capital (T1)	€m	317	393	414	404	423
of which: Additional Tier 1 capital (AT1)	€m	27	26	26	26	26
of which: Common Equity Tier 1 (CET 1)	€m	290	367	389	378	397
Risk-weighted assets (RWA)	€m	3,043	3,206	3,356	3,080	3,078
Total capital ratio, regulatory	%	14.0	15.7	15.6	16.4	16.9
Core capital ratio	%	10.4	12.3	12.4	13.1	13.7
Common Equity Tier 1 (CET1) ratio	%	9.5	11.5	11.6	12.3	12.9
Liquidity Coverage Ratio (LCR)	%	447	299	385	976	978
Net Stable Funding Ratio (NSFR)	%	130	119	125	231	235
Cost-to-income ratio	%	47.7	68.6	111.2	109.3	91.8
Customers	Number	132,087	132,157	131,678	154,877	184,206
Permanent workforce in full-time equivalents, excluding parental leave, students and trainees	Number	240	276	291	311	360

Annual Report

Report of the Supervisory Board for the financial year 2025

In its report last year on the 2024 financial year, the Supervisory Board had expressed its confidence that in 2025 "the transformation process would now bear fruit and that 2025 would be the year of a sustainable return to profitability". The Supervisory Board now feels vindicated in this confidence: following two years in which UmweltBank – quite unusually – was only able to report a net profit for the year thanks to reserves built up from past successes, a clearly positive operating result was once again achieved in the 2025 financial year. The acquisition of 50,000 new customers and the realisation of long-standing plans to introduce a current account further demonstrate the success in implementing the Executive Board's growth strategy.

Furthermore, the progress made in positioning UmweltBank for the future is unmistakable: the conclusion of the mandate of the special representative appointed by the Federal Financial Supervisory Authority (BaFin) is a clear sign of the significant improvements – achieved in line with the Supervisory Board's assessment – in meeting regulatory expectations. Furthermore, the inclusion of the UmweltBank share in the 'Scale' segment of the Frankfurt Stock Exchange's premium over-the-counter market has further enhanced the capital market position of the UmweltBank share, which was immediately utilised to successfully strengthen the bank's capital base through a successful capital increase. Finally, the Bank has also succeeded in recruiting Dr Nicole Handschuher as an outstanding successor to Heike Schmitz, whose term on the Executive Board expired shortly after the turn of the year, thereby ensuring – in conjunction with Dietmar von Blücher and Goran Bašić – a strong management team at UmweltBank. With this line-up in place, the aim is now to continue steadfastly on the path back to success.

Challenges remain. In 2025, the positive earnings trend was once again significantly bolstered by the successful reduction of the investment portfolio. By contrast, the company's performance in the current year, 2026, will now be determined to a much greater extent by its day-to-day operations, and future success hinges on the successful implementation of the growth strategy that has been adopted.

The foundations have been laid and the organisational restructuring completed – even slightly ahead of schedule compared with the construction of the new business premises, which is due to be completed in 2026. The task now is to fully exploit the potential of the UmweltBank business model – both economically and, at the same time, environmentally.

Composition and Organisation of the Supervisory Board

Throughout the 2025 financial year, and unchanged from the end of the previous financial year, the Supervisory Board consisted of Susanne Horn, Dr Michael Kemmer, Heinrich Klotz, Finja Kütz, Georg Schürmann and Silke Stremlau. Dr Michael Kemmer chaired the Supervisory Board until the end of the first half of the year; Georg Schürmann succeeded him in this role from 1 July. Silke Stremlau served as Deputy Chair throughout the financial year.

All members of the Supervisory Board are knowledgeable and familiar with the sector in which the company operates, namely the banking sector, thereby ensuring that the management was subject to competent oversight. No conflicts of interest arose among members of the Supervisory Board during the financial year.

The Supervisory Board carried out its regular critical review of its organisation and composition and satisfied itself that its members remain suitable and trustworthy. Members of the Supervisory Board undertook targeted training.

Throughout the financial year, there were two committees of the Supervisory Board: an Audit Committee and a Credit Committee.

The Audit Committee assists the Supervisory Board in overseeing

- the financial reporting process,
- the internal control system, the risk management system and the internal audit function,
- the conduct of the statutory audits, in particular with regard to the independence of the auditor and the services provided by the auditor (scope, frequency, reporting), including non-audit services, as well as
- the prompt rectification by management of any deficiencies identified by the auditor through appropriate measures.

Throughout the financial year, the Audit Committee comprised Dr Michael Kemmer, Finja Kütz and Georg Schürmann. At the half-year mark, the chairmanship passed from Georg Schürmann to Dr Michael Kemmer, who had previously held the position of deputy chairman. All three members of the Audit Committee possess expertise in at least the field of accounting or statutory audit; the composition of the Audit Committee and the Supervisory Board thus (more than) met the requirements of Section 107(4), third sentence, and Section 100(5) of the German Stock Corporation Act (AktG), according to which at least one member in each case must possess expertise in the field of accounting or auditing.

The Credit Committee is responsible for preparing the Supervisory Board's resolutions on loans and transactions involving the company's governing bodies in accordance with Section 15 of the German Banking Act. Heinrich Klotz served as Chair of the Credit Committee throughout, with Susanne Horn as his Deputy. Silke Stremlau was also a member of the committee.

Supervision and advice to the Management Board

During the past financial year, the Supervisory Board carried out all the duties incumbent upon it under the law and the Articles of Association. The Supervisory Board was kept informed by the Management Board of the intended business policy and the financial, investment, capital and personnel planning, the profitability of the company and its equity, and was regularly updated on the course of business (in particular current income, costs and risk provisioning) and the company's position, as well as being provided with comprehensive information in a timely and prompt manner regarding transactions that may be of significant importance to the company's profitability or liquidity. The reports were submitted in writing and explained orally at the subsequent meeting of the Supervisory Board. Furthermore, the Chairman of the Supervisory Board was informed without delay by the Executive Board of any other important events that could be of material significance to the company's position.

In order to closely monitor the rectification of the banking supervisory shortcomings identified in the past, the development of results and the implementation of the strategy, the Supervisory Board and the Audit Committee have maintained a higher level of oversight and an increased scope of reporting requirements. At the request of the Supervisory Board, the Executive Board has provided monthly reports on progress in rectifying identified shortcomings, on the implementation of the strategy and key projects, and on the capital position.

Furthermore, the Supervisory Board has also sought direct dialogue with the heads of the control functions and other key organisational units.

On the basis of these reports and joint discussions with the members of the Executive Board, the Supervisory Board continuously monitored the Executive Board. In addition, close dialogue was sought with the statutory auditor.

The Executive Board fulfilled its reporting obligations at all times. The members of the Supervisory Board were thus able to satisfy themselves as to the legality, propriety and regularity of the Executive Board's activities. The Supervisory Board also provided advisory support to the Executive Board in the management of the company.

Meetings and topics

During the 2025 financial year, a total of four ordinary, i.e. scheduled, meetings of the Supervisory Board took place (on 7 March, 14 July, 10 October and 2 December), as well as an extraordinary meeting on 17 December. Finja Kütz was unable to attend the aforementioned extraordinary meeting due to a clash of commitments. Otherwise, all members of the Supervisory Board attended each of the Supervisory Board meetings in full. All members of the Executive Board also attended all Supervisory Board meetings in full; furthermore, Dr Nicole Handschuher attended the meetings in October and December in her capacity as a designated member of the Executive Board and Chief Authorised Representative. The Supervisory Board's meetings regularly provided for part of the meeting to be held without the participation of members of the Management Board; this is in line with Recommendation D.6 of the German Corporate Governance Code, according to which the Supervisory Board should meet regularly without the Management Board present. Furthermore, the Federal Financial Supervisory Authority (BaFin), as the competent supervisory authority, regularly exercised its right to send representatives to meetings in accordance with Section 44(4), first sentence, of the German Banking Act.

In addition to the meetings, resolutions were passed by circular resolution between Supervisory Board meetings, for example on corporate transactions, the appointment of Dr Nicole Handschuher to the Management Board, changes to the chairmanship of the Supervisory Board and the Audit Committee, and the approval of Management Board resolutions in connection with the rights issue in autumn 2025.

All members of the Supervisory Board attended the Annual General Meeting of UmweltBank AG on 27 August 2025, with the exception of Silke Stremlau and Finja Kütz, who were unable to attend due to urgent prior commitments.

The Audit Committee and the Credit Committee each held four meetings, all of which were attended by all members of the respective committees.

A regular feature of the Supervisory Board's ordinary meetings was the Executive Board's comprehensive report on the company's economic and environmental performance, the risk control system, and banking operations on both the deposit and lending sides, as well as securities trading. Reports were also provided on the most recent meetings of the committees.

The Executive Board submitted to the Supervisory Board, in accordance with the law and the rules of procedure, loans and business transactions requiring approval. Following discussion and review, the Supervisory Board approved the submitted proposals without exception, adhering, where relevant, to the recommendations for resolution made by the Credit Committee.

In addition to regular reporting on the company's current situation and business activities, the Supervisory Board and the Management Board discussed strategic issues relating to the business divisions.

As in the previous year, a recurring topic at the meetings – alongside the strategic direction of the business, progress in its implementation and improvements in regulatory compliance – was the construction project on Nuremberg's Nordwestring, involving the company's new business premises currently under construction.

Approval and adoption of the annual financial statements and the consolidated financial statements, proposal for the appropriation of profits

The auditors, BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, elected by the Annual General Meeting in August 2025, audited the annual financial statements and the management report, as well as the consolidated financial statements and the group management report for the financial year 2025, including the accounting records, and issued an unqualified audit opinion on each set of financial statements. The Audit Committee and the Supervisory Board have also examined the annual financial statements and the consolidated financial statements, together with the accompanying management reports, in detail. The auditors took part in the deliberations, reported on the key findings of their audit and provided comprehensive answers to the Supervisory Board's questions on the matter.

On the basis of the auditor's report, the supplementary explanations and the final findings of its own review, the Supervisory Board raises no objections to the annual financial statements together with the management report and the consolidated financial statements together with the group management report for the financial year 2025.

The Supervisory Board has therefore approved and adopted the 2025 annual financial statements in accordance with the Audit Committee's recommendation. Similarly, the Supervisory Board has approved the consolidated financial statements in accordance with the Audit Committee's recommendation.

The Supervisory Board has also examined the Management Board's proposal for the appropriation of profits; it endorses this welcome proposal to resume dividend payments and, in this respect too, follows the Audit Committee's recommendation.

Acknowledgements

Special thanks are due, first and foremost, to Heike Schmitz, whose appointment to the Executive Board expired at the end of January 2026. Over the past few years, Heike Schmitz has contributed significantly to the success of UmweltBank's transformation through her enormous dedication, and every success achieved on this basis in future will, to some extent, also be her success.

The Supervisory Board would also like to extend its sincere thanks to its two members whose terms on the Supervisory Board will come to an end at the close of this year's Annual General Meeting: namely, its Deputy Chair, Silke Stremlau, who is stepping down after around seven years on the UmweltBank Supervisory Board in order to focus on the commitments of her main professional role. And Heinrich Klotz, who has been part of UmweltBank's journey since its foundation as one of its first shareholders, serving as a member and, at times, Chairman of the Supervisory Board since 2010, and who is now facilitating a generational change. Heinrich Klotz, and indeed Silke Stremlau have played a major part in ensuring that UmweltBank has weathered the years of upheaval well and can now 'get off to a flying start'.

The Supervisory Board would also like to thank the members of the Executive Board and all employees of UmweltBank AG for their efforts over the past financial year, as well as our shareholders and our customers. They are all part of UmweltBank's sustainable success story, both past and future!

Nuremberg, 18 June 2026.

Georg Schürmann, Chairman of the Supervisory Board

Members of the Supervisory Board

Georg Schürmann, Chairman of the Supervisory Board, Kelkheim (Taunus)

Susanne Horn
Director of Corporate Development at Dehn SE
Neumarkt

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

Heinrich Klotz
Retired notary,
Aschaffenburg

Finja Carolin Kütz
Independent Senior Advisor and member of the Supervisory Board
Munich

Silke Stremlau Managing Director of Finance for Transition – F4T gGmbH,
Wennigsen

Management Report of UmweltBank AG, Nuremberg, Financial Year 2025

1 Company fundamentals

1.1 Business model

UmweltBank Aktiengesellschaft (UmweltBank or UmweltBank AG) is a credit institution listed on the Munich Stock Exchange's Open Market in the m:access market segment and on the Deutsche Börse's Scale segment. Since being granted a full banking licence in 1997, the company has combined banking activities with environmental and social standards. The bank's core competence lies in the financing of renewable energy projects and property, as well as in offering sustainable investment products. To complement its retail banking activities and to manage liquidity, returns and risk, the bank conducts proprietary trading. The securities held in its own portfolio (Depot A) are also selected according to environmental criteria.

The governing bodies of UmweltBank AG are the Executive Board, the Supervisory Board and the Annual General Meeting. The Articles of Association also provide for the Environmental Council as a further body. This council acts in an advisory capacity to the statutory governing bodies and meets regularly for information and consultation sessions. Where permitted by law, further tasks may be delegated to the Environmental Council in accordance with the rules of procedure.

With around 430 employees at its head office in Nuremberg, the direct bank serves over 184,000 private and business customers throughout Germany. The bank offers these customers a portfolio of sustainable financial services. As a matter of principle, the products and services offered take into account sustainability aspects, which the bank has disclosed in its principles for investment products and financing.

Sustainability is enshrined in the Articles of Association as a key corporate objective as follows: "UmweltBank promotes the sustainable development of society with the aim of preserving and creating a world worth living in for future generations. In its business activities, the bank aligns itself with the United Nations' Sustainable Development Goals. In particular, it contributes to the realisation of sustainable cities and communities, affordable and clean energy, and climate action. In doing so, it pays attention to sustainable production and consumption, as well as gender equality."

In its retail banking business, UmweltBank AG focuses on offering short- to long-term savings accounts (call money and fixed-term deposits) as well as current accounts. The bank's product range also includes securities classified as sustainable: UmweltBank shares, its own bonds, project and corporate bonds from other issuers, and investment funds. In addition, the bank offers three in-house actively managed funds and two ETFs, the composition of which is based on UmweltBank AG's sustainability approach.

In the corporate banking division, the focus is on financing renewable energy projects and property in Germany. In the renewable energy sector, UmweltBank AG finances photovoltaic systems (rooftop installations, ground-mounted installations and PPA projects), wind turbines and battery energy storage systems. In the property sector, the bank finances rental housing projects, commercial property, investor projects, care homes, schools, nurseries, and childcare centres, as well as student accommodation schemes. In addition, the bank offers its corporate clients a select range of investment products.

The bank holds direct or indirect stakes, via its wholly-owned subsidiary UmweltProjekt GmbH, in property and energy projects, as well as in a few other selected companies in the sustainability sector. As part of its strategy, the bank has set itself the target of divesting the majority of its holdings by the end of 2026.

The shares of UmweltBank AG are admitted to trading on the Munich Stock Exchange's 'Freiverkehr' market in the 'm:access' segment and on the 'Scale' segment of the Deutsche Börse. They are also tradable on other German stock exchanges and trading venues. To the best of the company's knowledge, GLS Gemeinschaftsbank eG holds around 15% of the shares in UmweltBank AG. The company is not aware of any other shareholders holding 10% or more of the shares. To the best of its knowledge, the remaining shares are therefore in free float.

1.2 Management system

The key financial indicators include operating profit before tax, total assets, the cost-to-income ratio and return on equity.

The cost-to-income ratio is defined as the percentage ratio of expenses to income. Expenses comprise general administrative expenses and depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment. Income is defined as the sum of net interest income, net financial income, net commission and trading income, net provisions for customer loans, net gains or losses on securities held in the liquidity reserve, and other operating income.

Return on equity is calculated as the ratio of profit before tax to the average equity for the financial year.

UmweltBank AG regards employee satisfaction as a key non-financial performance indicator. At regular intervals (at least every two years), it measures what is known as 'employee engagement' through a bank-wide survey of all employees. The survey captures four key metrics – job satisfaction, motivation, loyalty and recommendation rate – and converts them into a score known as the SINNdex. This score can range from 0% to 100%, with 100% reflecting maximum satisfaction.

2 Economic Report

2.1 Macroeconomic and sector-specific conditions

In 2025, the German economy continued to face cyclical and structural challenges, but managed to grow slightly following two years of recession. According to preliminary calculations by the Federal Statistical Office, the price-adjusted gross domestic product rose by 0.2 per cent compared with 2024. High energy costs, as well as bureaucratic and infrastructural hurdles. Last year, the German export sector was confronted in particular with higher US tariffs, a strong euro and also increasing global competition. Overall, price-adjusted gross value added fell slightly by 0.1 per cent in 2025. Gross value added in the manufacturing sector fell by 1.3% in 2025. The construction sector even recorded a decline of 3.6%. The services sector sent mixed signals. The retail trade, for example, grew, whilst the hospitality sector generated less revenue than in the previous year. Positive impetus, however, came from both private and public consumption. Price-adjusted private consumption expenditure rose by 1.4 per cent, whilst public consumption rose by as much as 1.5 per cent. Consumer prices in Germany rose by an annual average of 2.2% in 2025. In addition, collectively agreed wages rose by an average of 2.6% in nominal terms in 2025 compared with the previous year, resulting in a slight real increase of 0.4 per cent. Against this challenging backdrop, the German labour market remained robust. On average throughout 2025, around 46.0 million people were in employment, a slight decline compared with the record year of 2024 (46.1 million).

The ECB continued its expansionary monetary policy in 2025. As a result, key interest rates were cut in four stages over the course of the year, from 3.15% to 2.15%. The interest rate on the deposit facility fell from 3.0% to 2.0% over the same period. At the end of the year, the ECB remained confident that inflation would stabilise at the monetary policy target of 2 per cent in the medium term. The ECB deliberately refrains from making any statements on the future course of monetary policy. Instead, this is assessed on a meeting-by-meeting basis in the light of the latest available data. Overall, at the end of the year, the ECB emphasised the resilience of banks in the euro area. Nevertheless, geopolitical uncertainties and turmoil on the capital markets pose risks to financial stability in the euro area.

Sentiment in the German property market remained subdued in 2025. The sector continued to be held back by high material, energy and financing costs, a shortage of skilled labour, as well as increasingly stringent building standards and complicated planning permission procedures. As a result, new-build activity in Germany declined again last year. The German Economic Institute (IW) estimates that in 2025, only 235,000 flats were completed, whilst the estimated housing shortage in Germany stands at 720,000 homes in 2025. At least there was a slight increase in planning permission for homes. In the period from January to November 2025 alone, 215,500 homes were approved – equivalent to the total number of approvals for the whole of 2024. The recovery in property prices continued in 2025. According to figures from the Association of German Pfandbrief Banks (vdp), residential property prices rose by 4.2 per cent year-on-year nationwide, whilst commercial property prices increased by 3.5 per cent. At the same time, upward pressure on rents continued in 2025. This particularly affects rents for new tenancies, whilst rents for existing tenancies remain at a moderate level. This diverging trend is exacerbating tensions in the housing market and making it increasingly difficult – particularly in conurbations – even for middle-income households to find affordable housing that meets their needs. The situation is exacerbated by high levels of immigration and falling investment in housing construction.

The expansion of renewable energy in Germany made further progress in 2025. Installed capacity rose by around 21 gigawatts to a total of around 210 gigawatts – an increase of 11 per cent compared with the previous year. This development is driven in particular by wind and solar energy. Across Germany, 958 new onshore wind turbines with a total capacity of around 5.2 gigawatts were installed in 2025. In terms of capacity, gross new installations rose by 58 per cent compared with the previous year. According to the Federal Network Agency, new photovoltaic installations totalled 16.4 gigawatts in 2025, up from 16.2 gigawatts the previous year.

2.2 Business performance of UmweltBank AG

The reporting year was once again largely shaped by the ongoing transformation process at UmweltBank AG and the implementation of the refined strategic focus unveiled at the start of 2025. The strategy envisages a significant expansion of the deposit business. As part of this, the bank launched a current account for retail customers in July 2025. Furthermore, the bank's long-standing and extensive experience in project finance is to be utilised to drive further growth, particularly in the rapidly expanding renewable energy sector. In 2025, the first transactions were initiated to finance large-scale battery energy storage systems – a business area which UmweltBank AG is gradually developing. Furthermore, the planned reduction of the equity investment business was driven forward. In 2025, five property assets were sold as part of asset deals, although the closing is still pending for two of these properties. In addition, the bank has initiated measures to prepare for further transactions.

Despite the challenging operating environment, the retail banking business performed well. In 2025, the bank succeeded in attracting almost 30,000 new customers, an increase of 19 per cent compared with the previous year. The volume of retail customer deposits rose by around €775 million over the same period. In the securities business, a project bond was placed as planned. In addition, a digital investment advisory service was launched at the end of the year. Of particular note is the high number of newly opened custody accounts, at around 4,200. In addition to the "UmweltBank ETF – Global SDG Focus", launched in mid-2024 and which already had assets under management of €63 million as at 31 December 2025, the bank launched a second ETF in August 2025: the UmweltBank UCITS ETF – Green & Social Bonds Euro (WKN A41CHM). As at the end of 2025, the bond ETF had assets under management of €105 million (including initial capital). At the end of 2025, the assets under management of the bank's own funds stood at €290 million (previous year: €152 million). In the corporate banking business, gross new lending of around €120 million was achieved.

Since 1 August 2025, Dr Nicole Handschuher has been strengthening the credit and market functions as well as risk management at UmweltBank AG, initially in the role of autoritative representative. On 1 February 2026, she was appointed to the bank's Executive Board, succeeding Heike Schmitz, who left UmweltBank AG as scheduled on 31 January 2026 upon the expiry of her contract.

In February 2024, the Federal Financial Supervisory Authority (BaFin) appointed the audit firm PwC as a special representative at UmweltBank AG in accordance with Section 45c of the German Banking Act (KWG). The aim was to monitor the implementation of measures to remedy regulatory shortcomings at UmweltBank AG. The appointment, which was scheduled to run until 14 July 2025, expired due to the progress made in remedying the shortcomings. This also marked the end of the special representative's role.

As part of a rights issue resolved on 26 August 2025, UmweltBank AG placed a total of 5,165,754 new bearer shares against a cash contribution from authorised capital. This corresponds to an increase in share capital of around 14 per cent. UmweltBank AG received total gross issue proceeds of 20,663,016 euros. The funds are intended to strengthen the bank's capital base and, in line with its growth strategy, will be used to expand its lending business.

UmweltBank AG's ongoing growth is coming up against space constraints at its current headquarters. The bank is therefore currently constructing a new office building in Nuremberg, which it plans to move into in 2026. Vacant space in the so-called 'UmweltHaus' is to be let to commercial tenants. The acquired plot also offers space for the construction of further properties. UmweltBank AG is still in the process of urban planning for this development.

The bank's business volume – i.e. total assets, liabilities arising from guarantees and warranty agreements, and irrevocable loan commitments – stood at €7,009.5 million at the end of 2025, an increase of 7.8% compared with the previous year. Total assets rose by 10.0% to €6,805.8 million. The total volume of customer loans, including outstanding commitments of €129.8 million and contingent liabilities of €73.9 million, stood at €3,193.5 million, 7.9% below the previous year's level.

In 2025, UmweltBank AG provided new financing for environmental and social property projects totalling €56 million (previous year: €103 million). In line with the bank's strategic focus, the borrowers were exclusively corporate clients. The property market remained rather volatile in 2025. Caution and restraint continue to prevail in many asset classes. Consequently, business transactions once again focused predominantly on residential projects. There are plans to reintroduce private mortgage financing within the framework of building cooperatives in 2026.

In the 2025 financial year, UmweltBank AG granted new loans totalling 62 million euros (previous year: 147 million euros) to renewable energy projects with a total capacity of 58 megawatts (previous year: 114 megawatts). Market demand was significantly higher than the potential volume of new lending – which was limited by increased capital adequacy requirements.

In 2025, UmweltBank AG financed photovoltaic systems with a volume of €23 million (previous year: €75 million) and a capacity of around 40 MWp (previous year: 87 MWp). In the wind power sector, new lending of €39 million (previous year: €72 million) in 2025 financed a total installed capacity of around 18 MW (previous year: 27 MW). In addition, the first transactions to finance large-scale battery energy storage systems (BESS) were initiated, which are due to be finalised in 2026.

In terms of the sectoral breakdown of the loan portfolio (loans for sustainable projects, including outstanding commitments), residential, social and commercial property ranked first in 2025, accounting for 39.0 per cent (2024: 37.9 per cent). Solar energy projects accounted for 34.5% (2024: 35.1%), followed by wind power loans at 22.8% (2024: 22.7%). The 'other' loan volume, accounting for 3.7% (2024: 4.3%), includes, amongst other things, biomass and heating schemes, hydropower loans and sustainable agriculture.

The operating profit before tax for 2025 was €6.4 million (2024: operating loss before tax of €8.5 million). Profit after tax before the release from the fund for general banking risks in accordance with Section 340g of the German Commercial Code (HGB) stood at €9.3 million (previous year: -€11.3 million). This corresponds to €0.22 per share based on 41.4 million no-par value shares (previous year: -€0.31; 36.1 million no-par value shares). The net profit for the year after tax and a release from the fund for general banking risks amounting to €5.0 million (previous year: €12.0 million) stood at €14.3 million (previous year: €0.7 million).

The total regulatory capital ratio as at the reporting date of 31 December 2025 will, according to the assessment, be 16.9 per cent (previous year: 16.4 per cent). The increase in the ratio is primarily attributable to the capital increase in 2025. The entry into force of Regulation (EU) 2024/1623 (known as CRR III) at the start of 2025 led to an increase in risk-weighted assets; however, this was successfully counteracted over the course of the year.

The number of employees and working students working for UmweltBank AG rose to 432 at the end of the year (previous year: 376). Calculated on the basis of a 40-hour week, the number of employees rose by 15.14% to 387.0 (previous year: 336.1).

UmweltBank AG's shares closed at the end of the year at a price of 3.53 euros (XETRA closing price on 30 December 2025). The company thus had a market capitalisation of around 146 million euros.

2.3 Financial Position of UmweltBank AG

2.3.1 Profit Performance

	1 January – 31 December 2025 €k	1 January – 31 December 2024 €k	Change in €k	Change in %
Net interest income	58,448	44,950	13,498	30.0
Net financial income	17,565	12,978	4,587	35.3
Provisions for customer loans (expense (-) / income (+))	-6,028	-3,767	-2,261	-60.0
Valuation result on securities in the liquidity reserve (expense (-) / income (+))	0	136	-136	-100.0
Interest, financial and valuation results	69,985	54,297	15,688	28.9
Net commission and trading income	7,088	5,538	1,550	28.0
Other expenses (-) / income (+)	+1,268	-818	2,086	> 100.0
Profit before administrative expenses and tax	78,341	59,017	19,324	32.7
Staff costs	30,290	26,136	4,154	15.9
Other administrative expenses	41,002	40,617	385	0.9
including expenses for the bank levy and deposit guarantee scheme	1,272	1,822	-550	-30.2
Depreciation of fixed assets	614	764	-150	-19.6
Total administrative expenses	71,906	67,517	4,389	6.5
Profit from ordinary activities	6,435	-8,500	14,935	> 100.0
Income tax (refund)	2,826	-2,766	5,592	> 100.0
Allocations (-) to/releases (+) from the fund for general banking risks	+5,000	+12,000	-7,000	-58.3
Net profit for the year	14,261	734	13,527	> 100.0
Allocation to retained earnings	5,163	178	4,985	> 100.0
Retained profits	9,098	556	8,542	> 100.0

There may be discrepancies in the table due to rounding.

Net interest income rose by 30.0 per cent from 44,950 €k in 2024 to 58,448 €k in 2025. Interest income increased by 2,844 €k, whilst interest expense was reduced by 10,654 €k. This is attributable to a sharp rise in the volume of customer deposits, with an overall lower average interest rate compared with the previous year, and a corresponding investment on the assets side that made a positive contribution to interest income. As a result, the average interest margin rose from 0.76% to 0.92%.

The financial result comprises current income from shares and other non-fixed-income securities, equity investments and shares in associated companies, as well as the net balance of write-ups and write-downs on equity investments, shares in associated companies and securities treated as fixed assets. The increase in the financial result from 12,978 €k in 2024 to 17,565 €k in the reporting year is predominantly due to a significant reduction in losses arising from the disposal of securities held as fixed assets, amounting to 47 €k (previous year: 23,975 €k). This is offset by a decline in current income from shares in associated companies amounting to 11,970 €k (previous year: 32,735 €k), of which 10,950 €k relates to distributions from UmweltProjekt GmbH.

Additions to and reversals of provisions for customer loans resulted in an expense of 6,028 €k (previous year:

expense of 3,767 €k). The provision balance (individual and collective value) amounted to 24,420 €k (previous year: 18,388 €k), representing 0.82 per cent (previous year: 0.58 per cent) of the total volume of customer loans outstanding.

Net commission and trading income comprises commission income and expenses arising from lending, securities and insurance business, as well as from payment transactions. The sale of the SAB WindTeam 2025/30 wind power bond (ISIN: DE000A383P89) generated a trading result of EUR 1,286 €k in the reporting year (previous year: EUR 0). Furthermore, the expansion of the securities business is responsible for the increase from 5,538 €k to 7,088 €k.

The transaction volume (purchases by clients) in the client securities and brokerage business amounted to approximately 65.2 million euros in 2025 (previous year: 46.3 million euros).

The net balance of other operating income and expenses showed a gain of
EUR 1,268 €k (previous year: an expense of EUR 818 €k). The improvement is primarily attributable to the release of other provisions and the partial reimbursement of operational claims from 2022 amounting to EUR 780 €k.

Staff costs rose by 15.9% to 30,290 €k (previous year: 26,136 €k). The increase is primarily due to the rise in the number of employees as part of the implementation of the HR strategy, as well as salary adjustments.

Other administrative expenses rose from 40,617 €k in the previous year to 41,002 €k in 2025. This moderate increase is mainly attributable to higher IT costs due to the rise in the number of customers and the increase in total assets, as well as to a planned rise in marketing expenditure.

After taking into account tax income of 2,826 €k (previous year: expense of 2,766 €k) and a release from the provision for general banking risks of 5,000 €k (previous year: release of 12,000 €k), net profit for the year amounts to 14,261 €k (previous year: 734 €k).

After an allocation to retained earnings of 5,163 €k (previous year: 178 €k), the balance sheet profit amounts to 9,098 €k (previous year: 556 €k).

2.3.2 Financial Position

Solvency was maintained at all times during the 2025 financial year. UmweltBank AG was at all times in a position to meet its liabilities as they fell due.

The Liquidity Coverage Ratio (LCR), which must be complied with in accordance with Regulation (EU) No 575/2013 (CRR), stood at 978 per cent as at 31 December 2025, well above the minimum requirement of 100 per cent. The longer-term liquidity ratio, the 'Net Stable Funding Ratio' (NSFR), also stood at 235 per cent as at 31 December 2025, exceeding the minimum requirement of 100 per cent. UmweltBank AG therefore has overall liquidity levels that significantly exceed the statutory requirements. Regulatory requirements relating to both liquidity ratios were also consistently met throughout the year. The current survival horizon, as determined as part of the insolvency risk assessment in the management-relevant stress scenario, stands at 60 months (end of the reporting period), which is well above the strategic target of 6 months. There were no liquidity bottlenecks during the past year. The Bank's liquidity position is more than sufficient to meet its payment obligations both now and in the future.

2.3.3 Financial Position

ASSETS	31 Dec, 2025 €k	31 Dec, 2024 €k	Change in €k	Change in %
Cash reserve	39,130	38,831	299	0.8
Loans and advances to credit institutions	2,303,112	2,025,239	277,873	13.7
Loans and advances to customers	2,989,768	3,148,935	-159,167	-5.1
Bonds and other fixed-income securities	1,115,451	745,462	369,989	49.6
Shares and other non-fixed-income securities	99,914	44	99,870	> 100.0
Investments and shares in associated companies	78,211	82,115	-3,904	-4.8
Intangible fixed assets	484	709	-225	-31.7
Property, plant and equipment	128,550	108,009	20,541	19.0
Other assets	42,409	33,294	9,115	27.4
Prepayments and accrued income	663	429	234	54.5
Deferred tax assets	8,113	2,832	5,281	> 100
Total assets	6,805,805	6,185,899	619,906	10.0

There may be discrepancies in the table due to rounding.

Compared with the previous year, receivables from credit institutions rose from 2,025,239 €k to 2,303,112 €k. The increase is attributable to the investment of surplus liquidity resulting from the inflow of deposits, which is held with the Deutsche Bundesbank.

The balance of loans and advances to customers fell from 3,148,935 €k to 2,989,768 €k. Declines in volume were recorded due to lower gross new business.

The volume of bonds and other fixed-income securities stood at 1,115,451 €k as at 31 December 2025, significantly higher than the previous year's level (745,462 €k). The increase is attributable to a reallocation of surplus liquidity into higher-yielding fixed-income bonds with a longer investment horizon.

The portfolio of shares and other non-fixed-income securities rose during the reporting period from 44 €k to 99,914 €k. This was due to the acquisition of the UmweltBank UCITS ETFs – Green & Social Bonds Euro (ISIN: LU3093383670), held as a fixed asset, in the amount of 99,870 €k.

The decrease in the portfolio of equity investments and shares in associated companies from 82,115 €k to 78,211 €k is primarily attributable to equity repayments by Volksbau Tübingen II GmbH & Co. KG amounting to 17,941 €k and Volksbau Nürnberg GmbH & Co. KG amounting to 7,158 €k, as well as towrite-downs for Volksbau Tübingen II GmbH & Co. KG amounting to 299 €k and Volksbau Nürnberg GmbH & Co. KG amounting to 928 €k. In addition, the stake in Visavis Wohnungsbau GmbH & Co. KG, amounting to 1,494 €k, was sold to the Group subsidiary UmweltProjekt GmbH. This was offset by the acquisition of shares in Volksbau Wangen GmbH & Co. KG amounting to 24,022 €k from the Group subsidiary UmweltProjekt GmbH.

Property, plant and equipment increased by 20,541 €k to 128,550 €k. This increase is primarily attributable to additions made in connection with the construction of the new company headquarters and the development of a sustainable urban district.

Other assets rose from 33,294 €k to 42,409 €k. This increase is primarily attributable to a security deposit provided in connection with the construction of the new company headquarters and a higher tax refund claim.

Deferred tax assets have risen from 2,832 €k to 8,113 €k. This item reflects the difference between the reported tax expense and the tax expense expected from the profit and loss account prepared in accordance with German commercial law. The increase is primarily attributable to differences in the calculation of trade receivables and the recognition of deferred tax assets on tax loss carry-forwards.

LIABILITIES	Dec 31, 2025 €k	Dec 31, 2024 €k	Change in €k	Change in %
Liabilities to banks	1,691,357	1,808,005	-116,648	-6.5
Liabilities to customers	4,544,152	3,824,405	719,747	18.8
Other liabilities	9,025	21,950	-12,925	-58.9
Prepayments and accrued expenses	184	249	-65	-26.1
Provisions	17,081	17,449	-368	-2.1
Subordinated liabilities	89,208	89,197	11	0.0
Capital subject to profit-sharing rights	45,307	45,092	215	0.5
Provision for general banking risks	124,623	129,623	-5,000	-3.9
Equity	284,868	249,929	34,939	14.0
Total liabilities	6,805,805	6,185,899	619,906	10.0

There may be discrepancies in the table due to rounding.

In addition to equity and long-term deposits, public funding for environmental projects serves as a long-term source of refinancing. By far the largest share of liabilities to credit institutions is attributable to KfW (1,433,807 €k; previous year: 1,522,669 €k) and the Landwirtschaftliche Rentenbank (206,267 €k; previous year: 229,278 €k). As security, both the refinanced end-borrower receivables and further securities with a nominal value of 152,000 €k have been pledged as security.

The refinancing ratio, defined as the ratio of ‘Liabilities to banks’ to ‘Loans and advances to customers’, fell from 57.4% to 56.6%. Overall, liabilities to credit institutions fell by 116,648 €k to 1,691,357 €k, which is primarily attributable to a decline in the volume of development finance business.

Liabilities to customers rose by 18.8 per cent from 3,824,405 €k to 4,544,152 €k. This is due to the implementation of the expansion of the deposit business set out as part of the strategic realignment. Deposits repayable on demand amount to 3,323,506 €k and account for 73.1% (previous year: 70.9%) of liabilities to customers. In second place are other liabilities with an agreed maturity or notice period, at 808,881 €k, representing 17.8% (previous year: 16.6%), whilst savings deposits come in third place at 411,765 €k, representing 9.1% (previous year: 12.5%).

At 9,025 €k, other liabilities are 58.9% lower than in the previous year. The decline is predominantly attributable to the reduction in taxes payable, which in turn is mainly due to the capital gains tax, solidarity surcharge and church tax payable on an untaxed distribution from UmweltProjekt GmbH, and a lower capital gains tax, solidarity surcharge and church tax payable on capital gains from UmweltBank AG’s retail banking business in December 2025.

The decrease in provisions from 17,449 €k in the previous year to 17,081 €k is primarily attributable to a longer accounting period compared with the previous year and the associated lower provision for outstanding invoices amounting to 292 €k (previous year: 3,955 €k). This is offset by an addition to provisions for taxes of 2,500 €k (previous year: reduction of 121 €k) for the years 2020 to 2022.

The item **'Subordinated liabilities'** comprises the UmweltBank CoCo Bond 2016/2017 amounting to 26,329 €k (previous year: 26,326 €k), the UmweltBank Green Bond Junior amounting to 42,767 €k (previous year: 42,761 €k) and registered bonds amounting to 20,112 €k (previous year: 20,110 €k).

Equity as shown in the balance sheet increased by 34,939 €k from 249,929 €k to 284,868 €k. This increase is primarily attributable to a rights issue with gross proceeds of 20,663 €k, as well as the generation of a net profit for the year of 14,261 €k.

Irrevocable loan commitments fell to 129,801 €k (previous year: 238,987 €k). Liabilities arising from guarantees and warranty agreements fell to 73,922 €k (previous year: 78,982 €k).

Regulatory capital

UmweltBank's own funds exceed the current statutory requirements. Regulatory own funds, as determined following the approval of the 2025 annual financial statements, amount to €521.2 million (previous year: €505.2 million). Of this amount, €397.1 million is classified as common equity tier 1 capital, €26.0 million as additional tier 1 capital and €98.2 million as tier 2 capital.

The increase in own funds in the 2025 financial year is primarily attributable to the 2025 capital increase.

The Federal Financial Supervisory Authority (BaFin) has issued a decision in accordance with the Supervisory Review and Evaluation Process (SREP), requiring UmweltBank AG to maintain a total capital add-on of 3.2 percentage points as at 31 December 2025. In accordance with the provisions of the Capital Requirements Regulation (CRR) in force as at the reporting date, UmweltBank AG's capital ratios as at 31 December 2025 are as follows:

	Following approval of the annual financial statements as at 31 December 2025	Approved annual financial statements as at 31 December 2024
Total capital ratio	16.9%	16.4%
Core capital ratio	13.7%	13.1%
Common Equity Tier 1 ratio	12.8%	12.3%

The increase in the ratio is primarily attributable to the 2025 capital increase. The entry into force of Regulation (EU) 2024/1623 (known as CRR III) at the start of 2025 led to an increase in risk-weighted assets; however, this was successfully counteracted over the course of the year.

UmweltBank AG complied with the SREP capital requirements for all three ratios at all times during the financial year.

In accordance with the regulations in force as at the balance sheet date, the leverage ratio of UmweltBank AG stood at 6.1 per cent (previous year: 6.3 per cent) upon approval of the annual financial statements.

2.3.4 Financial and non-financial performance indicators

To steer the bank in 2025, the Executive Board used operating profit before tax, total assets, the cost-to-income ratio and return on equity as key financial performance indicators. In addition, the SINNdex – a key figure defined by the bank to measure employee satisfaction – was used as a key non-financial performance indicator.

The targets for 2025 set out in the 2024 management report were – in relation to the key performance indicators – in some cases exceeded, in some cases met and in some cases not met:

At €6.4 million, operating profit before tax was above the previous year's level and within the forecast range of between €5 million and €10 million. Net interest income was significantly higher than the previous year's figure, but below the forecast. Net commission and trading income was higher than the previous year's figure and within the forecast range. Net financial income significantly exceeded the previous year's figure. Provisions for credit losses were higher than the previous year's figure. Staff costs and other administrative expenses rose compared with the previous year and were above the forecast figure.

Total assets, amounting to €6,805.8 million, rose by 10.0% in 2025 compared with the previous year and were thus below the forecast figure of around €7.0 billion. The increase in 2025 is primarily attributable to the rise in liabilities to customers by €719.7 million. Consequently, on the assets side, loans to banks rose by €277.9 million, bonds and other fixed-income securities by €370.0 million, and shares and other non-fixed-income securities by €99.9 million.

Owing to the effects described above, the cost-to-income ratio stood at 91.8 per cent, above the forecast figure of 89 per cent, whilst the return on equity before tax, at 1.7 per cent, was below the forecast figure of 2.0 per cent.

An employee survey conducted in November 2025, with a response rate of 84 per cent, yielded a SINNdex of 76 per cent. This means that employee motivation, satisfaction and retention remained at a consistently high and stable level (previous year: 76 per cent). The forecast has therefore been met. In addition to staff satisfaction, UmweltBank AG regularly analyses its workforce, staff turnover, average length of service and training and development activities. As at 31 December 2025, the bank employed 432 staff (31 December 2024: 376). The staff turnover rate fell from 13.3 per cent in the previous year to 12.0 per cent. The average length of service fell slightly to 4.9 years. In the 2025 financial year, an average of 3.7 days per employee was spent on training and further education (previous year: 5.2 days). Expenditure on staff development and further training amounted to approximately 946 €k (previous year: 513 €k).

2.4 Summary assessment of business performance and the position of UmweltBank AG

Overall, the Board of Management considers the business performance and financial position of UmweltBank AG to be satisfactory compared with the original plan, despite the current challenging conditions (geopolitical uncertainties, economic stagnation in Germany), as the profit before tax was within the forecast range.

In the operating business, net interest income was significantly higher than the previous year's figure, but below the forecast. Net commission and trading income was higher than the previous year's figure and within the forecast range. Net financial income significantly exceeded the previous year's figure. Staff costs were higher than expected and were driven by the filling of remaining vacancies and regular salary adjustments. Other administrative expenses remained at the previous year's level, driven by further investments as part of the transformation and in digitalisation. The cost-to-income ratio fell slightly short of expectations.

The Bank's financial position in 2025 was characterised by an adequate capital base, as regulatory requirements were exceeded during the financial year.

Credit risk was adequately addressed through the provisioning of risk reserves.

The financial position and liquidity levels meet regulatory and operational requirements.

3 Risk reporting

3.1 Risk Management System

Effective risk management forms an essential basis for the sustainable safeguarding of the Bank's net assets, financial position and profitability. Against this background, UmweltBank AG has a comprehensive and integrated risk management system designed to identify significant risks at an early stage, assess them appropriately, and manage, monitor and communicate them effectively.

Risk management is integrated into the ongoing development of UmweltBank AG's business and risk strategy and takes into account the relevant statutory and regulatory requirements. Overall responsibility for risk management lies with the Board of Management, which is supported by appropriate organisational structures, clearly defined processes and a regular reporting system.

The aim of risk management is to present UmweltBank's overall risk position transparently at all times and to ensure that the risks assumed are proportionate to the Bank's risk-bearing capacity. Risk-bearing capacity is reviewed regularly and forms the basis for setting limits on significant risk categories.

Significant risks are identified as part of a risk inventory carried out on a regular basis. In this process, all relevant types of risk are systematically recorded, analysed and assessed in terms of their materiality for UmweltBank.

The types of risk classified as material in the risk inventory are first listed below in a clear and concise format. In the following sections, these types of risk are described in detail, and their development and management during the 2025 reporting year are explained.

- Credit risks
  - Credit risk in customer business
  - Credit risk in proprietary trading
  - Credit risk relating to equity investments
- Market price risks
  - Interest rate risk
  - Property risks
- Liquidity risks
  - Volume-related liquidity risks
  - Price-related liquidity risks / refinancing cost risks
- Operational risks
- Strategic and Business Risks

Risk concentrations within individual risk categories, as well as cross-category risk concentrations, are not quantified or managed as separate risk categories at UmweltBank AG. Rather, they are treated as significant risk drivers within the respective risk categories and are appropriately addressed as part of the existing management and monitoring processes.

The same applies to reputational risks and ESG risks, which are not treated in isolation but are identified, assessed and incorporated into risk management as cross-cutting factors within the relevant risk categories and their sub-categories.

The management and monitoring of the key risk categories outlined above take place within the framework of the risk-bearing capacity framework. This ensures that the risks assumed are covered at all times by an appropriate risk coverage potential and that regulatory requirements are met.

UmweltBank AG's risk-bearing capacity is reviewed regularly and forms the basis for setting limits on and managing the key risks. The methodological principles underlying the risk-bearing capacity calculation, as well as the supplementary stress testing procedures, are explained later in this chapter. Reporting is carried out via the Group-wide Risk Report.

3.2 Credit risk

Credit risk is defined as a potential loss that may arise from the partial or total default or a deterioration in the creditworthiness of a borrower (credit risk in customer business) or an issuer (credit risk in proprietary trading) or from a change in the value of an equity investment (credit risk in equity investments).

3.2.1 Credit risk in customer business

Credit risk is already limited by the fact that only the types of loan specified in the credit risk strategy are permitted, and clear assessment criteria are defined for these. Depending on the size of the loan and its risk relevance, appropriate decision-makers are involved in the credit decision-making process.

In addition, every loan is assessed using the VR rating system, which is sourced from parcIT. This system categorises creditworthiness into 25 rating classes, with a probability of default assigned to each rating class. The assessment is carried out methodically using the following rating procedures: VR-Rating for Retail Customers, VR-Rating for Corporate Customers / Large Enterprises, VR-Rating for Property, and VR-Rating for Renewable Energies.

The types of collateral accepted to secure the loans, as well as the procedures for determining their value, are set out in the internal organisational guidelines.

As part of ongoing credit monitoring, borrowers' financial circumstances and the value of the collateral provided are reviewed regularly (annually, as part of the disclosure requirements under Section 18 of the German Banking Act (KWG)) and on an ad hoc basis (as part of early risk detection in accordance with the criteria defined in the organisational guidelines). In addition, the bank has a computerised risk management system. Based on defined early-warning criteria, automated monitoring of loan accounts takes place, along with reporting on criteria that have been triggered. In addition to monitoring overdrafts, this includes screening for returned direct debits, changes in credit ratings and arrears on instalments. The reporting system generates records relating to the affected exposures and forwards them to the customer's account manager for processing. This is intended to identify emerging risks at an early stage and enable appropriate measures to be taken. Individual value adjustments are determined using scenario analyses or on the basis of a loan's unsecured portion or realisable value. The unsecured portion is determined depending on the collateral serving as security for the relevant loans.

As part of the risk-bearing capacity calculation, the rating migration and counterparty default risks for customer loans are regularly measured using a Monte Carlo simulation in combination with a Value-at-Risk approach based on the Credit Portfolio View method. For risk measurement, the bank uses the VR-Control KRM application from parcIT, which incorporates the KPM-KG risk model. In the present value credit risk model, the present value effects are incorporated into the calculation for each simulated rating migration. The Bank uses parcIT's parameter sets for the model; since 31 December 2025, it has also used the parameter sets for loss estimation, which are primarily incorporated into the calculations for BFA 3 and BFA 7.

Default events are defined in accordance with the regulatory definition of default and are assigned accordingly to the default classes of the rating system.

3.2.2 Credit risk – proprietary trading

The rating migration and counterparty default risk associated with securities and claims on banks with an external rating is modelled using a simulation procedure based on the 'Credit Metrics' method. This simulation takes into account changes in value resulting from changes in creditworthiness, as well as potential changes in value based on fluctuating market-wide and individual credit spreads. The Bank uses the VR-Control ZIABRIS application from parcIT for risk measurement, which incorporates the KPM-EG risk model. Credit spread risks are also determined using this system.

A separate limit is set for each issuer. Compliance with these limits is monitored weekly by a department independent of the trading division.

The quarterly credit portfolio report presents UmweltBank AG's entire credit portfolio by customer group, rating class, sector and size concentration. Both the credit volume and the number of exposures are analysed. In the credit portfolio report, the exposures are broken down.

according to performing classes (up to and including Class 3e) and default classes (from Class 4a onwards), together with the respective probabilities of default. The different collateral qualities within the portfolio are presented transparently through the breakdown of risk volume and unsecured volume, as well as a section of the report on types of collateral. Notable exposures (e.g. large loans, equity investments, large high-intensity and non-performing loans, etc.) as well as the development of risk provisions are listed. The loan portfolio report is submitted to the Executive Board as a supplement to the overall bank risk report. The Supervisory Board also receives information on the risk situation in both written and oral form at each meeting.

3.2.3 Credit risk – equity investments

An equity investment is defined as an investment by UmweltBank AG in the equity capital of another company. This excludes property investments made by UmweltBank AG and UmweltProjekt GmbH. The investment risk lies in the fact that investments in equity holdings may result in losses on the equity capital provided (e.g. due to write-downs or losses on disposal) as well as, where applicable, other scenarios (e.g. contractual obligations to make further contributions or step-in risks). The measurement of investment risk is based on the so-called 'multiplier approach', which means that the risk and performance indicators for each investment can be derived by multiplying the current net asset value (as the basis for assessment) by appropriate factors. Relevant indicators such as 'Value at Risk' are determined by multiplying the value of the investment by a suitable factor.

3.3 Market price risks

At UmweltBank AG, market price risks exist primarily in the form of interest rate risks and property risks. Equity, currency, commodity and other price risks are not classified as material within UmweltBank AG.

3.3.1 Interest rate risks

From a regulatory perspective, interest rate risk encompasses fluctuations in net interest income; from an economic perspective, it encompasses fluctuations in the present value of all interest-bearing transactions of UmweltBank AG.

Interest rate risk at UmweltBank AG arises primarily from the maturity transformation between interest-rate-sensitive assets and liabilities. This results from the differing fixed-rate periods and the differing maturity structures of assets and liabilities. Maturity transformation is an essential component of UmweltBank AG's business model and contributes to the generation of a stable net interest income.

Maturity transformation gives rise to both opportunities and risks for the bank's earnings and financial position. Changes in general interest rate levels can have varying effects on net interest income and the present value of interest-bearing positions, depending on the direction, magnitude and speed of the interest rate changes.

Interest rate risks arising from maturity transformation are managed in accordance with the established risk strategy and within the defined limits. Appropriate measurement and management tools are used for this purpose, which ensure the ongoing monitoring of interest rate risks.

The risk situation is analysed regularly and reported to the Executive Board in a manner tailored to the relevant audience as part of the reporting process.

To determine the risk exposure arising from market price risks for the risk-bearing capacity calculation, the present-value interest rate risk of UmweltBank AG is calculated using a Value-at-Risk approach. Value-at-Risk is determined using a historical simulation. The simulation is based on historical interest rate trends since 2007, thereby taking into account both periods of sharp falls and sharp rises in interest rates in the risk calculation. In addition, in accordance with the EBA Guideline on IRRBB, six regulatory scenarios are considered and limited via the Supervisory Outlier Test. The scenario with the highest risk value as at 31 December 2025 is the 'parallel upward shift' scenario.

As at 31 December 2025, the present value risk assessment, which is based on a set of regulatory scenarios, is as follows:

Present value interest rate risk in accordance with the IRRBB Guideline	Change in present value in €k	Change in present value relative to core capital in %
Upward parallel shift	-4,600	1.1
Downward parallel shift	4,743	-1.1
Flattening of the yield curve	-2,082	0.5
Flattening of the yield curve	892	-0.2
Upward shock in short-term rates	-301	0.1
Short-term downward shock	897	-0.2

The impact of changes in the yield curve on Umwelt-Bank AG's financial results under commercial law is also analysed and reported. This report also covers the change in value of interest-bearing securities held by Umwelt-Bank AG and shows the respective impacts on the bank's profit and loss account for the year 2025 compared with the base scenario, assuming a constant business structure:

Net interest income in accordance with IRRBB standards	Change in net interest income in €k	Changes in market value
Base scenario	53,172	0
Difference at +200 BP	-20,663	0
Difference at -200 BP	20,664	0

Interest rate risk in the investment portfolio is measured in accordance with the relevant regulatory requirements. A key performance indicator in this regard is the periodic net interest income (NII, excluding valuation effects) over a one-year horizon in standardised parallel-up and parallel-down scenarios.

As at 31 December 2025, the periodic net interest income risk in the worst-case scenario stood at 4.9% of Tier 1 capital and was therefore below the regulatory threshold.

3.3.2 Property risks

Property risk describes the risk that, in the event of a change in market conditions, there may be a need to revalue properties. The risk is derived on the basis of fluctuations in selected property indices.

The model is a factor model that simulates fluctuations in property value over a one-year horizon. It captures both systematic influences and independent, property-specific influences on the property's value.

UmweltBank AG's property risk encompasses not only the properties it owns but also the property investments of UmweltBank AG and UmweltProjekt GmbH, which are included on a look-through basis.

3.4 Liquidity risks

In the context of liquidity risk, UmweltBank AG distinguishes between the risk of insolvency, which is covered by the liquidity coverage potential (volume-based liquidity risk), and the refinancing cost risk, which is covered by the risk coverage fund in the risk-bearing capacity calculation (price-based liquidity risk).

Insolvency risk is determined on a quarterly basis using liquidity maturity balance sheets and liquidity coverage potentials across several risk scenarios, by assessing whether the strategic survival horizon can be maintained. The risk scenarios are based on liquidity planning with a five-year time horizon, which is derived from the medium-term planning and thus represents the expected cash flows. For the purpose of risk assessment, the cumulative net cash flow is compared with the available liquidity coverage potential, thereby verifying the solvency of UmweltBank AG.

The refinancing cost risk, which is covered by the risk coverage potential, is calculated on a present value basis using a spread premium applied to the liquidity cash flow.

For the purposes of liquidity management, as at 31 December 2025, UmweltBank AG held balances with the Deutsche Bundesbank as well as liquid mortgage bonds and debt securities issued by public sector entities or banks. The Bank's main sources of refinancing are deposit-taking and refinancing via development banks, in particular KfW and Landwirtschaftliche Rentenbank. As at 31 December 2025, the liquidity position is as follows:

Planned scenario	in EUR million
Highly liquid assets (liquidity coverage potential)	3,106
Cumulative liquidity outflows in the management-relevant stress scenario (within 6 months)	1,058

The liquidity outflow balance sheet in the base-case scenario is derived from the medium-term planning and thus represents the refinancing plan required by MaRisk.

3.5 Operational risks

UmweltBank AG defines operational risk as the risk of losses arising from the inadequacy or failure of internal processes, human error, system failures or external events. This also includes legal risks.

The aim of operational risk management is to limit operational risks and the resulting potential losses to an acceptable residual risk, provided that the relevant measures are economically appropriate from a cost-benefit perspective.

For UmweltBank AG, significant operational risks exist in the areas of fraud prevention, information technology (IT), payment transactions, project management, and in connection with political, legal or regulatory developments in the banking sector.

Operational loss events are recorded in a central loss event database. This serves to systematically analyse all loss events in a calendar year and forms the basis for deriving appropriate prevention and control measures. The handling of incidents that occur is embedded within internal processes. This ensures that the Board of Management is kept informed of relevant incidents on a regular basis and as and when necessary.

Legal risks are mitigated through collaboration with external specialists, in particular solicitors, notaries, auditors and relevant professional bodies. In addition, business partners and projects are carefully selected. Customers are provided with appropriate information regarding potential risks, for example in connection with securities transactions. Transactions with related parties are regularly reviewed to ensure they are in line with market conditions.

In the IT sector, the bank maintains a connection to an external data centre and, through a backup solution for the core banking system, ensures an appropriate level of security. Nevertheless, residual risks remain, particularly as a result of system failures, incorrectly implemented functionalities or inadequate security measures. These risks are mitigated through close management and monitoring of IT service providers. Further development of the core banking system in response to legislative changes is carried out by the service provider.

As part of a regular, structured self-assessment, UmweltBank AG draws up a risk map. In this process, department heads and other central units carry out forward-looking assessments of potential operational risk scenarios. In this way, key risk drivers are identified and, where necessary, appropriate mitigation and control measures are derived. For each scenario, the probability of occurrence and the potential extent of loss are assessed qualitatively.

The risk value is calculated from the set of identified scenarios using a Monte Carlo simulation.

3.6 Other risks

In the area of other risks, strategic risk and business risk have been identified as material risks. These (variance-from-plan) risks are monitored as part of regular reporting via the Controlling Report and through stress tests. ESG risk, reputational risk, model risk, step-in risk and country transfer risk are risk categories considered on a cross-cutting basis. No separate relevance and materiality assessment is carried out for these. Impacts on the risk categories already described are examined and taken into account in the qualitative materiality assessment.

3.7 Risk concentrations

Considerations regarding risk concentrations and income concentrations are set out in Umwelt-Bank AG's risk inventory.

The intra-risk concentrations associated with the risk categories are taken into account in all material risk categories. In particular, for customer lending and own investments, compliance with structural limits over time is examined in the credit portfolio report. Risk concentrations exist, on the one hand, in the form of risk concentrations relating to individual counterparties, and, on the other hand, risk concentrations may result from the portfolio structure (e.g. sector structure or size class structures). When assessing risk concentrations, it is necessary to consider both the risk volume as an absolute figure independent of collateral and to assess the net unsecured volume.

As part of its risk assessment, UmweltBank AG also examines revenue concentrations. These are analysed on the basis of the following dimensions:

- Business specifics and product types
- Customer groups (retail / corporate customers)
- Industry sectors (in the corporate banking division)
- Distribution channels

These sources of income are implicitly taken into account in the risk-bearing capacity framework within the planning scenario from a normative perspective. The identified concentrations of income are justified and documented as part of the risk inventory. There are concentrations of income with regard to net interest income, the sector focus of the business model and the distribution channels of UmweltBank AG.

When assessing inter-risk concentrations, UmweltBank AG relies on the analyses carried out as part of the risk inventory. The potential interrelationships between the risk categories of credit risk, market risk, liquidity risk, operational risk and strategic risk are analysed.

3.8 Results of the risk-bearing capacity analysis

From an economic perspective, the key risks facing UmweltBank AG are determined using a present-value risk calculation and compared with the available risk coverage potential, which is approximated by present value. Where Value-at-Risk models are used, risk is assessed at a confidence level of 99.9 per cent and a holding period of one year. Risks are measured from an economic perspective on a regular basis using defined scenarios or models.

Appropriate control and monitoring measures ensure that the material risks are covered at all times by corresponding risk coverage potential.

The utilisation of the bank's overall risk-bearing capacity is determined by adding up the individual risk categories. Diversification or correlation effects across risk categories are deliberately not taken into account in order to ensure a conservative approach to risk-bearing capacity management.

Insolvency risk is not included in the risk-bearing capacity calculation, as it cannot be meaningfully limited by risk coverage potential. Irrespective of this, insolvency risk is addressed outside the risk-bearing capacity assessment through appropriate risk management procedures. These include, in particular, the liquidity-bearing capacity calculation, the preparation of a liquidity maturity schedule and the ongoing monitoring of regulatory and supervisory liquidity requirements.

As at 31 December 2025, risk-bearing capacity from an economic perspective is as follows:

	Amount in thousands of euros	Utilisation
Risk coverage potential	489,264	
Total risks	213,534	43.6%

As at 31 December 2025, the risks and limits from an economic perspective of risk-bearing capacity are as follows:

Risk type	Risk in thousands of euros	Limit in thousands of euros	Limit utilisation
Credit risks	132,234	215,000	61.5%
Market price risks	77,207	130,000	59.4%
Refinancing cost risk	0	5,000	0.0%
Operational risk	4,094	15,000	27.3%
Business risk	0	0	0.0%
Total risks or limits	213,534	365,000	58.5%

From a regulatory perspective, the capital metrics – core capital requirement, SREP total capital requirement, combined buffer requirement and maximum leverage ratio – are calculated in a baseline scenario (plan scenario) and an adverse scenario, and compared with the regulatory capital requirements. The following figures were obtained for the total capital ratio – which is relevant for management purposes in accordance with the risk strategy – in the base-case scenario and in the adverse scenario 'Severe economic downturn (SKA)':

Scenario		2026	2027	2028
Base-case scenario (as at 30 September 2025)	Total capital ratio	16.21%	15.82%	15.56%
Minimum requirement (OCR+P2G)	Minimum requirement (OCR+P2G)	15.07%	14.57%	14.57%
Adverse scenario SKA (reference date 30 September 2025)	Total capital ratio	14.74%	14.15%	12.72%
Minimum requirement (TSCR)	Minimum requirement (TSCR)	10.70%	10.70%	10.70%

The key risks, the development of risk-bearing capacity and the utilisation of the specified risk limits are presented as part of the risk reporting process and form the basis for ongoing risk management. The Executive Board is kept informed of the risk situation on an ongoing basis and in the event of any significant developments.

In addition to the ongoing risk-bearing capacity analysis, stress tests are carried out both on a regular basis and on an ad hoc basis. These serve to assess the impact of exceptional but plausible events on risk-bearing capacity. Furthermore, inverse stress tests are carried out once a year with the aim of identifying extreme scenarios that could fully exhaust risk-bearing capacity.

In addition, sensitivity analyses are carried out for individual risk categories. The results of the stress tests are reported regularly to the Executive Board and the Supervisory Board.

3.9 Summary assessment of the **Bank's** risk profile

UmweltBank AG's risk-bearing capacity was maintained at all times. Through its integration with Atruvia, the risk models of parcIT were predominantly used, and risk-bearing capacity was determined on this basis.

As at the balance sheet date of 31 December 2025, UmweltBank AG complies with the own funds requirements under the CRR (including the SREP total capital requirement), the combined capital buffer requirement under Section 10i(1) of the German Banking Act (KWG), and the own funds recommendation for all regulatory capital ratios. From an economic perspective, UmweltBank AG's risk-bearing capacity is sufficient as at the reporting date; the total risks utilise only 43.6 per cent (previous year: 44.1 per cent) of the risk coverage potential.

Since 1 January 2025, higher own funds requirements have applied as a result of the 'CRR III' regulatory package. These were already taken into account accordingly in the previous year's planning. In the planning scenario prepared by UmweltBank AG based on data as at 30 September 2025, compliance with the minimum regulatory capital requirements is maintained throughout the planning period.

A severe economic downturn (SKA) was selected for the additional adverse scenario. The adverse scenario is based on the base-case scenario as at 30 September 2025 and has a significant impact on capital adequacy and capital planning. In this scenario, the regulatory minimum requirements for adverse scenarios (SREP total capital requirement) are met. The bank has developed a package of measures to restore compliance with the regulatory capital recommendations (OCR & P2G) following the hypothetical occurrence of the stress scenario.

4 Forecast Report

4.1 Industry and Economic Developments

The German economy will continue to face headwinds in 2026. Among other factors, energy prices that are high by international standards, the consequences of demographic change and a heavy regulatory burden continue to hold companies back. In addition to these structural challenges, Germany's export-oriented industry is facing increasing protectionist tendencies and growing competition on global markets. Added to this are the as yet unforeseeable effects of the war in Iran on the German economy – oil and gas prices have risen significantly since the outbreak of the war on 28 February 2026. Nevertheless, experts expect a gradual recovery of the German economy, driven in part by announced government spending on defence and infrastructure. In their joint forecast, the leading German economic institutes most recently projected a slight increase in real gross domestic product of 0.6% for 2026 (as at 1 April 2026). The institutes therefore anticipate a slight recovery in the economy during the current year. Driven by the significant rise in energy prices, economists expect inflation in Germany to rise to an average of 2.8 per cent in 2026 (2025: 2.2 per cent). Meanwhile, the unemployment rate is expected to remain stable at 6.4 per cent (2025: 6.3 per cent). UmweltBank, which focuses on Germany, does not anticipate any direct negative impacts as a result of the war. Based on the current data, the bank's core business – the financing of renewable energy and property in Germany, as well as its deposit business – is not affected by the consequences of the war.

The ECB has left its three key interest rates unchanged since June 2025 and considers itself well-equipped to stabilise inflation at the 2 per cent target in the medium term – even though inflation is expected to rise to 2.6 per cent in 2026 in the short term due to the war in Iran. The ECB is not currently committing in advance to a specific interest rate path to achieve its inflation target. Rather, the central bank decides on the appropriate monetary policy course at its meetings, depending on the latest data. The level and duration of the current rise in energy prices, and how this feeds through to consumer prices, will play a decisive role in the future development of key interest rates. The longer the conflict persists – and energy prices consequently remain at high levels – the more likely it is that key interest rates will be raised. Prior to the war in Iran, financial market participants largely expected key interest rates in the eurozone to remain stable in 2026.

The German property market is expected to stabilise in 2026, accompanied by the first signs of a recovery. According to market experts, market participants are increasingly adapting to the new realities of interest rates, costs and regulation. Residential, logistics and hotel properties, in particular, are benefiting from stable demand. Office and retail properties, by contrast, continue to suffer from far-reaching structural changes such as the trend towards working from home and shifts in consumer behaviour. New construction of residential and commercial properties remains hampered by high construction and financing costs, as well as stringent regulation. Consequently, a significant revival in new-build activity is not yet expected in 2026. At the same time, market observers continue to expect excess demand for housing and rising rents. Demand for housing continues to significantly outstrip supply – particularly in major cities. Rising rents could, in the medium term, increase the incentive to invest in new-build properties.

The expansion of renewable energy in Germany will continue, as it is a political priority. As well as making a positive contribution to climate protection, renewable energy sources have once again become significantly more important for reasons of energy security since the outbreak of the war in Ukraine. The war in Iran and the resulting rapid rise in the price of oil and gas also serve as a stark reminder of the need for an independent and renewable energy supply. The German government's expansion target for photovoltaic systems by 2030 is an installed capacity of 215 gigawatts (2025: 117 gigawatts). By 2030, onshore wind turbines with a capacity of 115 gigawatts are to be installed (2025: 68 gigawatts).

Onshore wind energy expansion in Germany for 2026 is currently forecast to be between 8.0 and 8.5 gigawatts, which would represent a significant increase compared with 2025 (5.2 gigawatts). The industry is optimistic that expansion will continue to gain significant momentum. In 2025 alone, projects with a capacity of 20.8 gigawatts were approved by the authorities – a significant increase of almost 50 per cent compared with the previous year. According to the German government's plans, photovoltaic installations with a capacity of 22 gigawatts are to be built in 2026. To achieve the statutory photovoltaic expansion target of 215 GWp set for 2030, an annual PV expansion of around 20 gigawatts is required.

4.2 Prospective business performance and outlook for UmweltBank AG

The management report contains forward-looking statements regarding expected developments. These statements are based on current assessments and are therefore subject to risks and uncertainties, meaning that actual results may differ from those set out in the management report.

All in all, the Bank's Management Board expects a projected operating profit before tax of between 12.5 and 17.5 million euros for the current financial year 2026.

Total assets are expected to stand at just over 8 billion euros at the end of the 2026 financial year. This significant increase compared with the previous year is primarily due to strong planned growth in the retail banking business. The bank is aiming for a significant increase in customer deposits of around €1 billion and anticipates around 75,000 new customers in 2026. For the current financial year, new lending is expected to total €450 million.

Net interest income is expected to rise to between 62.5 and 67.5 million euros in 2026, driven by strong planned growth in deposits, an improved positioning of the treasury portfolio and the expansion of new lending business. The financial result is expected to be below the previous year's figure. Net commission and trading income is expected to be between €10 million and €15 million, above the previous year's level, due to increased revenue from securities trading and lending. In the securities business, customer-focused investment advice, increased sales activities for the bank's own funds and the expansion of the underwriting business are expected to make a substantial contribution to net commission income.

A slight increase in the workforce is anticipated for 2026. Consequently, a slight rise in staff costs to around €31 million is expected. The completed transformation should result in significantly lower advisory costs in 2026, whilst IT and marketing expenses are each expected to rise slightly. Overall, a significant decline in other administrative expenses to approximately €36 million is anticipated.

Owing to the rise in revenue coupled with a reduction in general administrative expenses, the cost-to-income ratio is expected to fall to a figure between 80% and 85%.

A return on equity before tax of 4.0 per cent is expected.

The SINNdex, a key indicator of employee satisfaction, is expected to remain at the previous year's level.

To strengthen core capital, the Executive Board regularly reviews further options, whether through a capital increase or the issue of additional core capital instruments.

4.3 Risks

Many companies in Germany are suffering from multiple global crises and are facing uncertain economic prospects. High energy costs, as well as the shortage of skilled workers, are having a particularly detrimental effect on Germany as a business location. A poor economic situation can have an overall adverse impact on the banking sector.

In the property sector, UmweltBank AG distinguishes between the financing of rental residential properties, commercial properties and owner-occupied properties. The vast majority of the rental residential properties financed are let at cost-based rents below market level. This makes the flats more affordable, even in times of crisis. However, an increased risk of rent default cannot be ruled out. Commercial property plays a minor role at UmweltBank AG. Whilst the bank has ceased taking on new business in construction financing, it continues to provide financing for owner-occupied

Property in the loan portfolio. Given their prime locations in major cities and high environmental and social standards, the direct impact of the economic downturn on the market value of the financed and mortgaged properties should remain manageable. However, in the medium term, a major economic crisis could lead to significant arrears on repayments. Although the financed properties are generally subject to moderate levels of lending, in individual cases the proceeds from their realisation may increasingly prove insufficient to cover the loan claims, thereby affecting UmweltBank AG through higher loan defaults than has previously been the case. The risks associated with new business stem in particular from a prolonged crisis in the property sector. However, political decisions, such as the abrupt halt to KfW subsidies in 2022, are also causing uncertainty in the housing market. Similarly, stricter requirements under the KfW subsidy programmes have the potential to slow down new business.

In addition, there are property risks associated with **the Group's direct and indirect property portfolio,** which may require revaluation should market conditions change.

A risk to both the existing loan portfolio and new business in the renewable energy sector stems from political changes to the subsidy regime. In particular, a reduction or complete abolition of the feed-in tariff guarantee under the Renewable Energy Sources Act (EEG) would have a negative impact on planned new business. The resulting loss of confidence is likely to have a massive negative impact on the willingness to invest in such projects, which could affect UmweltBank AG's new business. At present, however, this risk appears to be low, given the German government's expansion targets and the goal of climate neutrality by 2045. In terms of new business, risks also arise from factors that could limit the expansion of renewable energies in the future. One such factor is the grid infrastructure, which must be expanded in tandem. Furthermore, disrupted supply chains and, more generally, dependence on raw materials, technologies and products from abroad could have a restrictive effect.

UmweltBank AG aims to grow strongly in the coming years, particularly in its retail banking business, and expects this to make a significant contribution to its results. Risks stem from the traditionally fierce competition in the German financial sector. This is intensified by the entry of foreign banks into the market, as well as by the establishment of new institutions, such as neo-brokers. Within this landscape, UmweltBank AG occupies a unique position with its focus on sustainability. Risks here relate to the public and political prioritisation of sustainability. Should the issue lose importance, this could have a negative impact on demand for UmweltBank AG's products and services.

4.4 Opportunities

The German Government is aiming to achieve climate neutrality by 2045. The energy transition plays a pivotal role in this. To meet these climate targets, the expansion of renewable energy must be driven forward, which entails an enormous need for funding. As a partner with many years of proven expertise in financing onshore wind energy projects and photovoltaic installations, UmweltBank AG is very well placed to benefit from the continued expansion of renewable energy in Germany. Not least, this expansion must go hand in hand with the creation of storage capacity. UmweltBank AG will gradually tap into this new business area – the financing of storage systems – in the coming years.

The property sector also plays a key role in achieving the German government's climate targets. Following several years of crisis, the outlook for the sector is brightening once again – particularly as market players are adapting to the new framework conditions (including, amongst other things, higher long-term financing and construction costs). A rise in construction activity is expected again in the coming years. In urban areas in particular, there has been a sharp rise in rents, making the construction of new flats more attractive to investors once more. At the same time, new residential and commercial buildings in Germany are increasingly being planned and constructed in accordance with environmental and social criteria. Energy efficiency, in particular, is having a growing influence on the attractiveness and value retention of properties. UmweltBank AG stands to benefit from an upturn in the property sector thanks to its specialisation in the financing of sustainable properties, and as a result, it expects solid demand for property financing to continue in the coming years.

In its retail banking business, UmweltBank AG offers its customers a carefully selected portfolio of sustainable products – ranging from instant-access savings accounts to the UmweltBank ETFs – and sees strong growth opportunities. With the current account due to be launched in 2025, the bank aims to tap into entirely new customer groups in future and, furthermore, to expand its cross-selling opportunities. Through the investment advisory service, also to be launched in 2025, the bank is also aiming for significant growth in its securities business. With its three actively managed funds and two ETFs, UmweltBank AG is positioning itself in the growing market for sustainable funds. In addition, the bank is working on the gradual introduction of complementary products and new account models in order to realise its full earnings potential. The bank is also exploring potential partnerships in the field of sustainable investment.

5 Supplementary Report

5.1 Significant events after the balance sheet date

No events have occurred since the balance sheet date that have had a material impact on the bank's financial position, results of operations or cash flow.

Nuremberg, 30 April 2026

UmweltBank AG, Nuremberg

The Management Board

Goran Bašić Member of the Executive Board	Dietmar von Blücher Spokesperson for the Executive Board	Dr Nicole Handschuher Member of the Executive Board

Balance sheet of UmweltBank AG, Nuremberg, as at 31 December 2025

Assets

	EUR	EUR	Financial year EUR	EUR	Previous year TEUR
1. Cash reserve					
a) Cash on hand			0		0
b) Balances with central banks			39,129,980.00		38,831
of which: with the Deutsche Bundesbank	39,129,980.00				38,831
c) Balances with postal giro offices			0	39,129,980.00	0
2. Debt securities issued by public authorities and bills of exchange accepted for refinancing with central banks					
(a) Treasury bills and non-interest-bearing Treasury notes and similar debt instruments issued by public authorities			0		0
of which: refinanced with the Deutsche Bundesbank eligible for refinancing	0				0
b) bills of exchange			0	0	0
3. Loans and advances to credit institutions					
a) payable on demand			2,303,112,432.42		2,025,239
b) other receivables			0	2,303,112,432.42	0
4. Receivables from customers				2,989,767,516.32	3,148,935
of which: secured by mortgages	438,742,891.03				432,587
Municipal loans	3,096,230.65				3,315
5. Bonds and other fixed-income securities					
a) Money market instruments					
(aa) issued by public sector entities		0			0
of which: eligible for refinancing with the Deutsche Bundesbank	0				0
(ab) from other issuers		0	0		0
of which: eligible for refinancing with the Deutsche Bundesbank	0				0
b) bonds and debentures					
ba) issued by public sector issuers		79,480,769.90			0
of which: eligible for refinancing with the Deutsche Bundesbank	0				0
bb) from other issuers		1,035,970,684.97	1,115,451,454.87		745,462
of which: eligible as collateral with the Deutsche Bundesbank	990,182,479.11				698,806
c) own bonds			0	1,115,451,454.87	0
Nominal value	0				0
6. Shares and other non-fixed-income securities				99,913,786.25	44
7. Equity investments				15,302,552.78	16,875
of which:					
in credit institutions	7,525,960.85				7,555
to financial services institutions	0				0
to securities firms	0				0
8. Shares in associated companies				62,908,596.97	65,240
of which:					
in credit institutions	0				0
to financial services institutions	0				0
at securities firms	0				0
9. Trust assets				0	0
of which: trust loans	0				0
10. Claims for compensation against the public sector including debentures arising from their conversion				0	0
11. Intangible fixed assets					
a) Internally generated industrial property rights and similar rights and assets			0		0
b) Concessions, industrial property rights and similar rights acquired for consideration and assets, as well as licences to such rights and assets			484,426.00		709
c) Goodwill			0		0
d) Advance payments made			0	484,426.00	0
12. Property, plant and equipment				128,549,558.52	108,009
13. Called-up but not yet paid-up capital				0	0
14. Other assets				42,409,073.84	33,294
15. Prepayments and accrued income				662,769.45	428
16. Deferred tax assets				8,112,969.69	2,832
Total assets				6,805,805,117.11	6,185,899

Liabilities

	EUR	EUR	EUR	Financial year EUR	Previous year TEUR
1. Liabilities to banks					
a) due on demand			28,136.30		2
b) with an agreed term or notice period			1,691,328,647.76	1,691,356,784.06	1,808,004
2. Amounts owed to customers					
a) Savings deposits					
aa) with an agreed notice period of three months		411,765,401.61			472,308
ab) with an agreed notice period of more than three months		0	411,765,401.61		4,151
b) other liabilities					
ba) due on demand		3,323,505,513.53			2,712,156
bb) with an agreed term or notice period		808,880,854.34	4,132,386,367.87	4,544,151,769.48	635,789
3. Securitised liabilities					
a) Bonds issued			0		0
b) other securitised liabilities			0	0	0
of which:					
Money market instruments	0				0
own acceptances and promissory notes in circulation	0				0
4. Liaabilities held in trust				0	0
of which: loans held in trust	0				0
5. Other liabilities				9,025,260.99	21,951
6. Prepayments and accrued expenses				183,711.09	249
6a. Deferred tax liabilities				0	0
7. Provisions					
a) Provisions for pensions and similar obligations			0		0
b) Provisions for tax liabilities			2,500,000.00		633
c) Other provisions			14,581,393.27	17,081,393.27	16,816
9. Subordinated liabilities				89,208,364.06	89,197
10. Capital subject to profit participation rights				45,307,123.24	45,092
of which: due within two years	0				0
11. Provision for general banking risks				124,622,563.71	129,623
of which: special items pursuant to section 340e(4) of the German Commercial Code (HGB)	965,480.49				965
12. Equity					
a) Called-up capital					
Subscribed capital		41,396,717.00			36,117
less uncalled					
outstanding contributions		0			0
less own shares or units		1,328.00	41,395,389.00		5
b) Capital reserve			124,171,091.58		108,674
c) Retained earnings					
ca) Statutory reserve		26.2			0
cb) Reserve for shares in a controlling or company in which a majority stake is held		0			0
cd) Other retained earnings		110,203,972.37	110,203,998.57		104,587
d) Retained earnings			9,097,668.06	284,868,147.21	556
Total liabilities				6,805,805,117.11	6,185,899

	EUR	EUR	EUR	Financial year EUR	Previous year TEUR
1. Contingent liabilities					
Contingent liabilities arising from , continued—					
a) settled bills of exchange		0			0
b) Liabilities arising from guarantees and warranty agreements		73,921,648.46			78,982
c) Liability arising from the provision of security for third-party liabilities		0	73,921,648.46		0
2. Other obligations					
Redemption obligations arising from					
(a) shadow repurchase agreements		0			0
b) Placement and underwriting obligations		0			0
c) Irrevocable loan commitments		129,801,077.97	129,801,077.97		238,987
of which: delivery obligations arising from interest-related forward contracts	0				0

Profit and Loss Account
for the period from 1 January 2025 to 31 December 2025

				Financial year		Previous year
		EUR	EUR	EUR	EUR	€k
1.	Interest income from					
	a) lending and money market transactions		123,043,439.77			115,477
	b) Fixed-income securities and debt instruments		5,463,359.34	128,506,799.11		10,186
	of which: negative interest accrued under a) and b) 0.00					0
2.	Interest expense			70,059,273.03	58,447,526.08	80,713
	of which: negative interest received 73,872.42					77
3.	Current income from					
	a) shares and other non-fixed-income securities			662,791.56		45
	b) Equity investments			1,097,454.85		888
	c) Shares in associated companies			11,969,437.52	13,729,683.93	32,735
4.	Income from profit-sharing arrangements, profit transger agreementspartial profit transfer agreements				0	0
5.	Commission income			6,860,004.32		6,494
6.	Commission expenses			1,058,217.99	5,801,786.33	956
7.	Net income from trading portfolio				1,286,037.30	0
8.	Other operating income				2,267,125.84	361
10.	General administrative expenses					
	a) Staff costs					
	aa) Wages and salaries		25,517,058.65			22,391
	ab) Social security contributions and expenses for pensions and welfare benefits		4,772,671.73	30,289,730.38		3,745
	of which: for pensions	269,165.07				238
	b) other administrative expenses			41,001,933.66	71,291,664.04	40,617
11.	Depreciation, amortisation and write-downs on intangible assets and property, plant and equipment				613,950.26	764
12.	Other operating expenses				997,426.54	1,197
13.	Depreciation, amortisation and write-downs on receivables and certain securities, as well as additions to provisions in the lending business			6,028,425.50		3,631
14.	Income from write-ups of receivables and certain securities, and from the release of provisions in the lending business			0	-6,028,425.50	0
15.	Depreciation, amortisation and write-downs on investments, shares in associated companies and securities treated as fixed assets treated as fixed assets			0		20,690
16.	Income from write-ups on equity investments, shares in associated companies and securities treated as fixed assets			3,835,009.70	3,835,009.70	0
17.	Expenses arising from the assumption of losses				0	0
19.	Profit from ordinary activities				6,435,702.84	-8,518
20.	Extraordinary income			0		0
21.	Extraordinary expenses			0		0
22.	Extraordinary profit				0	0
23.	Income tax			-2,825,722.08		2,765
	of which: deferred tax	-5,280,726.94				-3,047
24.	Other taxes, unless shown under item 12			389.86	-2,825,332.22	-18
24a.	Income from the release of the fund for general banking risks				5,000,000.00	12,000
27.	Net profit for the year				14,261,035.06	734
28.	Profit carried forward from the previous year				0	0
29.	Withdrawals from the capital reserve				0	0
30.	Withdrawals from retained earnings					
	a) from the statutory reserve			0		0
	b) from the reserve for shares in a controlling or company in which a majority stake is held					
	c) from statutory reserves			0		0
	d) from other retained earnings			0	0	0
31.	Withdrawals from profit-sharing capital				0	0
32.	Allocations to retained earnings					
	a) to the statutory reserve			0		0
	b) to the reserve for shares in a controlling or a company in which a majority interest is held					
	c) to statutory reserves			0		0
	d) to other profit reserves			5,163,367.00	5,163,367.00	178
33.	Replenishment of the profit participation capital				0	0
34.	Retained earnings				9,097,668.06	556

Notes to the Financial Statements

I. General information

UmweltBank Aktiengesellschaft (UmweltBank or UmweltBank AG) is a public limited company under German law with its registered office in Nuremberg. It is entered in the Commercial Register of the Nuremberg Local Court under number HR B 12678. As UmweltBank AG holds direct and indirect majority shareholdings in several subsidiaries, it also prepares consolidated financial statements (covering the narrowest and broadest scope of consolidation within the meaning of Section 285(14) and (14a) of the German Commercial Code (HGB)). These are published in the Company Register.

The annual financial statements as at 31 December 2025 are prepared in accordance with the relevant provisions of the German Commercial Code (HGB), the relevant provisions of company law and the Regulation on the Accounting of Credit Institutions, Financial Services Institutions and Securities Institutions (Rech-KredV for short).

The annual financial statements are prepared in euros and presented in thousands of euros (€k), which may result in rounding differences. All figures in the notes are given in €k, unless otherwise stated.

II. Accounting and Valuation Principles

The accounting and valuation methods remain unchanged from the previous year, unless otherwise stated below.

Cash reserve

Cash reserves are generally valued at face value. In principle, there is no risk of default.

Loans and advances to credit institutions / Loans and advances to customers

Receivables are valued at cost (Section 253(1), first sentence, of the German Commercial Code (HGB)) or, where write-downs or value adjustments are required, at the lower fair value (Section 253(4), second sentence, of the German Commercial Code (HGB)). The amount of the credit drawn down (not the credit commitment) must be reported. Subsequent valuation requires the write-off of irrecoverable receivables. A corresponding valuation allowance must also be recognised for non-performing receivables.

Since the 2025 financial year, specific provisions for exposures at risk of default have generally been recognised on the basis of scenario analyses. If this is not possible or not appropriate, specific provisions for exposures at risk of default are recognised, as in previous years, as the difference between the loan commitments or higher amounts drawn down and the expected cash flows from the loan or the expected cash flows from the collateral.

To determine the specific provision on the basis of scenarios, at least three different possible outcomes for the exposure must be presented, whereby one scenario must always include the termination of the loan and the realisation of the collateral.

The assumptions underlying the scenarios must be set out, taking into account the current outstanding amount and the current values of the collateral. For each scenario, the provision for credit losses resulting from the application of the selected assumptions must be calculated. Furthermore, the individual scenarios must be weighted on the basis of a realistic assessment of the exposure's future development. In doing so, the specific provision requirement per scenario is determined (weighting multiplied by the specific provision requirement). The sum of the specific provision requirements for all three scenarios represents the amount of the specific provision to be recognised.

For foreseeable credit risks in the lending business which have not yet materialised in relation to individual borrowers, general provisions are recognised in accordance with IDW RS BFA 7. In addition to all receivables from customers (outstanding customer loans, less loan relationships for which specific provisions have been made), these also include undrawn loan commitments and contingent liabilities, as well as receivables from credit institutions.

UmweltBank applies the simplified method for this purpose (creation of general provisions in the amount of the calculated expected loss without taking credit quality premiums into account). The expected credit loss (EL) for general provisions is calculated using the following methodology:

EL = EAD * PD * LGD

where:

- EAD: corresponds to the expected exposure at the time of default
- PD: probability of default
- LGD: loss given default

To determine the probabilities of default at the individual customer level, parcIT's VR rating procedures are used for the segments

- retail customers (VRR PK)
- Corporate clients (VRR FK)
- Property customers (VRR IK)
- Renewable energy (VRR EE)

taken into account. Depending on the method used, the ratings are updated regularly. The relevant risk factors/parameters for each segment are subject to annual validation and are adjusted where necessary.

Specific provisions, general provisions and contingency reserves (Section 340f of the German Commercial Code (HGB)) must be recognised as assets. Pro rata interest must be taken into account.

Bonds and other fixed-income securities

Bonds and other fixed-income securities treated as fixed assets are recognised at their acquisition cost and measured in accordance with the modified lower-of-cost-or-market principle. Write-downs to the lower fair value are only carried out in the event of an expected permanent impairment. In this context, the year-end prices made available by 'Wertpapiermitteilungen' (WM Datenservice).

Where no active market exists, the fair value is determined using generally accepted valuation methods.

The assessment for permanent impairment is credit-rating-based and involves a comparison of the issuers' external ratings between the date of purchase and the relevant reporting date.

Fixed-income securities acquired at a premium are written down on a straight-line basis over the period to their nominal value; fixed-income securities acquired at a discount are written up on a straight-line basis over the period to their nominal value.

Shares and other non-fixed-income securities

Shares and other non-fixed-income securities treated as fixed assets are recognised at cost and measured in accordance with the modified lower-of-cost-or-market principle. Write-downs to the lower fair value are only carried out in the event of an expected permanent impairment. The year-end closing prices provided by 'Wertpapiermitteilungen' (WM Datenservice) are used for this purpose. Where no active market exists, the fair value is determined using generally accepted valuation methods.

In the case of Exchange-Traded Funds (ETFs), the assessment of permanent impairment is credit-based and is carried out by comparing the external ratings of the issuers of the bonds held in the ETF between the date of purchase and the relevant reporting date.

Investments and shares in associated companies

Investments and shares in associated companies are valued in accordance with the modified lower-of-cost-or-market principle, using income-based valuation calculations or other recognised valuation methods. Investments in partnerships are accounted for in accordance with the accounting standard IDW RS HFA 18. Accordingly, capital repayments are treated as reductions in the carrying amount of the investment that do not affect profit or loss and are reported as a disposal of the investment in the statement of changes in fixed assets. Shares of profit are recognised as income from investments or shares in associated companies only once the loss reserve accounts have been settled.

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment acquired for consideration are valued in accordance with Section 340e of the German Commercial Code (HGB) in line with the provisions applicable to fixed assets, i.e. at acquisition or production cost less straight-line depreciation.

Scheduled depreciation is based on depreciation rates corresponding to the estimated economic useful life, which are generally based on the depreciation tables published by the tax authorities.

Low-value assets up to €250 are recognised as an expense in the year of acquisition. Low-value assets ranging from €250.01 to €800.00 are fully written off in the year of acquisition and recognised as disposals.

For eligible items of property, plant and equipment, the option under section 255(3) of the German Commercial Code (HGB) to capitalise borrowing costs is exercised. Accordingly, borrowing costs incurred during the construction phase that can be directly attributed to the asset in question are capitalised as part of the cost of production. Capitalisation takes place for the period up to the completion of the respective asset. The capitalised borrowing costs are amortised on a straight-line basis over the asset's normal useful life.

Deferred tax assets

In accordance with the option provided for in section 274(1), second sentence, of the German Commercial Code (HGB), the excess deferred tax assets are capitalised.

Temporary differences are measured using the combined tax rate applicable in the year of realisation for corporation tax, trade tax and the solidarity surcharge. Under the Growth Booster Act, which was approved by the Bundesrat on 11 July 2025, it was decided to reduce corporation tax from the 15 per cent rate applicable until 2027 to 10 per cent in stages by 2032. This reduction in the tax rate applies depending on the timing of the expected reversal of the temporary difference in valuation as at the balance sheet date of 31 December 2025.

The combined tax rate will be 32.17% until 2027, 31.12% in 2028, 30.06% in 2029,
29.01%, in 2031 to 27.95% and from 2032 onwards to 26.90%.

As at 31 December 2025, there are tax loss carry-forwards for corporation tax amounting to 42,112 €k and
62,309 €k for trade tax. Of these, loss carry-forwards amounting to 8,100 €k are deemed to be sufficiently realisable within the next five years. Deferred tax assets arising from loss carry-forwards amounting to 2,503 €k have been recognised as a result.

Liabilities

Liabilities are recognised at their settlement value in accordance with section 253(1), second sentence, of the German Commercial Code (HGB).

Subordinated liabilities / profit participation capital

These are recognised in the balance sheet at their nominal value plus the proportionate interest for the financial year.

Provisions

Provisions take account of all identifiable risks and contingent liabilities and are recognised at the settlement amount deemed necessary in accordance with prudent commercial judgement. Provisions with a remaining term of more than one year are discounted in accordance with Section 253(2) of the German Commercial Code (HGB) using the interest rate appropriate to the term as set out in the Provisions Discounting Regulation (RückAbzinsV). Provisions are made to account for the burden arising from deposits with increasing interest rates.

UmweltBank AG's banking book is reviewed in accordance with IDW RS BFA 3 to determine whether a provision for impending losses is required. In this process, the interest-adjusted present values are compared with the carrying amounts, and risk and portfolio management costs are deducted from any positive surplus. A provision for potential losses is recognised for any remaining loss balance identified in this process. No provision is to be recognised as at the balance sheet date.

The provision for products with bonus interest rates, calculated using the interest rate scale method, is calculated uniformly in accordance with the commercial law approach using the average interest rate. Furthermore, when discounting, a duration corresponding to the remaining term is applied, assuming a certain level of fluctuation in the business. Interest expense is thus smoothed over the term.

For savings deposits with increasing interest rates, a duration of the remaining term is applied when discounting the gross provisions, assuming a certain level of business fluctuation. The duration of the remaining term also takes into account the bank's risk that a customer may terminate the account prematurely following a capitalisation, and that the provision formed prior to capitalisation may be insufficient.

Provision for general banking risks

A special item, 'Provision for general banking risks', is established to provide a safeguard against general banking risks (Section 340g(1) of the German Commercial Code (HGB)).

Deferred income

Deferred income primarily comprises discount amounts which are deducted upon the settlement of receivables. The resulting differences are allocated systematically over the term of the receivables.

Contingent liabilities

Contingent liabilities (liabilities arising from guarantees and warranty agreements) are recognised at their nominal amount, whilst swap guarantees are recognised at their credit equivalent amount, less any flat-rate value adjustments and earmarked balances. As at the balance sheet date, no specific provisions for contingent liabilities are required or in place. The amounts shown do not reflect the cash flows expected in future from these contracts, as the vast majority of contingent liabilities will expire without being called upon. Contingent liabilities are valued in the same way as receivables from customers and credit institutions.

Other commitments

Other commitments (irrevocable loan commitments) comprise the undrawn portions of the commitments granted. They are recognised at their nominal amount less general valuation allowances. As at the balance sheet date, no specific provisions for irrevocable loan commitments are required or in place. Irrevocable loan commitments are valued in accordance with the valuation of loans and advances to customers and credit institutions.

Interest expense

Negative interest arising from liability transactions is recognised in interest expense (as a reduction in interest expense).

Currency translation

All assets and liabilities denominated in foreign currencies are translated into the functional currency, the euro, at the mid-market exchange rate prevailing on the balance sheet date, in accordance with section 256a of the German Commercial Code (HGB) in conjunction with section 340h HGB, whilst observing the principle of imparity. The results of currency translation are recognised in the profit and loss account under other operating expenses and income.

Cross-offsetting

The company makes use of the option of cross-compensation in accordance with Section 32 of the German Accounting and Credit Regulations (RechKredV) and Section 33 of the German Accounting and Credit Regulations (RechKredV). The relevant items in the profit and loss account are offset against each other and reported as a single expense or income item.

III. Disclosures and notes to the balance sheet

Assets side of the balance sheet

Receivables from credit institutions

All receivables from credit institutions, amounting to 2,303,112 €k (31 December 2024: 2,025,239 €k), were due on a daily basis as at the balance sheet date.

Loans and advances to customers

Receivables from customers are broken down by remaining maturity as follows:

	Dec 31, 2025 €k	Dec 31, 2024 €k
Up to three months	89,713	77,304
more than three months to one year	182,831	224,828
more than one year to five years	851,197	928,905
more than five years	1,865,641	1,917,591
of indefinite duration	386	307
Total	2,989,768	3,148,935

Receivables from subsidised loans totalling 1,669,111 €k (31 December 2024: 1,780,586 €k) have been assigned to the refinancing public development banks.
Receivables from customers include receivables from companies in which the Bank holds an equity interest, amounting to 4,735 €k (31 December 2024: 18,296 €k).

Bonds and other fixed-income securities

This item is broken down as follows:

	Dec 31, 2025 €k	Dec 31, 2024 €k
marketable fixed-income securities	1,115,451	745,462
of which listed	919,333	658,671
of which unlisted	196,118	86,791
Total	1,115,451	745,462

In the year following the balance sheet date, bonds and other fixed-income securities with a nominal value of 257,100 €k (31 December 2024: 58,708 €k) and a carrying amount of 256,373 €k (31 December 2024: 58,755 €k) will mature.

Fixed-income securities held as investments with a carrying amount of 1,111,714 €k (31 December 2024: 743,327 €k) and a nominal value of 1,118,944 €k (31 December 2024: 742,752 €k) were valued in accordance with the modified lower-of-cost-or-market principle and held in separate custody accounts.

The write-downs avoided on these securities amounted to 39,702 €k as at 31 December 2025 (31 December 2024: 48,219 €k). No unscheduled write-down pursuant to section 253(3), sentence 5 of the German Commercial Code (HGB) was carried out for these securities, as the securities are to be redeemed at par and there are no indications that the redemption amounts will be reduced. The hidden reserves on bonds and other fixed-income securities amounted to 234 €k as at 31 December 2025 (31 December 2024: 0 €k).

In total, fixed-income securities with a nominal value of 152,000 €k (31 December 2024: 155,827 €k) and a carrying amount of 152,001 €k (31 December 2024: 155,854 €k) to secure liabilities to development finance institutions, and fixed-income securities with a nominal value of 165,430 €k (31 December 2024: 50,000 €k) and a carrying amount of 165,675 €k (31 December 2024: 50,000 €k) to secure swap guarantees.

Shares and other non-fixed-income securities

This item is broken down as follows:

	Dec 31, 2025 €k	Dec 31, 2024 €k
Listed shares and other non-fixed-income securities	99,870	-
of which listed	99,870	-
of which unlisted	-	-
Non-tradable shares and other non-fixed-income securities	44	44
Total	99,914	44

The carrying amount of shares and other non-fixed-income securities in the investment portfolio is 99,914 €k (31 December 2024: 44 €k). Profit participation certificates have a nominal value of 44 €k (31 December 2024: 44 €k). 10,000,000.00 units of an ETF are held. Valuation is carried out in accordance with the modified lower-of-cost-or-market principle, and the securities are held in separate custody accounts.

As in the previous year, the non-tradable shares and other non-fixed-income securities consist of the company's own participation certificates.

The avoided write-downs on these securities amounted to 470 €k as at 31 December 2025 (31 December 2024: 0 €k). No impairment loss was recognised for these securities in accordance with section 253(3), sentence 5 of the German Commercial Code (HGB), as there were no indications of a likely permanent impairment as at the balance sheet date.

The hidden reserves on shares and other non-fixed-income securities amounted to
31 December 2025 at 0 €k (31 December 2024: 0 €k).

This item comprises holdings of more than 10% in the following investment fund:

UmweltBank UCITS-ETF – Green & Social Bonds Euro; ISIN: LU3093383670

The UmweltBank UCITS-ETF – Green & Social Bonds Euro sub-fund, with a market value of 99,400 €k (31 December 2024: 0 EUR; difference from book value: -470 €k), aims to replicate the price and income performance, before costs of the Solactive UmweltBank Green & Social Bond EUR IG 0–5 Year Index. The ETF invests in investment-grade bonds with a maximum maturity of 5 years and a minimum outstanding nominal amount of 500 million euros, whose issuers do not breach UmweltBank AG's sustainability-related exclusion criteria and which are classified by the Climate Bond Initiative as green or social bondsand which therefore demonstrate a use of proceeds that promotes environmental or social objectives.

In the 2025 financial year, a distribution of EUR 663 €k was made on the units held (2024: EUR 0 €k). There

were no restrictions on the daily redemption of fund units in the 2025 financial year.

Investments

Investments are held in the following companies:

Company	Registered office	**The Bank's share** of the **company's** equity (per cent)	Carrying amount as at 31 December 2025 **€k**	Carrying amount as at 31 December 2024 **€k**	Profit 2025 **€k**	Equity as at the balance sheet date 2025 **€k**
3 Banka Akcionarsko Drustvo	Novi Sad, Serbia	29.85	7,526	7,555	6,083 (2024)	48,146 (2024)
Klimaprojekt Sonnenkraft 1 GmbH & Co. KG	Köthen	50	2,630	2,543	155	1,258
Utopia GmbH	Munich	26.84	1,973	1,972	-283 (2024)	249 (2024)
Windpark Altenbruch-Ost GmbH & Co. KG	Cuxhaven	24.99	1,827	1,827	313 (2024)	6,069 (2024)
Visavis Wohnungsbau GmbH & Co. KG	Berlin	-	-	1,494	-405	3,340
eno Windpark GmbH & Co. Wilmersdorf KG	Rerik Seaside Resort	29.37	967	967	364 (2024)	4,960 (2024)
Naturata AG	Marbach	13.44	212	212	124 (2024)	4,002 (2024)
KWA Solarkraftwerk Arenborn GmbH & Co.KG Limited Partnership Interests	Stuttgart	36.96	168	168	252 (2024)	2,300 (2024)
Amesdorf-Wellen UG & Co. KG Wind Farm Fund	Mettmann	26.72	-	137	1,322 (2024)	1,548 (2024)
Total			15,303	16,875		

The shareholding in Visavis Wohnungsbau GmbH & Co. KG was sold to the Group subsidiary UmweltProjekt GmbH in 2025. This transaction resulted in a profit contribution of 5,447 €k. None of the shareholdings are listed on a stock exchange.

Shares in associated companies

The following companies (in which the Group holds a stake of over 50 per cent) are reported under 'Shares in associated companies':

Company	Registered office	The **Bank's** share of **the company's** equity (per cent)	Carrying amount as at 31 December 2025 €k	Carrying amount as at 31 December 2024 €k	Profit 2025 €k	Equity as at the balance sheet date 2025 €k
Volksbau Tübingen II GmbH & Co. KG	Nuremberg	89.5	3,589	21,829	15,902	4,010
UmweltProjekt GmbH	Nuremberg	100	15,520	15,520	3,726	15,557
Volksbau Nürnberg GmbH & Co. KG	Berlin	89.47	2,769	10,855	6,927	3,095
Volksbau 2018 GmbH & Co. KG	Berlin	85.5	9,208	9,208	-63	6,642
Volksbau Freiburg GmbH & Co. KG	Berlin	89.5	5,187	5,187	208	2,297
Volksbau Wangen GmbH & Co. KG	Berlin	89.5	24,022	-	-1,420	15,738
Gisela 36 Wohnungsbau GmbH & Co. KG	Nuremberg	100	2,612	1,822	-81	2,612
StadtWerk Berlin KG – Investment company for urban regeneration projects	Berlin	-	-	783	-	-
UmweltKontakt GmbH	Nuremberg	-	-	36	-	-
Liebschützberg Solarenergie UG (in the process of being established)	Nuremberg	70	2	-	nv	nv
Total			62,909	65,240		

In the case of Volksbau Tübingen II GmbH & Co. KG, equity repayments amounting to 17,941 €k and a write-down of 299 €k were recorded.

The reduction in the carrying amount of Volksbau Nürnberg GmbH & Co. KG is attributable to equity repayments totalling 7,158 €k and an impairment loss of 928 €k.

Volksbau Wangen GmbH & Co. KG was acquired by the Group subsidiary UmweltProjekt GmbH.

The shareholding in Gisela 36 Wohnungsbau GmbH & Co. KG was increased from 90 per cent to 100 per cent during the reporting year.

The companies Stadtwerk Berlin KG Beteiligungsgesellschaft für Projekte in der Stadterneuerung and UmweltKontakt GmbH were wound up in 2025.

The shares in associated companies are unlisted shares.

Statement of Changes in Fixed Assets

The statement of changes in fixed assets summarises the assets of various balance sheet items that are to be valued in accordance with the principles governing fixed assets.

Property, plant and equipment mainly comprise land held for third-party use amounting to 26,379 €k (31 December 2024: 26,379 €k) and land and commercial buildings under construction for the company's own use amounting to 91,836 €k (31 December 2024: 72,581 €k). The construction costs incurred during the financial year relate primarily to the construction of the UmweltHaus and comprise construction costs (approximately 15,100 €k), planning costs (approximately 500 €k) and ancillary construction costs (approximately 3,000 €k). Interest on borrowings of 610 €k, relating to advance payments made and assets under construction, was included in the production costs.

	Acquisition/production costs				Allocations	Depreciation				Carrying amounts	
	Balance as at 1 January 2025	Additions	Disposals	Reclassi-fications	Current year	Cumulative balance of additions and write-offs as at 1 January 2025	Disposals (-) / Additions (+)	Current year	31 December 2025 Cumulative	Balance as at 31 December 2025	Balance as at 31 December 2024
	€k	€k	€k	€k	€k	€k	€k	€k	€k	€k	€k
Bonds and other fixed-income securities	745,462	431,294	61,305	-	-	-	-	-	-	1,115,451	745,462
Shares and other non-fixed-income securities	44	99,870	-	-	-	-	-	-	-	99,914	44
Investments	19,294	88	1,631	-	10	2,418	-	39	2,447	15,303	16,875
Shares in associated companies	66,440	24,881	26,732	-	-	1,199	-814	1,295	1,680	62,909	65,240
Property, plant and equipment	111,971	20,920	-	-	-	3,962	-	379	4,341	128,550	108,009
1 Land, rights equivalent to land and buildings, including buildings on third-party land.	43,354	-	-	-	-	689	-	6	695	42,659	42,673
2 Other fixed assets, plant and equipment.	4,209	2	-	-	-	3,273	-	373	3,646	565	936
3. Advance payments made and assets under construction	64,408	20,918	-	-	-	-	-	-	-	85,326	64,400
Intangible fixed assets											
Concessions, industrial property rights and similar rights and assets acquired for consideration, as well as licences to such rights and assets	4,243	10	-	-	-	3,534	-	235	3,769	484	709

Other assets

The item 'Other assets' is broken down as follows:

	Dec 31, 2025 €k	Dec 31, 2024 €k
Tax refund claim	21,259	18,007
Security deposit for the new company headquarters	7,832	0
Clearing account for payment transactions, direct debits	6,756	7,691
Co-operative shares	2,510	2,510
Advance payments to UmweltQuartier	1,644	2,027
Single Resolution Board (SRB)	962	962
Commission receivables	337	643
Gisela 36 Wohnungsbau GmbH & Co. KG (distributable profit shares)	0	667
Other	1,109	787
Total	42,409	33,294

The tax refund claims relate to UmweltBank AG's claims for refunds of corporation tax and solidarity surcharge paid in advance amounting to 15,089 €k (31 December 2024: 11,283 €k) and from prepaid trade tax amounting to 6,170 €k (31 December 2024: 6,724 €k).

The cooperative shares relate to holdings in GLS Gemeinschaftsbank eG (1,000 €k), Evangelische Bank eG (1,000 €k) and Genossenschaft für urbane Kreativität eG (510 €k).

The increase in this balance sheet item is primarily attributable to a security deposit provided in connection with the construction of the new company headquarters and a higher tax refund claim.

Prepaid expenses and deferred charges

Prepayments and accruals amounting to 663 €k (31 December 2024: 428 €k) consist mainly of advance payments for software licences, insurance premiums and expert reports.

Deferred tax

	Deductible temporary differences 31 December 2025 €k	Taxable temporary differences 31 December 2025 €k	Deferred tax assets tax assets €k	deferred tax liabilities taxes €k
Receivables from credit institutions	12	-	3	-
Loans and advances to customers	12,992	-	4,015	-
Bonds	-	1,121	-	345
Partnerships (subject to business rates)	-	894	-	130
Other provisions	6,687	1	2,067	-
Total	19,691	2,016	6,085	475
Net			-475	-475
Balance at 31 December 2025			5,610	
Balance as at 1 January 2025			2,832	
Addition to deferred tax assets as at 31 December 2025			2,778	
Corporate tax loss carry-forward	8,100	-	1,179	-
Tax loss carryforward	8,100	-	1,324	-
Total	16,200	-	2,503	-
Balance as at 31 December 2025			2,503	
Balance as at 1 January 2025			-	
Addition to deferred tax assets arising from loss carry-forwards as at 31 December 2025			2,503	

Assets denominated in foreign currencies

As at 31 December 2025, assets denominated in foreign currencies amounting to 7,526 €k (31 December 2024: 7,555 €k) relate to the investment in 3 Banka Akcionarsko Drustvo.

Liabilities side of the balance sheet

Liabilities to banks

Liabilities to banks with an agreed maturity or notice period are broken down by remaining maturity as follows:

	Dec 31, 2025 €k	Dec 31, 2024 €k
up to three months	29,901	30,064
more than three months to one year	89,884	93,153
more than one year to five years	460,526	482,431
more than five years	1,111,018	1,202,357
Total	1,691,329	1,808,005

Liabilities to credit institutions with an agreed term or notice period consist of low-interest loans from public development banks.

Liabilities to credit institutions are fully secured by the following items (nominal value):

	Dec 31, 2025 €k	Dec 31, 2024 €k
Assigned and pledged receivables	1,669,111	1,780,586
Pledged fixed-income securities	152,000	155,827
Total	1,821,111	1,936,413

Liabilities to customers

Savings deposits with an agreed notice period of more than 3 months are broken down by remaining term as follows:

	Dec 31, 2025 €k	Dec 31, 2024 €k
up to three months	-	-
more than three months to one year	-	4,151
more than one year to five years	-	-
more than five years	-	-
Total	-	4,151

Due to the terms of the contract, savings deposits with an agreed notice period of more than 3 months maturing in 2024 are reported in the current year under savings deposits with an agreed notice period of 3 months.

Other liabilities to customers with an agreed maturity or notice period are broken down by remaining maturity as follows:

	Dec 31, 2025 €k	Dec 31, 2024 €k
Up to three months	119,362	118,118
more than three months to one year	181,306	267,763
more than one year to five years	335,331	176,427
more than five years	164,716	65,540
of indefinite duration	8,166	7,941
Total	808,881	635,789

Liabilities to customers include liabilities to companies in which the Group holds a stake, amounting to 1,278 €k (31 December 2024: 1,377 €k), as well as liabilities to associated companies amounting to 12,641 €k (31 December 2024: 11,878 €k) are included.

Other liabilities

The item 'Other liabilities' is broken down as follows:

	Dec 31, 2025 €k	Dec 31, 2024 €k
Taxes payable	2,425	15,077
Trade payables: UmweltQuartier	2,193	3,242
Trade payables	1,948	146
Other	2,459	3,485
Total	9,025	21,951

Of the liabilities arising from taxes payable, 2,004 €k relates to capital gains tax, the solidarity surcharge and church tax on capital gains from UmweltBank AG's retail banking business.

The year-on-year decrease in taxes payable is primarily attributable to the capital gains tax and solidarity surcharge paid in 2025 in respect of a distribution made by UmweltProjekt GmbH in 2024, as well as to a lower capital gains tax payable, a lower solidarity surcharge and lower church tax on capital gains from UmweltBank AG's retail banking business in December 2025.

The increase in trade payables is attributable to a longer booking period compared with the previous year. Supplier invoices are recognised as other liabilities upon receipt after the balance sheet date. Consequently, provisions for outstanding invoices are reduced.

Accrued expenses

This item includes accrued interest on receivables amounting to 184 €k (31 December 2024: 249 €k).

Tax provisions

As at 31 December 2025, tax provisions amounted to 2,500 €k (31 December 2024: 633 €k)

Other provisions

This item is broken down as follows:

	Dec 31, 2025 **€k**	Dec 31, 2024 **€k**
Provision for increasing bonuses and interest rate adjustments for the environmental savings scheme	10,178	9,404
Provision for staff costs and social security contributions	1,217	1,298
Provision for audit costs	1,054	958
Provision for outstanding invoices	292	3,955
Other	1,840	1,201
Total	14,581	16,816

The significant decrease in provisions for outstanding invoices is attributable to a longer accounting period compared with the previous year. Supplier invoices are therefore recognised directly under 'Other administrative expenses' or, if received after the balance sheet date, recorded as 'Other liabilities'.

Provisions for staff costs include severance pay claims amounting to 545 €k.

Other provisions include provisions of 826 €k for lending activities, 417 €k for savings deposits with increasing interest rates, 315 €k for variable remuneration components and 201 €k for arrears in operating costs.

Subordinated liabilities

Value date	Type, WKN, nominal amount in **€k**, expenses incurred during the financial year in **€k**	Number of shares subscribed	Nominal amount in **€k**	Interest rate in % p.a.	Term
01.12.2016	Contingent subordinated mandatory convertible bond (CoCo bond), WKN A2BN54, up to 40,000, 643	103,815 units with a nominal value of EUR 250.00	25,954	2.465 until 31 May 2026, thereafter set on the basis of the swap rate for euro swap transactions with a maturity of 5 years plus a fixed margin of 2.717 percentage points	indefinite

The bonds constitute unsecured, subordinated liabilities and, in accordance with Regulation (EU) No 575/2013 (CRR), count towards Additional Tier 1 capital. In the event of insolvency, the liabilities arising from the bonds rank behind claims arising from Tier 2 capital instruments ('T2'). The CoCo bond will be converted into shares in the bank if the common equity tier 1 capital ratio falls below 5.125 per cent. An obligation to repay early arises in the event of termination by the issuer.

Value date	Type, WKN, nominal amount in **€k**, expenses incurred during the financial year in **€k**	Number of shares subscribed	Nominal amount **€k**	Interest rate in % p.a.	Term
30.06.2018	Bearer bond with subordination clause (UmweltBank Green Bond junior), WKN A2LQKU, up to 90,000, 1,626	41,951,397 units with a nominal value of EUR 1.00 each	41,951	3.86 until 30 June 2029 thereafter set at 5-year intervals based on the swap rate for euro swap transactions with a maturity of 5 years plus a margin of up to 100 basis points	indefinite
08.11.2018	Registered debt with subordination clause, UmweltBank NSV 3.85% 2018 (28), 20,000.772		20,000	3.85% for the entire term	08.11.2028

These are unsecured, subordinated liabilities which, in accordance with the CRR, are classified as Tier 2 capital (supplementary capital). In the event of UmweltBank's insolvency, these claims rank behind the claims of all non-subordinated creditors (bail-in instrument). In the case of the Green Bond junior, an early repayment obligation arises upon termination by the issuer. Expenses amounting to 3,041 €k (previous year: 2,624 €k) were incurred in respect of subordinated liabilities during the reporting year.

Participation capital

In accordance with the CRR, EUR 44,132 €k of the profit-sharing capital constitutes eligible own funds. The holders of profit-sharing rights receive an annual distribution, which takes precedence over shareholders' entitlement to profits, at the stated interest rate calculated on the nominal value of the profit-sharing rights.

Value date	Type, WKN, nominal value in €k	Number of units subscribed	Nominal amount €k	Interest rate in % p.a.	Maturity
31.12.2011	Participation certificate, WKN A2PMFT, up to 5,539	5,538,500	5,539	3.50 until 31 December 2028, thereafter set on the basis of the six-year German government bond plus 1.00 percentage points	Perpetual, redeemable by the issuer on 31 December 2028, thereafter every six years with twelve months' notice to 31 December of the relevant year
30.09.2011	Participation certificate, WKN A2PMFS, up to 5,539	5,538,500	5,539	1.00 until 31 December 2026, thereafter set on the basis of the five-year German government bond plus 1.00 percentage points	Perpetual; may be terminated by the issuer on 31 December 2026; thereafter, every five years, subject to twelve months' notice, on 31 December of the relevant year
31.12.2010	Participation certificate, WKN A2PMFR, up to 5,539	5,538,500	5,539	0.90 until 31 December 2025, thereafter set on the basis of the four-year German government bond plus 1.00 percentage points	Perpetual, redeemable by the issuer on 31 December 2025, thereafter every four years with two years' notice to 31 December of the relevant year
01.04.2010	Participation certificate, registered certificate no. 000 505, up to 5,539	5,481,000	5,481	3.00 until 31 December 2028, thereafter set on the basis of the four-year German government bond plus 1.00 percentage points	Perpetual, redeemable by the issuer on 31 December 2028, thereafter every four years with two years' notice to 31 December of the relevant year
30.06.2009	Participation right, registered participation right 000 504, up to 5,539	5,538,500	5,539	3.50 until 31 December 2026, thereafter set on the basis of the four-year German government bond plus 1.00 percentage points	Indefinite term, redeemable by the issuer as at 31 December 2026, thereafter every four years with two years' notice to 31 December of the relevant year
30.06.2008	Participation certificate, registered certificate GR 000 503, up to 5,538	5,519,240	5,519	3.42 until 31 December 2025, thereafter set on the basis of the two-year Federal bond plus 1.00 percentage points	Perpetual, redeemable by the issuer as at 31 December 2025; thereafter every two years with two years' notice to 31 December of the relevant year
31.12.2007	Participation certificate, registered certificate GR 000 502, up to 5,538	5,489,740	5,490	3.00 until 31 December 2028, thereafter set on the basis of the four-year German government bond plus 1.00 percentage points	Perpetual; may be terminated by the issuer on 31 December 2028; thereafter, every four years, subject to two years' notice, on 31 December of the relevant year
31.03.2007	Participation certificate, registered certificate GR 000 501, up to 5,538	5,486,640	5,487	3.02 until 31 December 2027, thereafter set on the basis of the four-year German government bond plus 1.00 percentage points	Perpetual, redeemable by the issuer as at 31 December 2027, thereafter every four years with two years' notice to 31 December of the relevant year

Equity

The share capital comprises 41,396,717 no-par value bearer shares, each representing a notional share in the share capital of 1.00 euro.

To the best of the Company's knowledge, GLS Gemeinschaftsbank eG holds approximately 15 per cent of the shares in Umwelt-Bank AG. The Company is not aware of any other shareholders who hold 10 per cent or more of the shares. To the best of its knowledge, the remaining shares are therefore in free float.

The Management Board is authorised, subject to the approval of the Supervisory Board, until 22 June 2027 to increase the company's share capital by a total of up to 8,228,657.00 euros through asingle or multiple issues of up to 8,228,657 bearer shares, each representing a proportionate amount of the share capital of 1.00 euro, in return for cash and/or non-cash contributions (Authorised Capital 2022/I). Shareholders are, in principle, entitled to the statutory subscription right. The new shares may also be taken up by one or more credit institutions designated by the Executive Board or by companies operating in accordance with section 53(1), first sentence, or section 53b(1), first sentence, or (7) of the German Banking Act, subject to an obligation to offer them to shareholders for subscription. The Management Board is further authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the following cases:

- to exclude fractional amounts from shareholders' subscription rights;
- in the case of capital increases against contributions in kind for the (including indirect) acquisition of companies, parts of companies or shareholdings in companies, other significant operating resources or other assets, including claims against the Company or its group companies;
- in the case of capital increases against cash contributions, provided that the issue price of the new shares is not significantly lower than the stock market price at the time the issue price is determined, and the total number of shares issued, excluding subscription rights in accordance with Sections 203(1) and (2), Section 186(3), fourth sentence, of the German Stock Corporation Act (AktG), do not exceed a total of 10 per cent of the share capital at the time the authorisation takes effect or – if this figure is lower – at the time the authorisation is utilised. Shares issued or to be issued during the term of this authorisation up to the date of its exercise to service option or convertible bonds shall be counted towards the maximum limit, provided that the bonds were issued to the exclusion of shareholders' subscription rights in accordance with Section 186(3), fourth sentence, of the German Stock Corporation Act (AktG), as well as treasury shares acquired pursuant to an authorisation under Section 71(1)(8) of the German Stock Corporation Act (AktG) and sold to the exclusion of shareholders' subscription rights in accordance with Section 186(3), fourth sentence, of the German Stock Corporation Act (AktG);
- to the extent necessary to grant holders of conversion rights in circulation at the time of utilisation of the Authorised Capital 2022/I, or a conversion obligation arising from convertible bonds already issued or to be issued in the future by the Company or its group companies, a subscription right to new shares to the extent to which they would be entitled as shareholders following the exercise of the conversion rights or the fulfilment of a conversion obligation;
- to implement a so-called scrip dividend, whereby shareholders are offered the option of contributing their dividend entitlement (in whole or in part) to the Company as a contribution in kind in exchange for new shares issued from the Authorised Capital 2022/I;
- to issue shares as employee shares to employees and members of the Management Board of the Company, as well as to employees of the Company's affiliated undertakings. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details and conditions for carrying out capital increases from authorised capital and for the issue of shares. In this context, the entitlement to profits of the new shares may also be structured in a manner deviating from Section 60(2) of the German Stock Corporation Act (AktG); in particular, and to the extent permitted by law, the new shares may be granted entitlement to profits from the start of the financial year preceding their issue if, at the time of issue of the new shares, the Annual General Meeting has not yet passed a resolution on the appropriation of profits for that financial year. The Supervisory Board is authorised to amend the Articles of Association accordingly once the Authorised Capital 2022/I has been utilised or once the period for utilising the Authorised Capital 2022/I has expired.

The Management Board remains authorised until 26 August 2030, subject to the approval of the Supervisory Board, to increase the Company's share capital by a total of up to 4,500,000.00 euros through asingle or multiple issues of up to 4,500,000 new no-par value bearer shares, each representing a proportionate amount of the share capital of 1.00 euro, in return for cash and/or non-cash contributions (Authorised Capital 2025/I). Shareholders are, in principle, entitled to the statutory subscription rights. The new shares may also be taken up by one or more credit institutions designated by the Executive Board or by companies operating in accordance with section 53(1), first sentence, or section 53b(1), first sentence, or (7) of the German Banking Act, subject to an obligation to offer them to shareholders for subscription (indirect subscription rights).

The Executive Board is authorised, with the approval of the Supervisory Board, to determine the further content of the rights attached to the shares and the further details of the implementation of the capital increase(s). The Executive Board is further authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the following cases:

- for fractional amounts arising as a result of the subscription ratio;
- in the case of capital increases against contributions in kind, in particular for the purpose of implementing a so-called 'share dividend', whereby shareholders are offered the option of contributing their dividend entitlement (in whole or in part) to the company as a contribution in kind in exchange for new shares issued from Authorised Capital 2025/I;
- to the extent necessary to grant holders of conversion rights or holders of convertible bonds subject to a conversion obligation a subscription right to the extent to which they would be entitled following the exercise of the conversion rights or the fulfilment of the conversion obligations;
- in the case of capital increases against cash contributions, where the proportionate amount attributable to the new shares for which subscription rights are excluded does not exceed twenty per cent of the share capital at the time the authorisation takes effect or – if this figure is lower – at the time the authorisation is utilised, and the issue price does not significantly exceed the stock market price—
falls below. Shares which, during the term of this authorisation and up to the date of its exercise, have been or are to be sold or issued pursuant to other authorisations, in direct or analogous application of section 186(3), fourth sentence, of the German Stock Corporation Act (AktG), with the exclusion of subscription rights, shall be counted towards this limit;
- to issue shares as employee shares to employees and members of the Management Board of the Company, as well as to employees of the Company's affiliated undertakings.

At the Annual General Meeting held on 27 August 2025, EUR 556 €k (previous year: EUR 686 €k) was transferred from the previous year's retained earnings to the profit reserves.

As a result of a capital increase, 5,165,754 new no-par value bearer shares were issued, and a further 114,017 new no-par value bearer shares were issued through the allocation of employee shares, each with a nominal value of 1.00 euro.

A sum of 163 €k was transferred to a special reserve for the issue of employee shares (Section 204(3) of the German Stock Corporation Act (AktG)). As at 31 December 2025, this item amounted to 231 €k (31 December 2024: 182 €k).

In accordance with Section 58(2) of the German Stock Corporation Act, the Management Board and Supervisory Board have allocated 5,000 €k (previous year: 0 €k) to other profit reserves in advance.

As at the balance sheet date, the company held 1,328 treasury shares. During the reporting year, 3,825 shares were sold at a price of EUR 4.00. No proceeds from the sale were realised as a result.

Notes below the balance sheet total

Contingent liabilities

As at 31 December 2025, contingent liabilities arising from sureties, guarantees and swap guarantees amounting to 73,922 €k (31 December 2024: 78,982 €k) are recognised. These do not include any individual amounts that are of material significance in relation to the company’s overall operations. The overall risk of these contingent liabilities being called upon is assessed as low on the basis of the credit ratings. Provisions amounting to 417 €k (31 December 2024: 99 €k) have been recognised as at 31 December 2025 to cover the latent risks of credit default.

Other commitments

As at 31 December 2025, irrevocable loan commitments amounting to 129,801 €k (31 December 2024: 238,987 €k) are reported. These do not include any individual amounts that are of material significance in relation to the Group’s overall operations. No specific credit risks arising from future lending are apparent. Provisions amounting to 308 €k (31 December 2024: 322 €k) have been recognised as at 31 December 2025 to cover the latent risks of credit default.

IV. Notes to the Profit and Loss Account

Interest income

Interest income is broken down as follows:

	1 January–31 December 2025 €k	1 January – 31 December 2024 €k
From lending activities	73,773	78,438
From money market transactions	49,222	37,003
From fixed-income securities and debt instruments	5,463	10,186
Other	49	36
Total	128,507	125,663

Due to a lower volume of new gross lending (2024: 250,000 €k; 2025: 120,000 €k), the average loan volume and the associated interest income from lending activities are declining.

The increase in the average volume of claims on credit institutions due on demand and in the balance held with the central bank leads to a rise in interest income from money market transactions.

Interest income from fixed-income securities and debt securities is falling due to a lower average volume compared with the previous year.

Interest expense

Interest expense is broken down as follows:

	1 January–31 December 2025 €k	1 January – 31 December 2024 €k
Call money accounts	23,071	35,413
Refinancing of on-lending loans	19,701	20,760
Notice deposits and fixed-term deposits, customers	16,221	12,187
Savings deposits with an agreed notice period of less than 4 years	6,839	5,013
Subordinated liabilities	2,269	1,859
Distributions on profit participation capital	1,177	960
Bonds issued (subordinated)	772	765
Open market operations by the Deutsche Bundesbank	0	3,753
Other	9	3
Total	70,059	80,713

The decline in interest expense for instant access savings accounts is due to adjustments to terms and conditions resulting from lower market interest rates.

Owing to lower gross new business, there has been a volume-related decline in interest expense on refinanced on-lending.

The rise in interest expense for call and fixed-term deposits in the retail banking segment is due to a significant increase in the portfolio.

Interest expense on savings deposits with an agreed notice period of less than 4 years has increased due to rising interest rates on outstanding savings contracts.

Open market operations in the form of GLRG funds were already fully wound down in the 2024 financial year.

Current income from shares and other non-fixed-income securities, equity investments, and shares in associated companies

	1 January–31 December 2025 €k	1 January – 31 December 2024 €k
From shares in associated companies	11,970	32,735
From investments	1,097	888
From shares and other non-fixed-income securities	663	45
Total	13,730	33,668

Of the current income from investments in associated companies, 10,950 €k relates to distributions from UmweltProjekt GmbH and 1,019 €k to distributions from StadtWerk Berlin KG, an investment company for urban regeneration projects.

Income from investments includes a distribution of 599 €k from Windparkfonds Amesdorf-Wellen UG & Co. KG and a dividend of 380 €k from 3 Banka Akcionarsko Drustvo.

Current income from shares and other non-fixed-income securities, amounting to 663 €k, stems from a distribution from the UmweltBank UCITS-ETF – Green & Social Bonds Euro.

Commission income

Commission income is broken down as follows:

	1 January–31 December 2025 €k	1 January – 31 December 2024 €k
Securities/insurance business	3,972	3,470
Lending business	1,705	2,140
Payment transactions	370	366
Other	813	518
Total	6,860	6,494

Commission expenses

Commission expenses are broken down as follows:

	1 January–31 December 2025 €k	1 January–31 December 2024 €k
Securities trading	977	914
Lending business	3	-
Payment transactions	78	42
Total	1,058	956

The administrative and brokerage services provided to third parties relate primarily to the customer securities business.

Net income from the trading portfolio

In the reporting year, the sale of the SAB WindTeam 2025/30 wind power bond (ISIN: DE000A383P89) generated net income from the trading portfolio of 1,286 €k (previous year: 0 €k).

Other operating income

Other operating income is broken down as follows:

	1 January–31 December 2025 €k	1 January – 31 December 2024 €k
Income from the release of other provisions	1,061	224
Reimbursement from operational claims	780	0
Income from cooperative shares	80	48
Other	346	89
Total	2,267	361

Income from the release of other provisions includes releases for outstanding invoices amounting to 355 €k, for interest and bonus provisions amounting to 424 €k, and for variable remuneration components amounting to 132 €k.

Other operating expenses in the 2022 financial year were predominantly characterised by expenses relating to operational claims. In 2025, a partial repayment of 780 €k was made.

Depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment

	1 January–31 December 2025 €k	1 January – 31 December 2024 €k
Property, plant and equipment	379	458
Intangible assets	235	306
Total	614	764

Other administrative expenses

	1 January–31 December 2025 €k	1 January–31 December 2024 €k
IT expenses	10,135	9,065
Consultancy costs	9,194	11,413
Marketing	9,143	8,486
Audit costs	2,738	2,934
Other staff-related expenses	1,916	1,205
Regulatory costs	1,851	2,953
Rent and lease expenses	1,043	993
Other	4,982	3,568
	41,002	40,617

IT expenditure is rising due to an increase in the number of customers and a rise in the balance sheet total.

Consultancy costs are falling following the completion of the transformation.

The rise in marketing expenses is attributable to measures aimed at increasing brand awareness and acquiring new customers.

Regulatory costs are falling due to a lower contribution to the German Banks' Compensation Scheme (EdB).

Other expenses include legal fees of 1,136 €k, costs for external services of 552 €k, costs for issued credit and debit cards of 544 €k and postage costs of 493 €k.

Other operating expenses

Other operating expenses are broken down as follows:

	1 January–31 December 2025 €k	1 January – 31 December 2024 €k
Expenditure on the construction of the new head office	749	440
Expenditure on staff social events	149	101
Additions to other provisions	0	500
Other	99	156
Total	997	1,197

In the 2024 financial year, 500 €k was allocated to other provisions as a result of administrative fine proceedings brought by BaFin.

Auditor's fees

The total fee charged by the auditor for the financial year 2025, which is included in administrative expenses, amounts to 1,479 €k (previous year: 1,506 €k) and is broken down as follows:

	1 January–31 December 2025 €k	1 January–31 December 2024 €k
Fees for audit services	1,005	1,344
of which for the 2025 annual and consolidated financial statements	869	0
of which for the 2024 annual and consolidated financial statements	136	696
of which for the 2023 supplementary audit	0	86
of which additional claims relating to the 2023 annual and consolidated financial statements	0	562
Fees for other assurance services	439	162
Fees for tax advisory services	-	-
Other services	35	-
Total	1,479	1,506

Other assurance services include, in particular, fees for audits carried out in accordance with Section 89(1) of the German Securities Trading Act (WpHG) and for audits relating to interim financial statements.

Income and profits tax

During the financial year, expenses relating to previous periods amounting to 2,456 €k were recognised. These result predominantly from adjustments to provisions for corporation tax and trade tax for the years 2020 to 2022.

Provision for general banking risks

In the reporting year, 5,000 €k was withdrawn from the special item 'Provision for general banking risks' in accordance with Section 340g(1) of the German Commercial Code (HGB) (previous year: 12,000 €k).

V. Other financial liabilities

Following repayments of limited partner contributions, financial liabilities amount to 2,074 €k, of which 201 €k relates to associated companies (Section 172(4) of the German Commercial Code (HGB)). Financial liabilities amounting to 1,675 €k arise from rights and obligations assumed under a purchase agreement.

Furthermore, there are financial obligations arising from lease agreements totalling 1,096 €k, as well as a total of 6,943 €k arising from maintenance, repair, service and licence agreements, each with different terms.

The total amount of funds subject to a distribution restriction as at the balance sheet date was 8,113 €k (31 December 2024: 2,832 €k) and relates entirely to deferred tax assets.

VI. Information on the company and its governing bodies

Employees

On an annual average (quarterly figures), 406 employees (previous year: 356) were employed in accordance with Section 267(5) of the German Commercial Code (HGB). Of these, 384 (previous year: 334) were full-time or part-time employees and 22 (previous year: 22) were student employees.

Remuneration of Governing Bodies

The total remuneration of the Executive Board for the financial year 2025 amounted to 1,092 €k (previous year: 1,064 €k). Remuneration and expense allowances paid to members of the Supervisory Board totalled 153 €k (2024: 152 €k).

Executive Board

The following have been appointed to the Executive Board:

Goran Bašić, Nuremberg
Market function for the lending business in accordance with the minimum requirements for risk management; responsible for financing renewable energy and property, equity investments, proprietary investments and sustainability

Dietmar von Blücher, Viernheim and Nuremberg,
Spokesman for the Board of Management,
responsible for customer management and retail banking, organisational management, IT and project management, corporate development (including PR & IR), the Executive Board Secretariat and human resources; until 31 January 2026, also responsible for the analysis and management of the loan portfolio

Appointed with effect from 1 February 2026:
Dr Nicole Handschuher, Grassau
responsible for the areas of credit portfolio analysis and management, accounting,
Tax & Operations, Controlling & Analytics, Risk Management & Governance (including regulatory reporting), Legal & Compliance, Internal Audit

Resigned with effect from 31 January 2026:
Heike Schmitz, Seevetal and Nuremberg
Responsibilities as currently held by Dr Nicole Handschuher (excluding analysis and management of the loan portfolio)

Supervisory Board

The Supervisory Board was composed as follows in the financial year 2025:

Georg Schürmann, self-employed management consultant,
Chairman of the Supervisory Board from 1 July 2025

Dr Michael Kemmer, member of supervisory and administrative boards of various companies, Chair of the Supervisory Board until 30 June 2025

Silke Stremlau, Managing Director of Finance for Transition – F4T gGmbH, Berlin, Deputy Chair of the Supervisory Board

Susanne Horn, Director of Corporate Development, DEHN SE, Neumarkt

Heinrich Klotz, retired notary

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

Loans to the Supervisory Board / Management Board

As at 31 December 2025, there were no loans, sureties or guarantees outstanding to members of the Executive Board or the Supervisory Board.

VIII. Proposed Appropriation of Profits

The Executive Board proposes to the Annual General Meeting that the retained profits of €9,097,668.06 be used to pay a dividend of €0.05. The remaining retained profits of €7,027,898.61 are to be transferred to other revenue reserves.

VII. Supplementary Report

No events have occurred since the balance sheet date that have had a material effect on the company's net assets, financial position and results of operations.

Nuremberg, 30 April 2026

UmweltBank AG, Nuremberg
The Management Board

Goran Bašić Member of the Executive Board	Dietmar von Blücher Spokesperson for the Executive Board	Dr Nicole Handschuher Member of the Executive Board

BESTÄTIGUNGSVERMERK DES UNABHÄNGIGEN ABSCHLUSSPRÜFERS

An die UmweltBank AG, Nürnberg

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 2025 und der Gewinn- und Verlustrechnung für das Geschäftsjahr vom 1. Januar 2025 bis zum 31. Dezember 2025 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 2025 bis zum 31. Dezember 2025 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 2025 sowie ihrer Ertragslage für das Geschäftsjahr vom 1. Januar 2025 bis zum 31. Dezember 2025 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.

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 Artikel 10 Abs. 2 Buchst. f) EU-APrVO, dass wir keine verbotenen Nichtprüfungsleistungen nach Artikel 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 2025 bis zum 31. Dezember 2025 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 die besonders wichtigen 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 in Höhe von EUR 3.013,3 Mio. (Vorjahr EUR 3.166,9 Mio.) bzw. 44,3 % (Vorjahr 51,2 %) der Bilanzsumme stellen den größten Vermögensposten bei der UmweltBank AG dar. Von den ausgewiesenen Forderungen an Kunden wurden unter anderen 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 Zahlungsströmen aus dem Darlehen respektive erwarteten Zahlungsströmen 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.

Prüferische Reaktion

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

Darüber hinaus haben wir in einer risikoorientierten 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 Kreditengagements 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 beinhaltet 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. Die Angaben der Gesellschaft zu den Einzelwertberichtigungen im Kreditgeschäft sind im Anhang unter den Kapiteln „II. Bilanzierungs- und Bewertungsgrundsätze" und „III. Angaben und Erläuterungen zur Bilanz" dargestellt.

2. ANGEMESSENHEIT DER PAUSCHALWERTBERICHTIGUNG AUF FORDERUNGEN AN KUNDEN

Sachverhalt

Von den Forderungen an Kunden in Höhe von EUR 3.013,3 Mio. (Vorjahr EUR 3.166,9 Mio.) bzw. 44,3 % (Vorjahr 51,2 %) der Bilanzsumme wurden unter anderem auf die nicht einzelwertberichtigten 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 Pauschalwertberichtungen 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 PDs aus dem korrekten Rating-Modul (VR-Control), die Ableitung der LGD aus den historischen Daten der UmweltBank einschließlich der angewendeten Abschläge 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, zum Lagebericht oder zu 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 27. August 2025 als Abschlussprüfer gewählt. Wir wurden am 10. Oktober 2025 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.

Berlin, 30. April 2026

BDO AG
Wirtschaftsprüfungsgesellschaft

gez. Eisenhuth	gez. Lingner-Fink
Wirtschaftsprüfer	Wirtschaftsprüfer

Sustainability Report

Report of the Environmental Council

Since UmweltBank was founded in 1997, alongside the statutory Supervisory Board, there has also been an environmental oversight body: the Environmental Council. This external panel of experts ensures UmweltBank's high level of expertise in sustainability, guarantees compliance with sustainability criteria and advises the Executive Board on key sustainability issues and strategic development.

Members of the Environmental Council

In 2025, the Environmental Council comprises five experts with different areas of specialisation in sustainability communication, renewable energy, finance, business ethics and sustainable property. Thanks to the broad range of expertise and the interdisciplinary composition of the council, it is able to comprehensively address all of UmweltBank's business areas.

Prof. Dr Harald Bolsinger, a business ethics expert at the THWS Business School of the Würzburg-Schweinfurt University of Applied Sciences, has been a member of UmweltBank's Environmental Council since July 2017. As an expert in sustainable corporate governance and value management, he provides important impetus for the bank's sustainable development. He has been Chair of the Committee since December 2024. Claudia Müller has been a member since 2021 and Deputy Chair of the Environmental Council since November 2024. As an expert in sustainable investment, she is the founder of the Female Finance Forum, which aims in particular to empower women to manage financial matters independently.

Stefan Klinkenberg has been a member of the committee since 2016. As a self-employed architect and project developer, he plans and oversees construction projects with particularly high social and environmental standards. Dr Meike Gebhard is Managing Director of Utopia GmbH, which operates Germany's leading sustainability platform, Utopia.de, and is also Managing Director of the sustainability consultancy SAIM. She has been a member of the Environmental Council since 2020 and is an expert in sustainability strategy and communication. Heribert Sterr-Kölln is a chartered accountant, tax adviser and strategy consultant. He has been committed to a sustainable energy supply for around 30 years and has been a member of the Environmental Council since 2020.

Topics for the Environmental Council in 2025:

Sustainability assessment of financial transactions

UmweltBank consistently aligns all its financial transactions – from proprietary investments and lending to investment funds – with clearly defined sustainability criteria. The Environmental Council plays a central advisory and supervisory role in this regard: it regularly reviews proprietary investments, treasury transactions, lending, equity investments and funds to ensure compliance with the sustainability requirements set out in the Articles of Association. This is based on SDG-based positive and exclusion criteria, which have been continuously refined with the significant involvement of the Environmental Council since they were enshrined in the Articles of Association in 2018 and their operational implementation began in 2020. In 2025, the committee supported the further development of the underlying concept, received regular reports, monitored compliance with the guidelines and contributed to the updating of the criteria. In the lending business and with regard to UmweltBank funds, the Environmental Council also supports the further development of the assessment methodology and, in complex cases, verifies compliance with sustainability criteria to ensure that the funds financed and invested make a demonstrably positive contribution to UmweltBank's sustainability strategy. Through its comprehensive review activities and ongoing dialogue with internal and external experts, the Environmental Council ensures that UmweltBank consistently adheres to its sustainable investment criteria.

Further development of the sustainability and climate strategy

In 2025, too, the Environmental Council made an important contribution, as part of its work, to the ongoing development of UmweltBank's sustainability strategy. Through its expert guidance, it helped ensure that the bank not only consistently upholds its high sustainability-related requirements but also continuously refines and expands its standards in line with a forward-looking approach. The members used their specialist expertise to support the development of UmweltBank's climate strategy. During the meetings, the current status of the process, key development steps and further plans were discussed regularly and in detail.

Environmental Management System in accordance with EMAS

During its 2025 meetings, the Environmental Council was briefed by the In-house Facilities and Sustainability Department on sustainability performance within the framework of the EMAS environmental management system. The advisory body was able to contribute its expertise to the application and further development of the environmental management system and help improve processes. For example, the Council supported the setting of ambitious sustainability targets and monitored progress towards them to ensure that the defined measures were being implemented effectively.

Regulatory developments – reporting

Regulatory requirements were also discussed during the Environmental Council meetings, including the CSRD (Corporate Sustainability Reporting Directive). Drawing on its specialist expertise, the Council assists with the early assessment of regulatory developments and the definition of appropriate measures for implementation. The Environmental Council supported the strategic development of reporting.

Other topics

The independent committee also contributes its comprehensive expertise to the planning of the new company headquarters, the UmweltHaus and the UmweltQuartier. The aim is to implement the highest sustainability standards as well as innovative concepts for climate-friendly and future-oriented construction. In 2025, the members visited the construction site to verify on-site the implementation of the sustainability standards. Since 2025, the Environmental Council has been providing advisory support to the in-house advisory committee. In doing so, the committee contributes its specialist expertise to relevant issues and coordination processes. In 2025, the Environmental Council served as a valuable source of inspiration for the relevant specialist departments. Its members regularly contributed ideas and raised topics which, in their view, were of particular relevance to the further development of the UmweltBank. During the reporting year, an updated case study on the work of the Environmental Council and the UmweltBank was completed; this is freely available for use in sustainability education (www.wirtschaftsethik.biz/umweltbank)

Summary and Outlook

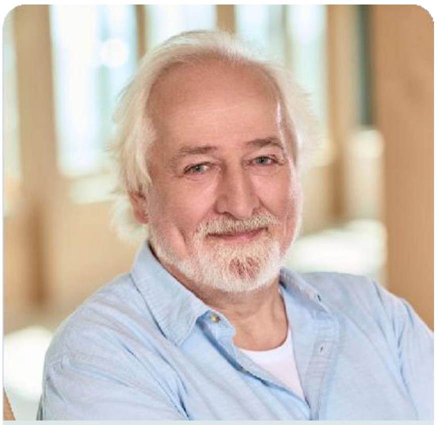
In 2025, a total of three full-day Environmental Council meetings took place with the Executive Board and the In-house Investments and Sustainability Department. During these meetings, the UmweltBank's Environmental Council once again fulfilled a central advisory, supervisory and catalytic role. For 2026, the plan is to once again address current sustainability trends and market developments within the Environmental Council and to integrate the resulting ideas specifically into the work of the specialist departments. Another priority is the ongoing refinement of the positive and exclusion criteria and the climate strategy, in order to safeguard the Bank's high sustainability standards for the future and to further strengthen UmweltBank's position as a pioneer in sustainable finance.

The members of the Environmental Council

Prof. Dr Harald J. Bolsinger,
Chair of the Environmental Council, Würzburg
Business ethicist – Technical University of Applied Sciences Würzburg-Schweinfurt (THWS) Business School

Claudia Müller Deputy Chair of the Environmental Council
Frankfurt am Main
Founder of the Female Finance Forum

Dr Meike Gebhard
Munich
Managing Director of Utopia.de



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Sustainability Statement

Table of Contents

Management of impacts, risks and opportunities

E1-4 – Policies relating to climate action and adaptation to climate change
E1-5 – Measures and resources relating to climate action and adaptation to climate change

Metrics and targets

E1-6 – Targets relating to climate action
E1-7 – Energy consumption and energy mix
E1-8 – Gross GHG emissions from Scope 1, 2 and 3

Social information

ESRS S1 – Own workforce

Management of impacts, risks and opportunities

S1-1 – Policies relating to the organisation's own workforce
S1-2 – Engagement with the organisation's own workforce and employee representatives; existence of channels for the organisation's own workforce to raise concerns or needs; and approaches to addressing these
S1-3 – Measures and resources relating to the organisation's own workforce

Metrics and targets

S1-4 – Targets relating to the company's own workforce
S1-5 – Characteristics of the company's employees
S1-6 – Characteristics of non-employees within the company's own workforce
S1-7 – Collective bargaining coverage and social dialogue
S1-8 – Diversity indicators
S1-9 – Adequate wages
S1-10 – Social security
S1-11 – People with disabilities
S1-12 – Metrics on training, further education and skills development
S1-13 – Health and safety indicators
S1-14 – Metrics on work-life balance
S1-15 – Remuneration indicators
S1-16 – Incidents of discrimination and other human rights incidents

Governance information

ESRS G1 – Governance

Management of impacts, risks and opportunities

G1-1 – The company's governance policies
G1-2 – Measures relating to governance

Company-specific information

ESRS U1 – Stringent sustainability criteria in lending, proprietary investment and investment options

Supplementary information

Environmental information

General information

ESRS 2 – General Information

Basis for Preparation

BP-1 – General Principles for the Preparation of the Sustainability Statement

Basis for the preparation of the sustainability statement

Scope of consolidation

UmweltBank AG's sustainability statement has been prepared on a consolidated basis. The scope of consolidation corresponds entirely to that of the consolidated financial statements as at 31 December 2025. All subsidiaries included in the consolidated financial statements are also included in the sustainability reporting. There are no discrepancies between the scope of consolidation for financial reporting and that for sustainability reporting.

Coverage of the upstream and downstream value chain

The sustainability statement takes into account the entire upstream and downstream value chain of UmweltBank AG. Both upstream and downstream stages of the value chain are considered when identifying and assessing material impacts, risks and opportunities (IROs). This includes, in particular, the analysis of the environmental and social impacts associated with the lending and investment business. Given UmweltBank's consistent focus on sustainable projects, particular attention is paid to the environmental and social impacts of the projects financed, as well as the associated opportunities and risks.

Statement on the application of the ESRS requirements

UmweltBank's sustainability report has been prepared on a voluntary basis and in accordance with the European Sustainability Reporting Standards (ESRS) as applicable at the end of the reporting period. Even though UmweltBank will no longer be formally obliged to report under the CSRD in future as a result of regulatory changes, it continues to consciously align itself with the structure, methodology and objectives of ESRS 2.0 for the purposes of governance.

Against this background, UmweltBank has opted for a streamlined yet substantively ambitious reporting framework based on the ESRS framework ("ESRS light"). The aim is to ensure structured, credible and audience-appropriate sustainability reporting, despite the removal of the formal reporting obligation.

As part of the development of the voluntary, ESRS-based reporting, all ESRS standards were subjected to a systematic review. The selection and targeted reduction of individual standards and data points was carried out on the basis of defined criteria, in particular relevance to the business model, the availability of reliable data, the expectations of key stakeholders, and an appropriate balance between cost and benefit. In addition to the ESRS standards, relevant data points from the EMAS environmental management system are integrated into the reporting to further strengthen the depth of content and strategic alignment.

Overall, with the 'ESRS light' approach, UmweltBank is pursuing a pragmatic and targeted reporting approach that strikes a balance between transparency, credibility and feasibility.

Key differences between the 'ESRS light' methodology applied by UmweltBank and the ESRS (as at December 2025):

- Focused initial implementation of selected standards
  In the first reporting year (2025), there will be a concentrated implementation of the standards ESRS 2, ESRS E1, ESRS S1 and ESRS G1. The standards ESRS E2, ESRS E4, ESRS E5, ESRS S3 and ESRS S4, which have also been identified as material, will initially be deferred as part of a phased implementation and are to be gradually integrated into sustainability reporting in the coming reporting years.
- Sustainability Statement outside the Management Report
  The sustainability statement follows the guidelines of ESRS 1 in terms of its structure and layout, but is not published as part of the management report. The environmental statement is verified by an independent environmental verifier as part of the existing EMAS validation process. This ensures a technically sound external review that takes account of the voluntary nature of the current reporting.
- Omission of information on the EU taxonomy in the inaugural report
  In the first reporting year, UmweltBank has chosen not to include information on the EU taxonomy in the sustainability statement. The possibility of incorporating this information at a later date is being considered.
- Gradual introduction of selected disclosure requirements
  UmweltBank is introducing individual qualitative and quantitative disclosure requirements in stages due to the currently limited availability of data, ongoing system changes and the gradual expansion of internal processes. Accordingly, certain reporting content will only be fully disclosed in future reporting years. This applies to the following disclosure requirements:
  - The disclosures in accordance with ESRS 2 BP-2, paragraph 9, are not currently being applied. UmweltBank will report on the PATMs within the framework of the relevant ESRS standards at the time when these are to be fully applied. Early reporting of individual PATMs outside this framework is not currently considered proportionate in the sense of an 'ESRS-light' approach.
  - ESRS E1-11 is not currently applied and no timeline has been set for its implementation. The same applies to the quantification of risks and opportunities in the other environmental standards, where a similar approach is envisaged.
  - S1-5.19b and S1-12: Deferral until 2026 due to the introduction of new HR software, the relevant modules of which are not yet fully available.
  - S1-13d and S1-13e: These indicators are not reported as they are not relevant to UmweltBank. It is not possible to collect valid data, as information on individual reasons for staff absences may not be collected; furthermore, these indicators are not considered to be useful for the banking sector.

<u>Details of exemptions applied and specific ESRS requirements</u>

In preparing this sustainability statement, UmweltBank AG has applied the General Requirements in accordance with ESRS 1. Apart from the adjustments set out under the ESRS-light methodology, no further exemptions, options or other specific requirements under ESRS 1 have been utilised. This sustainability statement has been prepared for the first time in accordance with the ESRS requirements. There are therefore no changes in the preparation or presentation compared with previous reporting periods.

BP-2 – Disclosures regarding the use of transitional provisions

In accordance with the transitional provision set out in ESRS 1 General Requirements and within the framework of the 'ESRS-light' approach applied by UmweltBank, the standards ESRS E2, ESRS E4, ESRS E5, ESRS S3 and ESRS S4 are temporarily deferred for the 2025 reporting year. Notwithstanding this, as part of its materiality analysis, UmweltBank has assessed whether the impacts, risks and opportunities associated with the aforementioned standards are material. The results of this analysis are disclosed accordingly in the Sustainability Statement under section IRO-2.

The disclosures relating to these topics – namely policies, actions, targets and metrics (PATM) – will also be introduced gradually and will only be reported in the respective reporting years in which the relevant standards are applied.

Governance

GOV-1 – Role of the administrative, management and supervisory bodies with regard to sustainability

UmweltBank manages sustainability within a dualistic system with clear responsibilities assigned to the Executive Board and the Supervisory Board. Sustainability forms an integral part of the business, risk and IT strategies and is continuously monitored through defined processes, controls and reporting channels. The Environmental Council supports the prioritisation of sustainability issues. The Internal Audit function independently reviews processes, controls and reporting.

Composition and diversity of the governing bodies

ESRS-2 Table 1: Proportion of board members by gender

Composition of the Executive Board and Supervisory Board	Executive Board	Supervisory Board
Total number of members	3	6
Number of executive members	3	-
Number of non-executive members	0	-
Number of men	2	3
Proportion of men	66%	50 %
Number of women	1	3
Proportion of women	33%	50%
Gender diversity (average ratio of female to male members)	0.5	1
Percentage of independent board members	0	83.3 %[1]

[1] According to the criteria of the German Corporate Governance Code, a term of office on the Supervisory Board exceeding 12 years indicates a lack of independence. Solely on the basis of this definition, Heinrich Klotz is not to be regarded as an 'independent' member of the Supervisory Board.

Ensuring competence and expertise

UmweltBank ensures that the Executive Board and Supervisory Board possess appropriate sustainability expertise and continuously develop this. Reports are submitted directly to the Executive Board from ESG-relevant departments such as In-House Investments & Sustainability, Legal & Compliance and Risk Management. This ensures that the governing body has sufficient specialist knowledge on climate, environmental and social issues, as well as on regulatory matters and governance.

In addition, the external Environmental Council regularly advises the governing bodies on sustainability issues and regulatory developments, thereby ensuring that expertise is specifically integrated and kept up to date. The annual EMAS management review by the Executive Board, internal audits and external validations create a structured framework within which understanding of objectives, key performance indicators and measures is refined. Supervisory bodies address these matters as part of their monitoring role and are regularly briefed on business development, risk and compliance issues, as well as sustainability performance. ESG issues are consistently incorporated into their deliberations. As a result, the governing bodies as a whole possess the necessary capabilities, strategies and measures to manage the material IROs and, where required, to deepen their understanding through external expertise.

Responsibilities and decision-making powers

The full Executive Board is responsible for the sustainability strategy, target systems and guidelines, as well as the requirements of the internal control system and EMAS integration. The Executive Board prioritises the key impacts, risks and opportunities and decides on key measures. The respective divisional directors are then responsible for implementation and management within their areas.

The Supervisory Board monitors compliance and effectiveness, making particular use of the Audit and Credit Committee and other committees for this purpose.

Fundamental decisions on strategy, targets, criteria frameworks, key guidelines and reports are discussed jointly by the Supervisory Board and the Executive Board and finally adopted by the Executive Board. Operational design and implementation take place within the respective departments. The Sustainability Department closely involves the Executive Board and the Environmental Council in the dual materiality analysis carried out in accordance with ESRS and provides a comprehensive information base. In this way, new findings are continuously incorporated into assessment, prioritisation and strategic management.

Target Setting and Progress Monitoring

The setting of time-bound targets and the monitoring of progress are integrated into the EMAS process. Through the environmental programme, defined key performance indicators and milestones, as well as regular management reviews, the status of the IROs, target achievement and key measures is assessed and evaluated. Deviations are subjected to a root cause analysis and addressed with appropriate corrective measures. Results are discussed by the Executive Board and reported to the Supervisory Board and the Environmental Council.

Incorporation of key IROs into strategy, major transactions and risk management

Key IROs are translated into targets, measures and key performance indicators via the EMAS process and are thus embedded in the strategy, business focus, risk management and internal control system (ICS). They are incorporated into the environmental programme and shape decisions on new products, portfolio adjustments and investments.

GOV-2 – Incorporation of sustainability performance into incentive schemes

Sustainability-related performance is an integral part of the target criteria used to determine the variable remuneration of Executive Board members. Variable Executive Board remuneration is linked to the achievement of qualitative and quantitative sustainability targets, which are set, reviewed and updated annually as part of the EMAS environmental management system.

The sustainability-related targets are derived from UmweltBank's strategic sustainability objectives and are embedded within the EMAS process. This ensures that the targets are systematically defined, tracked using appropriate key performance indicators and criteria, and regularly monitored and assessed. Achievement of the targets is documented in a transparent manner on the basis of the steering and control mechanisms provided for in the EMAS system.

For the financial year 2025, a specified proportion of the variable Executive Board remuneration, totalling 15 per cent, was contingent upon the achievement of these sustainability-related targets. The degree to which the targets are met is factored into the overall calculation of variable remuneration in accordance with the defined weighting.

GOV-3 – Statement on Due Diligence

Due diligence is an integral part of UmweltBank AG's sustainable business model. It encompasses the process of identifying, assessing and managing material impacts, risks and opportunities throughout the Bank's own business activities and along the value chain. The aim is to avoid or mitigate negative consequences for the environment and society, whilst promoting positive effects.

The following overview shows where the key steps of this process are presented in the sustainability report.

ESRS-2 Table 2: Due diligence obligations

Core elements of due diligence	Chapters and sections in the Sustainability Report
a) Integration of due diligence into governance, strategy and business model	ESRS 2 GOV-1, ESRS 2 GOV-2, ESRS 2 SBM-1, ESRS 2 SBM-3, G1-1
b) Involvement of relevant stakeholders in all key stages of due diligence	ESRS 2 SBM-2, ESRS 2 IRO-1, S1-2, G1-1
c) Identification and assessment of adverse impacts	ESRS 2 SBM-3, ESRS 2 IRO-1
d) Measures to address these adverse impacts	E1-1, E1-5, S1-3, G1-2
e) Monitoring the effectiveness of these efforts and communication	E1-6, S1-4, G1-3

GOV-4 – Risk management and internal controls for sustainability reporting

UmweltBank AG ensures the reliability of its sustainability reporting through an internal control system (ICS), which is based on the written internal control framework (sfO). This framework documents all relevant internal regulations, guidelines and processes and is regularly reviewed by those responsible for the processes and adapted to new requirements.

The preparation of the sustainability statement is integrated into the existing processes for sustainability and annual reporting. Well-established controls and regular checks at key process stages ensure the smooth collection, validation, processing and documentation of data. Typical risks such as process interruptions, incorrect data entry or weaknesses in process design, which could lead to delays, omissions or incorrect information, are thus specifically addressed. To ensure data quality, control mechanisms such as the dual-control principle, plausibility checks and documented approvals are employed. Responsibility for the accuracy of the data supplied lies with the respective specialist departments, whilst the Sustainability division is responsible for coordinating and consolidating the data. Final approval is granted by the Executive Board.

Strategy

SBM-1 – Strategy, Business Model and Value Chain

Since its foundation, UmweltBank has operated on the basis of a deeply held conviction: a consistent focus on sustainability. This original ecological founding principle is not merely a business area, but the foundation of the entire corporate strategy.

UmweltBank's business model is geared towards a clear specialisation in sustainable banking. The aim is to channel capital into projects that have a positive environmental and social impact, thereby actively contributing to the transition towards a sustainable economy and a world worth living in for future generations. This environmental and social focus is the key differentiating factor in the bank's market positioning. UmweltBank systematically incorporates the United Nations Sustainable Development Goals (SDGs) into its business activities. UmweltBank operates exclusively in the German market. UmweltBank's positioning within the German banking market is characterised by the fact that, in addition to its focus on sustainability, it strives to combine the advantages of branch-based and digital banking.

UmweltBank positions itself in the retail banking sector as follows: UmweltBank is the sustainable bank that combines digital banking with personalised support. On the one hand, it offers its customers attractive terms, fair charges and good service. On the other hand, it enables them to play a direct and indirect role in the transition, to have a positive impact on the United Nations' Sustainable Development Goals, and to contribute to the financing of the energy transition and affordable housing. The range of products in the field of sustainable finance is broad: from green current accounts and eco-friendly savings products to sustainable securities. In its interactions, the bank builds on honest and fair relationships. Customers are at the heart of everything we do and are supported according to their individual needs.

In the corporate banking sector, the focus of its financing offerings is on developers of wind, solar and battery storage projects, as well as property projects, and housing associations specialising in green building, energy-efficient refurbishment and social housing projects. The environmental rating is a mandatory component of the credit assessment process at UmweltBank. Whilst traditional banks primarily assess creditworthiness, UmweltBank only finances projects that, in addition to creditworthiness, have a positive ESG impact. This means that projects must meet defined minimum sustainability requirements in order to be eligible for financing.

Its value proposition focuses in particular on financing projects in the field of renewable energy, as well as eco-friendly and socially oriented property for corporate clients. In addition, UmweltBank offers sustainable savings and investment products and, since 2025 with the introduction of its current account, now also payment products and digital banking services for private customers with a strong interest in sustainability issues. Customer engagement is predominantly digital, supplemented by face-to-face advice, particularly in corporate banking and project finance.

Key activities include accepting deposits, granting sustainable loans, securities trading and treasury operations. A strategic expansion of the product portfolio is planned from 2026, particularly in the areas of private mortgage lending and instalment loans. Core resources include qualified staff, the UmweltBank brand, customer deposits and equity capital. Key partners include, in particular, IT service providers, service providers for securities trading and development banks.

UmweltBank's value chain encompasses upstream services and input factors such as IT and other services, banking infrastructure, and sources of refinancing such as development bank programmes and customer deposits, which enable day-to-day business operations. Its own business activities span the entire life cycle of financing and investments and are underpinned by governance, risk, compliance and management functions. Downstream activities arise from the use of the financed projects and assets in the real economy. Through its financing decisions, UmweltBank indirectly contributes to emissions reductions, resource conservation and efficiency, security of energy supply and the provision of social housing. The key environmental and social impacts arise primarily in the downstream value chain through the long-term effects of the financed projects.

A detailed disclosure of the business model can be found in the section 'Company Fundamentals' in the management report.

UmweltBank does not offer any products or services that are prohibited in specific markets.

UmweltBank's own activities fall within the financial sector and are classified, in accordance with NACE Rev. 2, under, amongst others, classes K 64.19 (other financial institutions), K 64.92 (other credit granting) and K 66.19 (other activities related to financial services).

UmweltBank's key impacts, risks and opportunities arise primarily from the exposure of its lending and investment portfolio to various customer sectors (e.g. electricity generation from renewable energy sources, the construction and property sectors).

UmweltBank is not active in the particularly sensitive sectors identified in the ESRS. UmweltBank has binding exclusion criteria. Compliance with these criteria is assessed as part of the lending and proprietary investment processes. Consequently, no revenue is generated from fossil fuels (coal, oil, gas), chemical production (Division 20.2), the controversial arms industry or the cultivation/production of tobacco.

SBM-2 – **Stakeholders' Interests and Viewpoints**

Doing good and talking about it – UmweltBank seeks open dialogue with the groups directly or indirectly affected by its activities, known as stakeholders.

Through open and trusting dialogue based on partnership with customers, staff and employee representatives, suppliers, investors and the public, requirements and expectations can be defined on a case-by-case basis, fostering an understanding of the concerns held by each stakeholder group. Furthermore, the stakeholder dialogue provides the Bank with important insights for the sustainable orientation of its business activities.

UmweltBank's staff engage regularly in face-to-face dialogue with the relevant stakeholder groups – for example, in meetings or at events such as conferences and forums, as well as at the annual general meeting. In addition, the bank keeps its stakeholders continuously informed through publications such as press releases and its sustainability and annual reports. It also utilises digital platforms such as its corporate website and social media.

As a direct bank, a key focus of the dialogue is communication with customers. When providing telephone support, the bank places particular emphasis on direct channels with short response times. In face-to-face conversations, staff listen to suggestions, praise and criticism. This feedback is continuously collected, evaluated and used to further develop both internal and external processes in a targeted manner. The relevance of stakeholder issues is regularly reviewed and prioritised.

For the double materiality analysis, UmweltBank employed a two-stage process: Firstly, internal workshops were held with staff from key specialist departments – including corporate banking (renewable energy financing and property financing), retail banking, risk, compliance, strategy, human resources, marketing, investor relations, sustainability, treasury, internal audit, IT and the works council. During these workshops, impact chains, material impacts, risks and opportunities, as well as the available data, were systematically identified and prioritised. Secondly, the bank conducted structured external interviews with customers, capital market analysts and experts in renewable energy and the construction / property sector.

The Executive Board, Supervisory Board and Environmental Council were informed of the views and interests of the relevant stakeholders affected. The consolidated results of the stakeholder workshops and expert interviews were incorporated into the materiality analysis. On this basis, the Executive Board and sustainability officers selected the key issues and formulated areas for action, which were subsequently further refined in collaboration with the specialist departments. In this way, stakeholder perspectives were systematically integrated into UmweltBank's strategy and business model.

From UmweltBank's perspective, the interests and expectations raised reflect key aspects of its sustainable business model. Customers expect funds to be used effectively and transparently, as well as reliable service. Investors value demonstrable impact, stability and sound governance. Employees raise issues such as a sense of purpose, development and working conditions. The general public expects financing to support the ecological transition, for example in the areas of renewable energy, energy-efficient buildings and social infrastructure. This feedback confirms the bank's strategic direction and supports the further development of its product range and processes.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

UmweltBank identified its material impacts, risks and opportunities as part of a structured dual materiality analysis. The insights gained from this are incorporated into the business model, value chain and strategic management. The IROs reflect the Bank's business focus: the financing of renewable energy, green and social property, and sustainable capital market investments. The results of the dual materiality analysis served as an important basis for the further development of strategic priorities and for prioritising sustainability-related areas of action. Furthermore, sustainability-related risks were explicitly integrated into the risk appetite.

From an 'inside-out' perspective, the most significant impacts arise predominantly in the downstream value chain, i.e. in the financed projects. From an 'outside-in' perspective, risks and opportunities influence the earnings profile, risk appetite and resource planning, in particular through transitional and physical climate risks, as well as increasing demands on data quality and governance.

The identified IROs are grouped into thematic clusters and embedded as significant environmental aspects within the EMAS environmental management system. Building on this, UmweltBank defines targets and measures which are incorporated into the sustainability strategy via the EMAS programme and documented within the specialist departments with timetables, responsibilities and key performance indicators.

The results are reported regularly to the Executive Board, the Supervisory Board and the Environmental Council. The relevant key performance indicators and progress are disclosed in the thematic standards, thereby ensuring that IROs are consistently linked to the business model, the value chain and strategic decision-making.

Current impacts during the reporting period

UmweltBank's strategic orientation is designed to systematically take into account short-, medium- and long-term sustainability risks and opportunities.

Significant opportunities arise from the growing demand for sustainable financial products and financing. Furthermore, stable or positive market trends in the renewable energy sector, in sustainable building standards and in the sustainable finance segment offer long-term potential for positive earnings growth.

Key challenges include increasing competitive pressure in sustainable banking and rising regulatory requirements. These factors could potentially drive up costs and thus affect both UmweltBank's financial performance and its cost of capital.

It is not currently possible to quantify the current or expected financial effects of the identified key risks and opportunities, as there is no robust data set available to enable a separate and reliable quantification. UmweltBank therefore limits itself to a qualitative description of the financial effects.

Resilience of Strategy and Business Model

UmweltBank's resilience stems from its clear strategic focus on sustainable business segments and from the consistent application of strict positive and exclusion criteria in lending and proprietary investment. This focus limits exposure to unsustainable business models and plays a key role in identifying and managing climate-related and other material risks at an early stage. In addition, integrated risk, compliance and control processes, combined with ongoing monitoring, ensure the stability of the business model.

The resilience of the strategy and business model is regularly assessed through internal and regulatory stress tests. These include, in particular, quantitative stress tests on risk-bearing capacity at present value, which take into account climate-related transition and physical risks. The analyses show that, taking climate risks into account, there is no shift of risk classes into a critical utilisation category. Furthermore, macroeconomic stress scenarios are analysed to assess the impact of more challenging operating conditions on the business model and risk-bearing capacity.

As part of the resilience analysis, particular attention is paid to the exposure of the loan portfolio to regulatory changes, technological developments, funding conditions, and sectoral and regional climate risks. Sustainability-related factors, particularly those arising from the environmental and regulatory environment, are explicitly taken into account. The results are incorporated into strategic management and risk-related decision-making processes.

The resilience analysis is conducted across short-, medium- and long-term time horizons. In addition to the results of the stress tests, external developments – in particular regulatory changes, market shifts and climate- and environment-related trends – are continuously monitored and incorporated into the further development of the strategy and business model. This ensures that UmweltBank maintains its adaptability even under changing climatic and regulatory conditions.

Management of impacts, risks and opportunities

IRO-1 – Description of the procedures for identifying and assessing material impacts, risks and opportunities

UmweltBank identified its IROs in 2024 through a multi-stage process and assessed them with partial support from the statutory auditor. The approach follows the principle of dual materiality and combines impact materiality and financial materiality to form a consistent basis for decision-making regarding reporting and management. Initially, the scope and analytical framework were defined: this includes the Bank's own business operations, comprising its sites and central functions; the upstream value chain (in particular direct service providers and IT/outsourcing partners); and the downstream value chain, comprising the lending and investment portfolios, including financed projects in renewable energy, environmental and social property, funds and proprietary investment portfolio (Depot A) holdings. The focus of potential impacts lies on the financed projects and capital market exposures, whilst in the upstream chain, direct supply relationships are the primary consideration.

The methodological basis was an analytical approach that generated initial IRO proposals based on the company's documentation. Building on this, a shortlist of topics was drawn up, based on the ESRS topic map, the bank's business model and portfolio profile, and company-specific priorities. The latter include, in particular, the strict sustainability criteria applied to lending, proprietary investments and investment options, as well as the promotion of sustainable financial literacy.

The involvement of relevant stakeholders and external expertise was an integral part of the double materiality analysis. At the heart of the process were four internal, topic-specific workshops with the bank's subject matter experts, as well as five structured interviews with external experts, who validated and expanded upon the internal assessments. The workshops served to systematically identify, supplement and carry out a preliminary assessment of the IROs, whilst the interviews broadened the perspective by incorporating insights from the market, the sector and methodology. The aim was to identify, validate and prioritise impact chains, material impacts, risks and opportunities along the value chain.

The IROs identified in this way were consolidated, refined in terms of content and cross-referenced with the bank's internal risk and management information. For the risk perspective, UmweltBank utilises its annual ESG risk inventory, the findings of which are directly incorporated into the assessment of risks and opportunities. 's prioritisation of sustainability risks is carried out in line with its general risk management framework, including the use of scenario and sensitivity analyses. The IROs identified in the dual materiality analysis were mapped against the ESG risk inventory to ensure consistency between the materiality analysis and risk reporting.

This ensures that sustainability risks are not considered in isolation, but rather as drivers of the established risk categories (in particular credit, market price, liquidity and operational risks).

The assessment followed clearly defined scales and thresholds. Depending on the type of IRO, the scope/impact, extent, probability of occurrence, irreversibility and time horizon (short, medium, long) were recorded and justified. For issues of high relevance in the area of human rights, particular weight was given to the severity of the adverse effects. When assessing the IROs, consideration was given to the extent to which existing or planned measures influence the nature and manageability of the identified impacts, risks and opportunities. Where relevant, material dependencies were also taken into account, particularly with regard to regulatory requirements, market and project developments in renewable energy and sustainable property within the loan portfolio, as well as the stability and performance of central IT and core banking systems. The results were aggregated on a scale; UmweltBank used a threshold value of 3 on a 0–to–5 scale as an indicator of materiality and analysed sensitivities to alternative threshold scenarios. Negative impacts were prioritised according to relative severity and probability of occurrence. Impacts were always assessed first, as they can give rise to financial risks and opportunities. Positive impacts and opportunities did not offset negative impacts, but were assessed separately. For human rights-related IROs, severity was explicitly given greater weight than probability of occurrence. These assessment rules are laid down in the process and ensured consistent application across all topics.

The results were determined and prioritised through a structured decision-making process. The sustainability department consolidated the assessments and submitted them to the Environmental Council and the Executive Board for consultation and finalisation. The Environmental Council – like the Executive Board – had the option of giving higher priority to issues if, in its view, their impact or relevance had not yet been sufficiently taken into account. In this context, the issue of 'employment and inclusion of people with disabilities', which had not previously been assessed as material, was classified as material. The final approval of the material issues was given by the Executive Board.

To improve management, thematically related IROs were subsequently grouped into clusters. These clusters served as the basis for identifying the significant environmental aspects within the Bank's EMAS system. The integration into EMAS ensures that specific environmental aspects, targets and measures are derived from the clusters, which in turn feed back into the Bank's strategy. This creates a closed-loop system from the materiality assessment through to operational implementation.

In the reporting year, UmweltBank carried out a materiality analysis based on the principle of double materiality for the first time. Previously, in 2021, a materiality analysis had been conducted from an impact perspective. The current analysis supplements this perspective with financial materiality and will serve in future as the basis for prioritising issues, deriving targets and measures, and regularly reviewing and updating them.

IRO-2 – Disclosure requirements contained in the ESRS and covered by the **company's sustainability statement**

As is typical for banks, material IROs arise primarily in downstream value creation, i.e. in the financed projects and portfolios of the renewable energy and environmental and social property segments. The IRO clusters 'Climate change and resilience in property and renewable energy projects', 'CO_2 emissions', 'Renewable energy', 'Growing market potential' and 'Strict sustainability criteria' underpin the materiality of ESRS E1 Climate Change. On the positive side, the financing of wind and solar energy, as well as energy-efficient properties, contributes to decarbonisation and the energy transition. On the risk side, the focus is on transitional and physical climate risks in the building and energy sectors, as well as technological and regulatory changes.

Issues relating to biodiversity, environmental pollution caused by construction works and soil sealing are taken into account in the planning and assessment of projects, and establish ESRS E4 Biodiversity and ESRS E2 Pollution as material topics. Sustainable resource use addresses material and energy consumption throughout the life cycle and leads to the materiality of ESRS E5 Resource Use and Circular Economy. These aspects are particularly relevant to construction and modernisation projects, where life-cycle costs and material selection play a central role.

On the social front, the company's own workforce is central. The IRO clusters 'Fair Working Conditions' and 'Equal Treatment and Equal Opportunities' embed ESRS S1 Own Workforce through key areas such as health and safety at work, development and retention, and diversity. With the expansion of the retail business, consumer and end-user aspects are coming more into focus. The IRO clusters 'Data Protection' and 'Transparency and Credibility' underpin **ESRS S4 'Consumers and End Users'** with regard to the protection of personal data, transparent product information and good accessibility of services. The IRO clusters 'Promotion of social housing' and 'Project impact on local communities' have a direct influence on project implementation and underpin the materiality of ESRS S3 **'Affected communities'**, for example through contributions to affordable housing, neighbourhood quality and local value creation.

In the area of governance, the IRO clusters 'Transparency and Credibility', 'Strict Sustainability Criteria', 'Increased Regulatory and Compliance Burden' and 'Prevention of Corruption' shape the materiality of ESRS G1 Governance. The IRO cluster 'Reputation' underlines the importance of business principles based on integrity and effective controls as a cross-cutting issue relating to G1.

A values-based, employee-oriented corporate culture, featuring initiatives on teamwork, family-friendliness and lifelong learning, strengthens staff loyalty and performance and enhances the organisation's attractiveness as an employer. A trustworthy whistleblowing system with clear reporting channels and regular awareness-raising promotes a 'speak-up' culture and reduces the risk of misconduct. Ethical procurement standards and stable, partly local partnerships enhance quality, but may incur additional costs. A robust compliance system increases process reliability and capital market confidence. Strict sustainability criteria in lending, proprietary investments and products act as a quality anchor across the board, boosting demand and reputation whilst also requiring additional audit and resource planning.

Overall, climate- and biodiversity-related issues, social aspects with a focus on the bank's own workforce and customers, and robust governance structures shape UmweltBank's IRO profile. The focus in the downstream value chain lies on the activities being financed, whilst within the bank's own operations it centres in particular on corporate culture and employee issues, whistleblower protection, compliance and corruption prevention, transparency and data protection. In the upstream chain, the focus is on sustainable procurement and dealing with business partners in accordance with regulations.

Below is a complete list of the IRO clusters:

ESRS-2 Table 3: IRO clusters

List of IRO clusters	Related ESRS topics
Climate change and resilience in property and renewable energy projects	E1 Climate Change
Growing market potential	E1 Climate Change, E4 Biodiversity, S4 Consumers and End Users
CO_{2e} Emissions	E1 Climate change, E4 Biodiversity
Strict sustainability criteria	E1 Climate change, E4 Biodiversity, U1 Strict sustainability criteria
Renewable energy	E1 Climate change, E4 Biodiversity
Promotion of sustainable property	E2 Environmental pollution, E4 Biodiversity
Increased regulatory and compliance burdens	E2 Environmental pollution
Environmental pollution caused by construction work	E2 Environmental pollution
Biodiversity	E4 Biodiversity, S3 Affected communities
Promotion of social housing	E4 Biodiversity, S3 Affected communities
Soil sealing caused by construction projects	E4 Biodiversity
Reputation	E4 Biodiversity
Sustainable use of resources	E5 Circular economy
Fair working conditions	S1 Own workforce
Equal treatment and equal opportunities	S1 Own workforce
Data protection	S1 Own workforce, S4 Consumers and end users
Project impact on local communities	S3 Affected communities
Transparency and credibility	S4 Consumers and end users, G1 Governance
Promoting a values-based, employee-focused and sustainable corporate culture	G1 Governance
Sustainable procurement	G1 Governance
Prevention of corruption	G1 Governance

UmweltBank's sustainability statement contains supplementary information in accordance with ESRS 1 General Requirements, Chapter 8.2. This includes, in particular, details on compliance with EMAS requirements that go beyond the mandatory ESRS disclosures. This information is accordingly identified as EMAS-related disclosures.
In addition, company-specific information is reported on the topic of 'Strict sustainability criteria in lending, own investments and investment options'. This topic is presented as supplementary information as it is of particular significance to UmweltBank's business model and impact focus. The supplementary information is clearly labelled and presented in such a way that it does not overshadow or distort the key ESRS information.

UmweltBank operates exclusively in Germany as part of its own business activities and is therefore subject to a strict framework of labour and social legislation that excludes forced and compulsory labour as well as child labour. Against this background, there are no material adverse impacts or increased risks associated with forced or compulsory labour or child labour in its own business activities.

Nor is UmweltBank currently aware of any significant adverse impacts or increased exposure to such risks along the upstream and downstream value chain. Business relationships are selected and managed on the basis of binding sustainability criteria; any breach of labour and human rights standards (ILO Conventions, OECD Guidelines for Multinational Enterprises) results in the exclusion of such cooperation.

Data points from EU legislation and their disclosure in the sustainability report, as well as an overview of ESRS disclosure requirements

ESRS-2 Table 4: Data points from EU legislation

Disclosure requirement		Materiality	Page number	EU legislation
ESRS 2	General disclosures	material	pp. 101–127	
BP-1	General principles for the preparation of sustainability statements	material	pp. 101–102	
BP-2	Information regarding the use of transitional arrangements	material	pp. 102–103	
GOV-1	Role of the administrative, management and supervisory bodies in relation to sustainability	material	pp. 103–104	
	Percentage of independent members of the governing bodies	material	p. 103	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
	Gender diversity on the board	material	p. 103	SFDR reference: Indicator No. 13, Table 1 in Annex I
GOV-2	Incorporation of sustainability-related performance into incentive schemes	material	pp. 104–105	

Disclosure requirement		Materiality	Page number	EU legislation
GOV-3	Statement on due diligence	material	p. 105	SFDR reference: Indicator No. 10, Table 3 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2022/1288, Annex I
GOV-4	Risk management and internal controls for sustainability reporting	material	pp. 105–106	
SBM-1	Strategy, business model and value chain	material	pp. 106–107	
	Involvement in activities fossil fuels	material	p. 107	SFDR reference: Indicator No. 4, Table 1 in Annex I Pillar 3 reference: Article 449a of Regulation (EU) No 575/2013 in conjunction with Article 435 of the same Regulation; Implementing Regulation (EU) 2024/3172, Table 1: Qualitative information on environmental risks and Table 2: Qualitative information on social risks; Reporting Form 1: Banking Book – Indicators for potential transition risks arising from climate change: credit quality of exposures by sector, emissions and remaining maturity Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
	Involvement in activities the production of chemicals	material	p. 107	SFDR reference: Indicator No. 9, Table 2 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II

Disclosure requirement		Materiality	Page number	EU legislation
	Involvement in activities in connection with controversial weapons	material	p. 107	SFDR reference: Indicator No 14, Table 1 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12(1); Delegated Regulation (EU) 2020/1816, Annex II
	Involvement in activities the cultivation and production of tobacco	material	p. 107	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 12(1); Delegated Regulation (EU) 2020/1816, Annex II
SBM-2	Stakeholders' interests and views	material	pp. 107–108	
SBM-3	Significant impacts, risks and opportunities and their interaction with strategy and business model	material	pp. 108–110	
IRO-1	Description of the procedures for identifying and assessing material impacts, risks and opportunities	material	pp. 110–111	
IRO-2	Disclosure requirements contained in the ESRS and covered by the company's sustainability statement	material	pp. 112–127	
	Risk of incidents relating to forced labour	not material	114	SFDR reference: Indicator No. 13, Table 3 in Annex I
	Risk of incidents relating to child labour	not material	114	SFDR reference: Indicator No. 12, Table 3 in Annex I
GDR-P	Minimum requirements for guidelines	material	-	

Disclosure requirement		Materiality	Page number	EU legislation
	Obligations under human rights policy	material	p. 114	SFDR reference: Indicator No. 9, Table 3 and Indicator No. 11, Table 1 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
GDR-A	Minimum requirements for measures	material	-	
GDR-M	Minimum requirements for metrics	material	-	
GDR-T	Minimum requirements for targets	material	-	
E1	Climate change	material	pp. 128–144	
E1-1	Transition plan to mitigate climate change	material	pp. 128–130	EU Climate Law reference: Regulation (EU) 2021/1119, Article 2(1)
E1-2	Identification of climate-related risks and scenario analysis	material	pp. 130–132	
E1-3	Resilience in the context of climate change	material	p. 132	
E1-4	Guidelines relating to climate protection and adaptation to climate change	material	pp. 133–134	
E1-5	Measures and resources relating to climate change mitigation and adaptation	material	pp. 134–135	
E1-6	Climate change-related targets	material	pp. 136–137	

Disclosure requirement		Materiality	Page number	EU legislation
	Emissions reduction targets	material	p. 137	SFDR reference: Indicator No. 4, Table 2 in Annex I Pillar 3 reference: Article 449a of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2024/3172, Reporting Form 3: Banking Book – Indicators for potential transition risks arising from climate change: alignment parameters Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 6
E1-7	Energy consumption and energy mix	material	p. 138	
	Energy consumption from fossil fuels, broken down by source (climate-intensive sectors only)	material	p. 138	SFDR reference: Indicator No. 5, Table 1 and Table 2 in Annex I
	Energy consumption and energy mix	material	p. 138	SFDR reference: Indicator No. 5, Table 1 in Annex I
E1-8	Gross GHG emissions from Scope 1, 2 and 3	material	pp. 139–144	SFDR reference: Indicators 1 and 2, Table 1 in Annex I Pillar 3 reference: Article 449a of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2024/3172, Reporting Form 1: Banking Book – Indicators for potential transition risks arising from climate change: credit quality of exposures by sector, emissions and remaining maturity Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6 and Article 8(1)

Disclosure requirement		Materiality	Page number	EU legislation
E1-9	Greenhouse gas removals and greenhouse gas reduction projects financed through carbon credits	not material	-	EU Climate Act reference: Regulation (EU) 2021/1119, Article 2(1)
E1-10	Internal CO_2 pricing	not material	-	
E1-11	Expected financial impacts from significant physical and transition risks, as well as potential climate-related opportunities	material / deferred	-	
	Exposure of the benchmark portfolio to climate-related physical risks	material / deferred	-	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Annex II
	Location of significant assets with material physical risk	material / deferred	-	Pillar 3 reference: Article 449a of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2024/3172, Reporting Form 5: Banking Book – Indicators of potential physical risks arising from climate change: exposures subject to physical risk
	Breakdowns of the carrying amount of its property by energy efficiency classes	material / deferred	-	Pillar 3 reference: Article 449a of Regulation (EU) No 575/2013; Implementing Regulation (EU) 2024/3172, Reporting Template 2: Banking Book – Indicators for potential transition risks arising from climate change: Loans secured by property – Energy efficiency of the collateral
	Degree of the portfolio's exposure to climate-related opportunities	material / deferred	-	Benchmark Regulation reference: Delegated Regulation (EU) 2020/1818, Annex II

Disclosure requirement		Materiality	Page number	EU legislation
E2	Pollution	material / deferred	-	
E2-1	Guidelines relating to environmental pollution	material / deferred	-	
E2-2	Measures and resources relating to environmental pollution	material / deferred	-	
E2-3	Targets relating to environmental pollution	material / deferred	-	
E2-4	Pollution of air, water and soil	not material	-	
	Quantity of significant pollutants emitted into the air, water and soil	not material	-	SFDR reference: Indicator No. 8, Table 1 in Annex I; Indicator No. 2, Table 2 in Annex I; Indicator No. 1, Table 2 in Annex I; Indicator No. 3, Table 2 in Annex I
E2-5	Substances of concern and substances of very high concern	not material	-	
E3	Water	not material	-	
E3-1	Guidelines relating to water	not material	-	
	Water-related guidelines	not material	-	SFDR reference: Indicator No. 7, Table 2 in Annex I
	Guideline on the coverage of areas experiencing water stress	not material	-	SFDR reference: Indicator No. 8, Table 2 in Annex I
E3-2	Measures and resources relating to water	not material	-	
E3-3	Water-related targets	not material	-	
E3-4	Water indicators	not material	-	
	Total volume of treated and reused water	not material	-	SFDR reference: Indicator No. 6.2, Table 2 in Annex I
E4	Biodiversity and ecosystems	material / deferred	-	

Disclosure requirement		Materiality	Page number	EU legislation
E4-1	Transition Plan for Biodiversity and Ecosystems	material / deferred	-	
E4-2	Guidelines relating to biodiversity and ecosystems	material / deferred	-	
	Guideline on the coverage of sites in or near biodiversity-sensitive areas	material / deferred	-	SFDR reference: Indicator No. 14.2, Table 2 in Annex I
	Sustainable land or agricultural practices or guidelines	not material	-	SFDR reference: Indicator No. 11, Table 2 in Annex I
	Sustainable practices or guidelines for oceans and seas	not material	-	SFDR reference: Indicator No. 12, Table 2 in Annex I
	Policies to combat deforestation	not material	-	SFDR reference: Indicator No. 15, Table 2 in Annex I
E4-3	Measures and resources relating to biodiversity and ecosystems	material / deferred	-	
E4-4	Targets relating to biodiversity and ecosystems	material / deferred	-	
E4-5	Metrics on changes in biodiversity and ecosystems	material / deferred	-	
	Activities with negative impacts on biodiversity-sensitive areas	material / deferred	-	SFDR reference: Indicator No. 7, Table 1 in Annex I
	Land degradation, desertification and soil sealing	partly not material / deferred	-	SFDR reference: Indicator No. 10, Table 2 in Annex I
	Wildlife species and protected areas	not material	-	SFDR reference: Indicator No. 14.1, Table 2 in Annex I
E5	Resource use and circular economy	material / deferred	-	
E5-1	Guidelines relating to resource use and the circular economy	material / deferred	-	
E5-2	Measures and resources relating to Resource use and the circular economy	material / deferred	-	

Disclosure requirement		Materiality	Page number	EU legislation
E5-3	Targets relating to resource use and the circular economy	material / deferred	-	
E5-4	Inflows of resources	material / deferred	-	
E5-5	Outflows of resources	material / deferred	-	
	Hazardous waste and radioactive waste	not material	-	SFDR reference: Indicator No. 9, Table 1 in Annex I
S1	Own workforce	material	pp. 145–155	
S1-1	Guidelines relating to the company's own workforce	material	pp. 145–146	
	Processes and measures to prevent human trafficking	not material	-	SFDR reference: Indicator No. 11, Table 3 in Annex I
	Policy or management system for the prevention of work-related risks	material	pp. 145–146	SFDR reference: Indicator No. 1, Table 3 in Annex I
S1-2	Involvement of the company's own workforce and their representatives, existence of reporting channels for the concerns or needs of the company's own workforce, and remedial measures	material	pp. 146–147	
	Complaints mechanism, including employee-related matters	material	pp. 146–147	SFDR reference: Indicator No. 5, Table 3 and Indicator No. 11, Table 1 in Annex I
S1-3	Measures and resources relating to the organisation's own workforce	material	pp. 147–150	
S1-4	Objectives relating to the company's own workforce	material	pp. 150–151	

Disclosure requirement		Materiality	Page number	EU legislation
S1-5	Characteristics of the company's workforce	material	pp. 151–152	
S1-6	Characteristics of non-employees within the company's own workforce	material	p. 152	
S1-7	Collective bargaining coverage and social dialogue	partly not material	pp. 152–153	
S1-8	Metrics on diversity	material	p. 153	
S1-9	Adequate wages	material	p. 153	
S1-10	Social security	material	p. 153	
S1-11	People with disabilities	material	p. 154	
S1-12	Metrics on training and skills development	material / deferred	-	
S1-13	Metrics on health and safety	material	pp. 154–155	
	Rate of work-related accidents	material	p. 154	SFDR reference: Indicator No. 2, Table 3 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
	Number of working days lost due to injuries, accidents or illness	material	p. 154	SFDR reference: Indicator No. 3, Table 3 in Annex I
S1-14	Metrics on work-life balance	material	p. 155	
S1-15	Remuneration figures	material	p. 155	
	Unadjusted gender pay gap	material	p. 155	SFDR reference: Indicator No. 12, Table 1 in Annex I
	Ratio of total annual remuneration	material	p. 155	SFDR reference: Indicator No. 8, Table 3 in Annex I
S1-16	Incidents of discrimination and other human rights violations	material	p. 155	
	Incidents of discrimination	material	p. 155	SFDR reference: Indicator No. 7, Table 3 in Annex I

Disclosure requirement		Materiality	Page number	EU legislation
	Human rights incidents	not material	-	SFDR reference: Indicator No. 10, Table 1, and Indicator No. 14, Table 3 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
S2	Workforce in the value chain	not material	-	
S2-1	Guidelines relating to workers in the value chain	not material	-	
	Processes and measures to prevent human trafficking	not material	-	SFDR reference: Indicator No. 11, Table 3 in Annex I
	Code of Conduct	not material	-	SFDR reference: Indicator No. 4, Table 3 in Annex I
S2-2	Involvement of workers in the value chain, existence of reporting channels for concerns or needs, and measures to address these	not material	-	
S2-3	Measures and resources relating to workers in the value chain	not material	-	
	Human rights incidents	not material	-	SFDR reference: Indicator No. 10, Table 1 and Indicator No. 14, Table 3 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
S2-4	Targets relating to the workforce in the value chain	not material	-	
S3	Affected communities	material / deferred	-	

Disclosure requirement		Materiality	Page number	EU legislation
S3-1	Guidelines relating to affected communities	material / deferred	-	
S3-2	Involvement of affected communities, the existence of channels for reporting concerns or needs, and measures to address these issues	material / deferred	-	
	Appeals mechanism	material / deferred	-	SFDR reference: Indicator No. 11, Table 1 in Annex I
S3-3	Measures and resources relating to affected communities	material / deferred	-	
	Human rights incidents	not material	-	SFDR reference: Indicator No. 10, Table 1 and Indicator No. 14, Table 3 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
S3-4	Objectives relating to affected communities	material / deferred	-	
S4	Consumers and end users	material / deferred	-	
S4-1	Guidelines relating to consumers and end users	material / deferred	-	
S4-2	Involvement of consumers and end-users, the existence of reporting channels for concerns or needs, and approaches to remedy the situation	material / deferred	-	
	Grievance mechanism	material / deferred	-	SFDR reference: Indicator No. 11, Table 1 in Annex I
S4-3	Measures and resources relating to consumers and end-users	material / deferred	-	

Disclosure requirement		Materiality	Page number	EU legislation
	Human rights incidents	not material	-	SFDR reference: Indicator No. 10, Table 1 and Indicator No. 14, Table 3 in Annex I Benchmark Regulation reference: Delegated Regulation (EU) 2020/1816, Annex II
S4-4	Objectives relating to consumers and end-users	material / deferred	-	
G1	Governance	material	pp. 156–162	
G1-1	Guidelines relating to governance	material	pp. 156–159	
	Guidelines in accordance with the United Nations Convention against Corruption	material	p. 156	SFDR reference: Indicator No. 15, Table 3 in Annex I
	Protection of whistleblowers	material	pp. 157–159	SFDR reference: Indicator No. 6, Table 3 in Annex I
G1-2	Governance-related measures	material	pp. 159–161	
G1-3	Governance-related objectives	material	pp. 161–162	
G1-4	Metrics relating to corruption or bribery	material	p. 162	
	Convictions and fines for breaches of anti-corruption and anti-bribery regulations	material	p. 162	SFDR reference: Indicator No. 17, Table 3 in Annex I
	Measures taken to remedy breaches of anti-corruption standards	material	p. 162	SFDR reference: Indicator No. 16, Table 3 in Annex I
G1-5	Metrics relating to political influence, including lobbying activities	not material	-	
G1-6	Metrics relating to payment practices	material	p. 162	

Disclosure requirement		Materiality	Page number	EU legislation
U1	Strict sustainability criteria in lending, proprietary investment and investment options	material	pp. 162–165	
U1-1	The company's guidelines on sustainability criteria	material	pp. 163–164	
U1-2	Measures relating to sustainability criteria	material	p. 164	
U1-3	Targets relating to sustainability criteria	material	p. 164	
U1-4	Metrics relating to sustainability criteria	material	p. 165	
	Supplementary information	not part of the ESRS	pp. 165–180	
	EMAS disclosures	Not part of the ESRS	pp. 165–180	

Environmental Information

ESRS E1 – Climate Change

E1-1 – Transition Plan for Mitigating Climate Change

In the 2025 reporting year, UmweltBank adopted a company-wide climate strategy which serves as a transition plan to mitigate climate change. The aim of the climate strategy is to align UmweltBank's business model and strategic direction with the objectives of the Paris Agreement – namely, limiting global warming to 1.5 °C – and the requirements of the European Climate Law (Regulation (EU) 2021/1119). The climate strategy thus contributes to achieving climate neutrality by 2050 and to the transition to a sustainable, climate-neutral economy. The Paris Agreement provides the internationally recognised framework for effective climate action and serves as a key guideline for UmweltBank in shaping the long-term direction of its business model and in setting verifiable, science-based climate targets.

The transition plan covers both emissions from the Bank's own operations and material emissions from the upstream and downstream value chain, in particular from the financing and investment portfolio. Greenhouse gas emissions are calculated using a methodologically sound approach based on the Greenhouse Gas Protocol. For financed emissions (Scope 3.15), UmweltBank follows the Partnership for Carbon Accounting Financials (PCAF) standard in order to use recognised emission factors and ensure a consistent, comparable and robust quantification of portfolio-related emissions.

Science-based climate targets form a core component of the transition plan. UmweltBank has set itself near-term emission reduction targets up to 2030, which are in line with the criteria of the Science Based Targets initiative (SBTi) and align with a 1.5°C-compatible emission reduction pathway. These near-term climate targets have been externally reviewed and validated by the SBTi. Through this validation, the SBTi confirms that UmweltBank's targets make an appropriate contribution to global climate protection and are consistent with current climate science. The near-term targets thus form the short-term, quantitatively verifiable basis of the transition plan.

In parallel with the implementation of the short-term climate targets, UmweltBank is working on the development of medium- and long-term climate targets. These are currently being drawn up on the basis of the X-Degree Compatibility (XDC) model to ensure a consistent and scientifically sound modelling framework for the long-term transition pathway. The XDC model enables an assessment of the extent to which UmweltBank's business activities – in particular its lending – are compatible with a 1.5°C scenario, and supports the derivation of long-term target pathways for climate-compatible portfolio development. By combining SBTi-validated near-term targets with model-based medium- and long-term objectives, UmweltBank ensures that its climate targets are both effective in the short term and strategically coherent and robust in the long term.

The implementation of the transition plan builds on the long-standing sustainable focus of UmweltBank's financing and investment portfolio, which centres on activities with a positive climate impact and social added value. As a sustainable bank, UmweltBank finances projects that contribute to ecological transformation whilst improving people's quality of life. The aim of its core business is to make a measurable contribution, through targeted financing, to achieving the United Nations' Sustainable Development Goals and thereby to improving quality of life and promoting the sustainable development of the economy and society.

From the outset, UmweltBank's core business has been geared towards sustainable economic activities. A key focus is the financing of renewable energy. UmweltBank is committed to financing only those projects in the energy sector that generate clean energy and are fully compatible with a 1.5-degree pathway. Through the targeted financing of wind, solar and other renewable energy projects, UmweltBank makes a direct contribution to replacing fossil fuels and to the long-term reduction of energy-related emissions. Due to its strategic focus and binding exclusion criteria, fossil fuel-based energy generation is explicitly excluded from the financing portfolio.

Another key focus of the transition plan lies in the property sector. As part of its climate strategy, UmweltBank has committed to financing, in future, only property projects that are compatible with the objectives of the Paris Agreement. This encompasses both highly energy-efficient new-builds and existing buildings for which a binding transformation pathway towards a Paris-compatible emissions level is planned. The Paris Agreement compliance of property projects is systematically integrated into the credit assessment and decision-making process. At portfolio level, the emissions intensity of the financed properties is already below the relevant benchmarks for a 1.5-degree-compatible pathway. This means that, as at the reporting date, UmweltBank's property portfolio is already compatible with the objectives of the Paris Agreement and is actively contributing to the transformation of the buildings sector.

Against this backdrop, UmweltBank's transition plan is aimed less at a fundamental transformation of an emissions-intensive business model and more at safeguarding, further developing and systematically managing a portfolio that is already climate-compatible. The focus is on ensuring long-term compliance with the Paris Agreement, creating transparency regarding the climate impact of the business model, and identifying and managing potential transition risks at an early stage.

The transition plan forms an integral part of UmweltBank's overall strategy and was developed in consultation with the management and supervisory bodies. The Executive Board is responsible for the strategic direction and implementation of the climate strategy, whilst the Environmental Council monitors the objectives and progress as part of its oversight role. Operational implementation is carried out by the relevant specialist departments.

The financial and human resources required to implement the transition plan are embedded in UmweltBank's strategic and operational planning. The measures are funded within the framework of existing investment and budget planning and are geared towards the short- and medium-term implementation of the climate targets. UmweltBank does not make significant investments in activities related to coal, oil or gas, as these sectors are explicitly excluded from its business model due to its strategic orientation and binding exclusion criteria. The transition plan therefore does not require any reallocation of capital from fossil fuel activities, but builds upon a business model that is already climate-compatible.

UmweltBank's transition plan takes into account relevant interdependencies and potential transition risks. These include, in particular, regulatory developments, technological advances and the availability of reliable emissions data within the financing portfolio. Potential 'locked-in' emissions arising from long-term financing decisions are taken into account within the lending and investment processes by systematically incorporating climate risks into the assessment. Due to the focus on sustainable economic activities and the virtual absence of greenhouse gas-intensive assets, risks arising from emission-intensive lock-in effects are limited, but are monitored on an ongoing basis.

Progress in implementing the transition plan is regularly reviewed and managed. Key factors in this regard are the achievement of the climate targets set, the implementation of the defined measures, and the trend in relevant greenhouse gas emissions. The validation of the near-term targets by the SBTi represents a key milestone. In the coming years, the transition plan will be further developed, including through the derivation of medium- and long-term climate targets and the further integration of climate-related indicators into the bank's management and decision-making processes. In this way, UmweltBank ensures that its business model remains compatible with the 1.5°C target and the European climate targets in the long term.

E1-2 – Identification of climate-related risks and scenario analysis

UmweltBank does not regard ESG (Environmental, Social, Governance) risks as an isolated risk category, but rather as cross-cutting risk drivers that have a significant impact on traditional risk types – in particular credit, market, business and operational risks. This definition follows the guidelines of the Federal Financial Supervisory Authority (BaFin) and the 8th amendment to the MaRisk, and covers events whose occurrence could have a negative impact on the bank's net assets, financial position, profitability and reputation.

A central element of the risk strategy is the integration of sustainability aspects into the bank's overall management and risk culture. This is ensured by the following strategic pillars:

Identification and inventory:

The Bank conducts a specific annual ESG risk inventory to analyse the materiality of ESG factors and their interrelationships with the risk categories.

The assessment of ESG risks is differentiated according to time horizons, which are defined internally as: short-term (1 year), medium-term (up to 5 years) and long-term (over 5 years). This ensures that both immediate financial risks and gradual changes resulting from climate change are taken into account in the strategy.

Management through exclusion criteria and scoring:

To effectively mitigate ESG risks, UmweltBank applies consistent positive and exclusion criteria (P&As) in its lending business. In addition, the VR-ESG Risk Score has been established. The risk strategy stipulates that, as a general rule, no new financing with a score of 'E' (high risk) is to be entered into, and a minimum score of 'D' applies.

Quantitative assessment:

The bank integrates ESG risks into its stress testing programme. Both physical and transitional risks are simulated using science-based scenarios (NGFS) to quantify the impact on risk-bearing capacity (RBC).

Reporting:

Monitoring is carried out via a two-part reporting system (loan portfolio report and risk report), which reports both individual loan-related ESG risks and aggregated impacts on the overall risk profile to the Executive Board.

Methodology for identifying and assessing climate risks

UmweltBank identifies and assesses climate-related risks as part of a systematic process embedded within the annual risk inventory. In doing so, the bank distinguishes between risks in the dimensions of climate/environment (E) (physical and transitional risks), social (S) and governance (G), and assesses their financial materiality over short-, medium- and long-term time horizons. The methodology captures both exposure to physical risks and climate-related transition risks, as well as the sensitivity (vulnerability) of the affected assets and business activities.

Assessment tools and data sources:

For granular assessment at client and property level, the bank uses the VR-ESG Risk Score (VR-ESG-RS) from parcIT. This classifies risks across the dimensions of climate/environment (E), social (S) and governance (G) based on sector and location data. For the 'E' dimension, specific environmental factors such as emissions, drought, heat, wind and heavy rainfall are analysed. As the bank focuses on Germany, location data (postcodes) is used to determine exposure to physical hazards.

Scenario analysis in accordance with the NGFS:

To assess resilience to climate risks, UmweltBank uses scenario analyses based on the standards of the 'Network for Greening the Financial System' (NGFS):

Physical risks: Assessment under the 'Current Policies' scenario (3 °C warming). This involves combining historical weather data (e.g. from the DWD) with forecast data to quantify hazards such as river flooding and heavy rainfall.

Transitional risks: Assessment under the 'Delayed Transition' scenario. In particular, this simulates the rise in CO_2prices and their impact on CO_2-intensive sectors and assets.

The analyses are carried out once a year as at 31 December.

Key findings:

The analyses show that the most relevant interrelationships exist in credit risk (retail banking), equity risk and property risk. In the area of physical risks, drought (high impact on customers) as well as wind and heat (low to medium impact) were identified as relevant factors.

Taking into account the specific methodological features (maximum principle) and sectoral expertise, there are currently no material ESG risk concentrations that pose a threat to the bank's risk-bearing capacity. The loan portfolio is proving to be particularly robust in the face of the transitional risks associated with decarbonisation.

In the area of own investments and property holdings, the bank focuses on energy-efficient new-build properties (predominantly energy efficiency classes A and A+). In the 'Delayed Transition' (transitional) stress scenario, these properties retain their value, as their high energy efficiency means they are not subject to value write-downs due to refurbishment, but instead offer relative competitive advantages compared with the market as a whole.

Investments in the renewable energy sector also demonstrate a high degree of resilience. As rising CO_2prices increase the competitiveness of renewable energies vis-à-vis fossil fuels, transitional stress scenarios do not result in any impairment of value here. Methodologically, this results in calculated opportunities (negative discounts) in the models; however, in the interests of a conservative risk assessment, these are assigned a risk value of zero in the risk-bearing capacity.

E1-3 – Resilience in the context of climate change

The analysis of climate resilience shows that UmweltBank's business model exhibits a high degree of resilience due to its historical focus on green finance. The quantitative stress tests carried out (present-value risk-bearing capacity), taking climate risks into account, revealed no shift in the risk classes into a critical utilisation category.

Risk management and adaptation measures:

To ensure long-term resilience and adaptation to climate change, UmweltBank employs the following measures and resources:

1. Strict lending policies:

The bank actively manages risks by excluding business models that are not compatible with its sustainability objectives (positive and exclusion criteria). Borrowers with a VR-ESG Risk Score of 'E' (very high risk) are generally rejected.

2. Monitoring of concentrations:

The risk control function continuously monitors sustainability-related sectoral and geographical risk concentrations (e.g. cluster risks in sectors with high physical risks).

3. Strategic development:

As part of the annual strategy process, existing strategic objectives are reviewed and adjusted where necessary.

UmweltBank has a company-wide climate strategy which, as an integral part of the overall strategy, is aligned with the 1.5-degree target of the Paris Agreement. The measures defined therein (see E1–5) help to strengthen the resilience of the business model to climate-related risks in the short, medium and long term. The measures are reviewed regularly and further developed as necessary.

4. Resources and Governance:

Responsibility for ESG risk analysis lies with Risk Control. Specific processes for ESG risk identification have been established and integrated into the existing risk reporting framework to keep the Executive Board regularly informed. Furthermore, the bank is continuously investing in the further development of its data infrastructure and in deepening its methodological expertise in order to meet the increasing requirements for transparency, governance and sustainable corporate management.

Management of impacts, risks and opportunities

E1-4 – Policies relating to climate protection and adaptation to climate change

The following section outlines the policies, strategies and approaches of UmweltBank AG through which the bank contributes to mitigating climate change and adapting to climate-related changes. The frameworks described form the basis for managing climate-related impacts, risks and opportunities and are integrated into UmweltBank's strategic direction and operational decision-making processes.

Sustainability Strategy

The sustainability strategy provides the overarching framework for UmweltBank's corporate guidelines and aims to systematically combine long-term environmental sustainability, social resilience and economic soundness. It addresses key impacts, risks and opportunities arising in particular from the Bank's financing and investment activities, as well as from its own business operations. The central objective of the guidelines is to make a positive contribution to climate, environmental and social goals through the targeted channelling of capital, whilst at the same time avoiding or minimising negative environmental and social impacts. The sustainability strategy applies to all of UmweltBank's own business activities. Social concerns and the interests of affected stakeholders are taken into account in the development and refinement of the sustainability strategy. Changes to the sustainability strategy are made as required and are taken into account as part of strategic management.

Sustainability Management

This policy forms the basis for UmweltBank's sustainability management system. It describes the organisational structures, responsibilities, processes and areas of responsibility that ensure the implementation of the sustainability strategy. The aim of the policy is to ensure that sustainability is embedded in the Bank's operations in a transparent, traceable and effective manner. The sustainability strategy defines UmweltBank's long-term direction and overarching objectives up to 2030. It sets out the vision, guiding principles and strategic areas of action. The policy serves to implement these strategic guidelines in practice. It translates the overarching objectives into operational tasks, responsibilities and process structures. In doing so, it creates the framework for the consistent management, documentation and further development of sustainability management.

At UmweltBank, sustainability issues relating to its own operations are managed through the environmental management system in accordance with the EMAS Regulation (EC No. 1221/2009). Another aspect of sustainability within its own business operations is responsible procurement. Clear sustainability criteria are established for this purpose to reduce environmental impacts.
The policy states that sustainability in the core business is systematically embedded, managed and made measurable through UmweltBank's positive and exclusion criteria, consistent alignment with the Paris Climate Goals, and a transparent environmental rating. UmweltBank's sustainability management is steered effectively and in compliance with regulations through clear reporting and regulatory processes, systematic management of ESG risks, and independent oversight by the Environmental Council as an external body. Furthermore, the policy stipulates that the bank must maintain an open dialogue with external stakeholders and communicate its sustainability-related objectives, measures and impacts in a coordinated manner via various formats and channels, in order to create transparency, strengthen trust and underline its role as a responsible player in the financial sector. The scope of the policy covers the entire UmweltBank.

Sustainability Policy

This policy forms the basis for the systematic and continuous improvement of UmweltBank's environmental management system and reflects its fundamental self-image. It ensures that the Bank's business activities are consistent with the principles of sustainability. The policy is based on UmweltBank's Articles of Association.
It sets out the framework to ensure that UmweltBank's business activities contribute in every respect to the protection of the environment, whilst taking social aspects into account. It stipulates that own funds and deposits are to be invested exclusively in environmentally and / or socially beneficial projects, and that customers are to be offered only environmentally and / or socially oriented third-party products.
Furthermore, the policy stipulates that, within UmweltBank, attention must be paid to gender equality and sustainable procurement, and that ecological transition – particularly within the financial sector – and high-quality education must be promoted. On the basis of the principles laid down by the Executive Board and the Environmental Council, UmweltBank finances and invests exclusively in projects and companies that bring about environmental improvements in line with the UN Sustainable Development Goals (SDGs), and excludes projects that harm people or nature or operate in a non-transparent manner.
Furthermore, UmweltBank takes into account the precautionary approach to environment and development introduced by the United Nations in Principle 15 of the Rio Declaration. The scope of the policy covers the entire UmweltBank.

Positive and exclusion criteria

The description of the policy in accordance with GDR-P is contained in section 'U1-1 – The company's strategies on sustainability criteria' on page 163.

Environmental Rating

The description of the policy in accordance with GDR-P is set out in the section 'U1-1 – The company's strategies on sustainability criteria' on page 164.

E1-5 – Measures and resources relating to climate action and adaptation to climate change

To implement the defined sustainability objectives, UmweltBank has identified and established appropriate measures designed to effectively manage and continuously improve the key issues of climate change and resilience in property and renewable energy projects, CO_2emissions, growing market potential and renewable energy.

Measure: Supporting projects that contribute to the decarbonisation of the German economy

As part of this initiative, UmweltBank is granting new loans to customers who are investing in renewable energy. With these loans, UmweltBank is supporting the construction of new photovoltaic systems, wind turbines and battery energy storage systems in Germany. A loan budget of €250 million has been set aside for this purpose for the year 2026. This will enable the financing of around 300 MW of new generation capacity from photovoltaic and wind power plants, as well as complementary battery energy storage systems. The new generation capacity is expected to generate around 300 GWh of emission-free electricity per year over the next 20 years. Compared with the current German electricity mix, this will result in CO_2e savings of around 100,000 tonnes per year, thereby contributing to the sustainability target.

Measure: New lending for sustainable property projects

This measure covers the entire process of granting new loans for sustainable property and extends throughout the whole of 2026. The expected outcome is a significant increase in lending volume, which will be channelled specifically into sustainable property projects . The measure thus makes a direct contribution to achieving the company's environmental targets by promoting investment in energy-efficient and sustainable property and facilitating its financing.

Measures: DGNB Platinum certification for UmweltBank's new premises

To achieve this objective, compliance with the DGNB Platinum criteria will be ensured throughout the entire construction process by means of ongoing quality assurance measures. This has already been confirmed by the award of the preliminary certificate. The measure involves the continuous monitoring of compliance with the relevant DGNB criteria, the incorporation of expertise in building biology to address technical issues, and structured documentation in accordance with DGNB guidelines. The scope covers all planning and execution processes involved in the new build. Implementation takes place on an ongoing basis until the building is taken into use, starting with regular monitoring of the project status, through the compilation of the necessary evidence, right up to the final review and submission of the documentation to the DGNB. The expected outcome is the successful certification of the new site to DGNB Platinum standard.

Measure: Strengthening the UmweltBank's transformative impact through effective transformation approaches

To achieve this objective, relevant transformation approaches will be identified, assessed and reviewed for feasibility in order to systematically increase the bank's sustainable impact. In particular, this measure involves analysing potential approaches for the lending and investment business, including an assessment of the feasibility of a transformation ETF designed to specifically strengthen the transformative impact in the investment sector. The scope covers the relevant processes and control mechanisms at UmweltBank. Implementation will take place in stages up to 2027, beginning with feasibility and impact analyses, followed by a decision on implementation and its integration into existing processes. The expected outcome is the completion of the review and – where appropriate – the implementation of at least one effective transformation approach within the relevant business processes.

Measures: Development, implementation and monitoring of the climate strategy

To achieve this objective, Paris Agreement-compliant, model-based climate targets will be developed, implemented and systematically monitored. The measure involves the provision and validation of relevant emissions data, collaboration with external experts to derive a temperature indicator, the further development of the climate strategy, and its integration into relevant management processes. The scope covers all climate-relevant activities and organisational units of UmweltBank. Implementation will take place in stages over several years: the initial focus will be on modelling and defining targets, followed by operational embedding, data analysis and the further development of monitoring. Expected outcomes include the publication of Paris Agreement-compliant short-, medium- and long-term climate targets, an established monitoring system, and annual reporting on progress in the sustainability report.

Measure: Integration of energy efficiency assessment into all new property financing deals

To achieve this objective, a standardised process is being developed to ensure the mandatory collection and verification of energy efficiency data for all new property financing arrangements. This measure makes a direct contribution to achieving UmweltBank's environmental objectives by enabling data-driven management towards more energy-efficient property portfolios.

Metrics and targets

E1-6 – Targets relating to climate protection

UmweltBank has defined sustainability targets for the coming reporting year 2026 in order to specifically address the material issues identified in the double materiality analysis: climate change and resilience in property and renewable energy projects, CO_2 emissions, growing market potential and renewable energy.

Target: Promoting projects that contribute to the decarbonisation of the German economy

The aim is to support projects that contribute to the decarbonisation of the German economy. The Federal Climate Protection Act sets out the binding national greenhouse gas targets, including climate neutrality by 2045. Within the EU, the EU Climate Law, the Green Deal and the comprehensive Fit for 55 package provide the framework. Taken together, all these strategies include legally binding emissions targets and the transformation of the energy sector, coupled with the expansion of renewable energy.

Objective: New lending for sustainable property projects

UmweltBank aims to expand its new lending to customers who invest in sustainable property. This will make a direct contribution to promoting energy-efficient, resource-conserving and future-proof construction and refurbishment projects. The target is defined in absolute terms: gross new lending of at least €200 million in 2026. The target covers all activities in the field of sustainable property finance in Germany. The target year is 2026. The target is based on internal market analyses and strategic assumptions regarding demand trends in the sustainable property sector. It is not a statutory requirement, but is in line with national and European targets for promoting sustainable investment.

Target: DGNB Platinum certification for UmweltBank's new premises

The objective is to achieve DGNB Platinum certification for UmweltBank's new premises. The aim is to ensure high environmental, economic and social quality standards. The degree to which the target is achieved is measured qualitatively and quantitatively by the extent to which the DGNB criteria are met. The scope covers the planning, construction and commissioning of UmweltBank's new premises. The current status of the project and construction work, or the planning stage of the new building, serves as the basis for a corresponding forecast of target achievement; the submission of documents to the DGNB is scheduled for 2026. The definition of the target is based on the guidelines of the DGNB certification system and the requirements set out therein.

Objective: To strengthen UmweltBank's transformative impact through effective transformation approaches

The objective is to strengthen UmweltBank's transformative impact through the systematic development, evaluation and implementation of effective transformation approaches in its lending and investment business. This objective addresses the sustainable further development of business activities and aims to demonstrably increase the Bank's contribution to the transition towards a more sustainable economy. The degree to which the objective is achieved is measured qualitatively by ensuring that at least one effective transformation approach is assessed and its implementation in relevant processes is completed. The scope covers UmweltBank's relevant business activities, in particular its lending and investment operations. The objective is scheduled to be achieved by 2027.

Objective: Development, implementation and monitoring of the climate strategy

The objective is the further development, implementation and monitoring of the company-wide climate strategy based on Paris Agreement-compliant climate targets. This objective addresses the sustainability aspect of climate change and aims to derive short-, medium- and long-term climate targets using a model-based approach, to publish them and to integrate them into the relevant management processes. The degree to which the objective is achieved is measured qualitatively by ensuring that the climate targets are derived on a science-based basis, aligned with the Paris Agreement and applied company-wide. The scope covers all climate-relevant activities and organisational units of the company.

Objective: Integration of energy efficiency assessments into all new property financing arrangements

UmweltBank aims to systematically record, document and assess the energy efficiency of buildings in all new property financing arrangements. This objective addresses the environmental aspect of energy efficiency in the building sector and supports the long-term reduction of energy consumption and greenhouse gas emissions.
The path to achieving this objective is structured around quarterly milestones: in the first quarter, possible approaches will be evaluated; in the second quarter, the criteria will be defined; in the third quarter, a draft for integration into the loan application process will be drawn up; and in the fourth quarter, the criteria will be finalised and published in Signavio.

UmweltBank's science-based climate targets

As part of its climate strategy, UmweltBank has set itself science-based emission reduction targets that are consistent with a 1.5°C pathway. The focus is on short-term emission reduction targets up to 2030, validated by the Science Based Targets initiative (SBTi), which cover both emissions from its own business operations and material emissions from its financing and investment portfolio. Specifically, UmweltBank is committed to reducing its Scope 2 emissions by 42 per cent by 2030 compared with the base year 2024, to continue sourcing electricity exclusively from renewable energy sources, and to ensure it generates no Scope 1 emissions.
For its financing portfolio, UmweltBank is pursuing so-called 'maintenance targets'. This category of targets is applied by the SBTi for financial institutions whose portfolios are already compatible with a 1.5°C pathway. The aim is not to achieve a climate-compatible level for the first time, but to maintain it. Accordingly, UmweltBank undertakes to continue financing only projects for the generation of renewable energy and to maintain the emissions intensity of its residential and commercial property portfolios at a level consistent with the 1.5°C pathway.
Overall, the climate targets aim to ensure the long-term Paris Agreement compliance of the business model.

E1-7 – Energy consumption and energy mix

The following table shows UmweltBank's energy consumption in the reporting year, as well as the breakdown by energy source.

Energy efficiency

	Unit	2024	2025	Change in %
Total electricity consumption	kWh	144,554.0	139,793.4	-3
Share of renewable energy	%	100.0	100.0	0
Electricity consumption per employee	kWh	430.1	389.6	-9
Total heat consumption	kWh	467,916.4	460,693.4	-2
Proportion of district heating	%	100.0	100.0	0
Share of renewable energy	%	20.0	20.0	0
Heat consumption adjusted for degree-day figures	kWh	598,933.1	479,121.1	-20
Total energy consumption	kWh	612,470.4	600,486.8	-2
Total energy consumption per employee	kWh	1,822.3	1,673.6	-8
Total energy consumption from renewable sources	kWh	238,137.3	231,932.1	-3
Share of renewable energy	%	38.9	38.6	-1
Total energy consumption from fossil fuels	kWh	374,333.2	368,554.7	-2
Proportion of fossil fuels	%	61.1	61.4	0
Total energy consumption from nuclear sources	kWh	0.0	0.0	0
Share of nuclear energy	%	0.0	0.0	0

The figure 'per employee' is calculated using the full-time equivalents of the workforce (358.8 in 2025).

UmweltBank's energy requirements were met by electricity and district heating during the reporting year. When procuring energy, the bank attaches great importance to keeping environmental impacts as low as possible. UmweltBank therefore sources 100 per cent of its electricity from renewable energy sources. The district heating consumed in all office buildings is sourced from the regional energy supplier. Although district heating is not generated using renewable energy sources, it is considered a very environmentally friendly form of energy. The proportion of fossil fuels in the district heating mix is determined by the respective regional supplier and is therefore beyond the direct control of UmweltBank.

In 2025, electricity consumption fell by 3 per cent and heat consumption by 2 per cent compared with the previous year. This is attributable to various energy-saving measures in the office buildings, which made it possible to reduce energy requirements despite the increase in staff numbers. Overall, UmweltBank's total energy consumption fell by 2 per cent. Energy consumption per employee was even reduced by 8 per cent compared with the previous year.

E1-8 – Gross GHG emissions from Scope 1, 2 and 3

Since the start of its operations, UmweltBank has measured its environmental impact using a CO_2e footprint. Various globally recognised methods and standards are used for the accounting and reporting of greenhouse gas emissions, with a view to continuously improving the calculation methodology and data quality.

Greenhouse Gas Protocol
When determining greenhouse gas emissions (GHG emissions), the bank adheres to the internationally recognised 'Greenhouse Gas Protocol' standard. According to this, emissions are divided into three so-called 'scopes':

Scope 1
All direct GHG emissions from sources owned or controlled by the company, for example emissions from the operation of its own heating systems or company-owned vehicles.

Scope 2
All indirect GHG emissions resulting from the generation of purchased energy – in particular electricity, heat, cooling or steam – which is procured and used by the company.

Scope 3
Other indirect GHG emissions along the upstream and downstream value chain that do not fall under Scope 2. These include, amongst other things, emissions from business travel, employees' commutes and financed emissions.

The Greenhouse Gas Protocol covers emissions of the greenhouse gases carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). For the sake of simplicity, the individual pollutant emissions are then converted into so-called 'CO_2 equivalents' and measured in tonnes (t). For the sake of readability, these CO_2 equivalents are referred to as CO_2e in the running text, whilst the notation CO_2e is used in the tables.

Explanatory notes on the methodology for calculating Scope 2 emissions
To determine Scope 2 emissions, UmweltBank has, since this reporting year, been applying the market-based and location-based approaches in accordance with the Greenhouse Gas Protocol. The switch to this methodology was made as it complies with the current international standard and enables a transparent and comparable presentation of emissions from purchased energy. Whilst the location-based approach reflects the average emission factors of the respective electricity and heating networks, the market-based approach takes into account the contractually procured energy products and their specific emission factors. This provides a clear picture of both the structural emission intensity of the energy systems and the impact of conscious procurement decisions.

Explanatory notes on the calculation methodology for Scope 3 emissions
Scope 3 covers indirect greenhouse gas emissions arising along the upstream and downstream value chain that do not fall under Scope 1 or Scope 2. These include, in particular, emissions from the construction, maintenance and servicing of electricity-generating facilities, such as wind farms and photovoltaic systems. In addition, Scope 3 takes into account greenhouse gas emissions from property financing.
When determining its Scope 3 emissions, UmweltBank follows the standard set by the Partnership for Carbon Accounting Financials (PCAF), an international initiative aimed at harmonising greenhouse gas accounting in the financial sector. Participating financial institutions undertake to disclose the greenhouse gas emissions associated with their loans and investments in a transparent manner.

Calculation of emissions: project financing

Through its financing activities, UmweltBank contributes to reducing CO_2e emissions: through direct investment in projects and by providing loans for environmental projects. The methodology used to calculate the CO_2e footprint is based on the 'Greenhouse Gas Protocol'.

The calculation is based on the assumption that, whilst electricity from renewable energy sources reduces CO_2e emissions compared with the energy sources they replace (nuclear power, lignite, hard coal, gas or oil), the construction and maintenance of the generators also generate CO_2e emissions. These emissions are also recorded and reported.

To determine the emissions, the volumes of electricity generated are multiplied by the current emission factors published by the Federal Environment Agency. The electricity volumes used in the calculation for wind and hydroelectric power plants are based on the yield assessments available to UmweltBank. In the case of wind turbines, to realistically reflect the average annual operating time, account is taken of the fact that the turbines do not generate electricity continuously; the calculated electricity generation is therefore adjusted by a factor of 0.75. For photovoltaic plants, the annual electricity volume is determined on the basis of a yield table differentiated by postcode. Regional sunshine hours are taken into account and incorporated into the calculation of expected electricity production.

Where plants are not in operation for the entire financial year, the electricity volumes are taken into account on a pro rata basis in accordance with the actual date of commissioning. This ensures that the credited electricity yields and the resulting emissions calculations correspond to the actual operating periods of the plants.

The annual electricity generation determined in this way is then multiplied by the respective financing share. The result represents the financed electricity generation attributable to UmweltBank in kilowatt-hours.

To calculate emissions and gross emission reductions, the financed electricity generation is multiplied by the emission factors published by the Federal Environment Agency. The emission factors used take into account electricity generation, including upstream stages of the value chain. On this basis, the emissions attributable to the reporting year and the resulting emission reductions are determined.

Calculation of emissions from property financing

The calculation of CO_2e emissions from properties financed by UmweltBank is carried out in accordance with the PCAF (Partnership for Carbon Accounting Financials) standard. The so-called equity-share approach is applied for the allocation of emissions, whereby emissions are taken into account exclusively on a pro rata basis in line with UmweltBank's financial contribution to the respective overall project.

The financing share is calculated as the ratio of the outstanding loan amount to the total investment volume of the property in question. This share determines the volume of emissions attributed to UmweltBank. As the loan is progressively repaid, the attributable share of emissions decreases accordingly and ceases once the loan has been fully repaid.

Total emissions are calculated at property level using PCAF emission factors based on the energy efficiency class (Energy Performance Certificate, EPC) of the respective property. Residential space is calculated using emission factors for multi-family residential buildings, whilst commercial space is calculated using emission factors for office buildings. This approach represents a methodological advancement compared with the previous methodology, which was based on national average emission factors, and enables a significantly more property-specific and realistic representation of emissions.

The key input data comprises the respective residential and commercial floor area in square metres, the property's energy efficiency class, the corresponding PCAF emission factors (CO_2e per m^2), as well as the outstanding loan amount and the total investment volume. The total emissions calculated on a property-specific basis are then multiplied by UmweltBank's share of the financing, thereby determining the financed CO_2e emissions attributable to UmweltBank.
The use of EPC-based PCAF emission factors results in lower and, at the same time, more realistic emission figures overall compared with the previous calculation based on national averages. Around 90% of the financed properties have energy efficiency ratings between A+ and B. The decline in reported emissions observed compared with previous years is therefore largely attributable to the improved data set and the refined methodology, rather than to a structural change in the property portfolio.

Calculation of emissions: proprietary investment portfolio **(the Bank's own investments)**
Data from an external data provider is used to calculate the emissions for proprietary investment portfolio.

CO_2 e-balance
The following table shows UmweltBank's greenhouse gas emissions for the reporting year, broken down into the emission categories Scope 1, Scope 2 and Scope 3.

E1-8 Table 1: Emissions under Scope 1, 2 & 3

Categories	Unit	2024	2025	Change in %
Scope 1				
Total Scope 1 emissions	tCO_2e	0.0	0.0	0
Scope 2				
Total Scope 2 emissions (location-based)	tCO_2e	389.2	311.5	-20
Location-based electricity	tCO_2e	220.8	181.1	-18
Location-based district heating	tCO_2e	168.5	130.5	-23
Total Scope 2 emissions (market-based)	tCO_2e	168.5	130.5	-23
Market-based electricity	tCO_2e	0.0	0.0	0
Market-based district heating	tCO_2e	168.5	130.5	-23
Scope 3				
Scope 3.1: Purchased goods and services	tCO_2e	14.0	15.6	11
Scope 3.4: Upstream transport and distribution	tCO_2e	3.3	7.3	120
Scope 3.5: Waste (on-site)	tCO_2e	0.1	0.2	3
Scope 3.6: Business travel	tCO_2e	0.9	1.9	101
Scope 3.7: Employee commuting	tCO_2e	122.8	138.1	12
Total Scope 3.1–14 emissions	tCO_2e	141.2	163.0	15
Scope 3.15: Investments				
Emissions from project financing	tCO_2e	82,951.4	82,631.3	0
Emissions from construction financing	tCO_2e	5,704.1	4,916.2	-14
Emissions from proprietary investment portfolio	tCO_2e	5,144.0	5,871.7	14
Total Scope 3.15 emissions	tCO_2e	93,799.5	93,419.3	0
Total Scope 3 emissions	tCO_2e	93,940.8	93,582.3	0
Emissions per employee	tCO_2e	280.1	261.2	-7

Scope 1

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

Scope 2

UmweltBank sources its electricity exclusively from 100% renewable energy sources. Valid guarantees of origin are available for the reporting period, meaning that Scope 2 emissions from electricity are reported as zero under the market-based approach. Under the location-based approach, however, the average emission factors published by the Federal Environment Agency are used, which means that emissions can still be reported. Scope 2 also takes into account emissions from the use of district heating.

Since the reporting year, UmweltBank's shareholdings have also been included in the accounting for Scope 1 and Scope 2 emissions. No Scope 1 emissions arise from these shareholdings. The Scope 2 emissions result exclusively from the procurement of district heating. The calculation is based on PCAF emission factors, which are derived from the respective energy efficiency classes and applied in the same way as for the property portfolio. The resulting emissions were allocated proportionally to district heating, assuming an energy mix of 50% district heating and 50% electricity. This results in total Scope 2 emissions of 130.5 tCO_2e (market-based). The year-on-year decrease is primarily attributable to the divestment of shareholdings, which has led to a corresponding reduction in the underlying emissions.

Scope 3

Business operations

Indirect CO_2e emissions in Scope 3 categories 1–14 increased overall in the reporting year. This is primarily due to methodological expansions and increased business activity.

In the area of purchased goods and services (Scope 3.1), an increase in emissions was recorded, as hardware was comprehensively included in the accounting for the first time.

The categories 'Upstream transport and distribution' (Scope 3.4) and 'On-site waste' (Scope 3.5) are reported for the first time in the reporting year. Shipping services generated emissions of 7.33 t CO_2e in the reporting year. These were fully offset via GoGreen through registered climate protection projects.

Emissions from business travel (Scope 3.6) have risen compared with the previous year. The increase is primarily attributable to the fact that, as part of the planned divestment of shareholdings, meetings were held more frequently at the respective locations. Furthermore, travel activity increased due to higher overall business activity, for example through a greater presence at specialist events and trade fairs.

An increase in emissions has also been recorded in the area of commuter travel (Scope 3.7). Reasons for this include, amongst others, a greater presence of staff in the office and an increasing number of staff with longer commutes. Data collection has also been further refined and made more granular, resulting in discrepancies compared with the previous year. The data for 2024 has been retrospectively adjusted as part of this process to ensure the best possible comparability.

Project financing

In 2025, both avoided and generated emissions fell slightly, due to a lower number of financing deals and investments in the renewable energy sector.

Property portfolio

The calculation methodology for determining the emissions of the property portfolio was further developed during the reporting year, and the figures for 2024 were adjusted retrospectively accordingly to ensure robust comparability. Based on the revised methodology, it was demonstrated that the emissions intensity of the property portfolio is already below the CRREM sector pathway defined for 2030. This demonstrates that the portfolio is consistent with a 1.5-degree-compliant development pathway. The results underline the high quality and climate

impact of the property portfolio, as well as UmweltBank's consistent focus on long-term Paris Agreement-compliant development.
Furthermore, emissions have fallen further when comparing 2024 with 2025. This is attributable in particular to a reduction in new business and to repayments on existing loans. As older existing loans in particular often have poorer energy efficiency ratings, and as the emissions calculation is based on energy efficiency factors, the reduction in these loans leads to a disproportionately large decrease in emissions within the portfolio.

proprietary investment portfolio
To determine the emissions figures for proprietary investment portfolio, UmweltBank works in collaboration with a renowned data provider. The calculations are based on the methodology of the Partnership for Carbon Accounting Financials (PCAF).
An increase in emissions was recorded for proprietary investment portfolio during the reporting year. This is primarily attributable to a rise in investment volume: as the proprietary investment portfolio expands, the underlying emissions base also increases.
In addition, the calculation methodology was adjusted in specific instances. In one case, the issuer's emissions had previously been taken into account instead of the specific emissions of a green bond. This has been corrected and retroactively adjusted for the year 2024 as well, to ensure consistent comparability of the figures.

Avoided emissions
The CO_2e balance sheet shows UmweltBank's environmental impact. According to the 'Greenhouse Gas Protocol' standard, there is no provision for combining the three 'scopes'. Nevertheless, in the interests of transparency and to facilitate better comparability with previous years, UmweltBank prepares such a balance sheet.

Avoided emissions

Emissions in tCO_2e		**Avoided emissions in tCO_2e**	
Scope 1	0.0	from investments	19,394.7
Scope 2	130.5	from project financing	1,420,424.5
Scope 3	93,582.3		
Total emissions	93,712.8	Total gross avoided emissions	1,439,819.2
Net avoided emissions achieved	1,346,106.5		

First, the emissions from the three scopes are combined and deducted from the calculated gross avoidance. The resulting difference of 1,346,106.5 **tCO_2e** represents the total net emissions avoided by UmweltBank in 2025.

Comparison of emissions avoided with the previous year

	Unit	2024	2025	Change in %
Total emissions	tCO_2e	94,109.2	93,712.8	-0.4
Total gross avoidance	tCO_2e	1,506,057.9	1,439,819.2	-4.4
Net emissions avoided	**tCO_2e**	1,411,948.7	1,346,106.5	-4.7
Net emissions avoided per employee	tCO_2e	4,202.2	3,751.7	-10.7

The figure 'per employee' is calculated using the full-time equivalent of the workforce (358.8 in 2025).

Coverage and data quality

Coverage of asset classes

Financing in the renewable energy sector is classified under the 'project finance' asset class in accordance with the PCAF standard. This asset class accounts for around 96 per cent of the relevant projects or data records included in the CO_2e balance sheet.

Emissions from the property finance asset class have been calculated since 2020. Thanks to the further development of the calculation methodology based on property-specific energy performance certificates (EPCs) and improved data availability, over 99 per cent of financed properties or data records are now included in the CO_2e assessment. Reporting is being gradually expanded with the aim of achieving full coverage of all emissions relevant to financing in the long term.

Data quality

The quality of the underlying data is a key criterion for UmweltBank's CO_2e accounting. The entire CO_2e footprint is verified by an external environmental verifier. Scope 1 and 2 emissions are calculated on the basis of primary data (e.g. consumption data from the green electricity supplier) and are therefore of high data quality. The emissions from equity investments (Scope 1 and 2) are determined using the same methodology as the emissions from the property portfolio.

The PCAF assessment system is used to evaluate the data quality of the financed emissions. This system assigns scores ranging from 1 (very high data quality with low error tolerance) to 5 (low data quality with higher error tolerance). The project finance asset class is rated 3 under PCAF, as the calculation is based on projected performance data for the facilities.

For the property finance asset class, data quality has improved significantly to a data quality score of 2–3 following the switch to EPC-based PCAF emission factors and the availability of property-specific floor area and efficiency data.

These methodological and data-related improvements contribute significantly to a more realistic representation of the financed emissions. Any remaining uncertainties arising from the use of secondary data are transparently accounted for. The accuracy of the reported figures depends on the underlying data quality, as reflected in the PCAF data quality scores. The ongoing improvement in data quality is regarded as a key lever for further developing UmweltBank's carbon footprint.

Social information

ESRS S1 – Own workforce

Management of impacts, risks and opportunities

UmweltBank relies on committed, qualified and responsible staff. This is because they are co-entrepreneurs and play a key role in shaping the bank's success. Working at UmweltBank means choosing a meaningful role that combines professional banking with a commitment to the environment.

UmweltBank is a dynamic organisation with flat hierarchies and clear yet flexible structures. The corporate culture is characterised by trust and respectful interaction. Staff are supported but also challenged. Within this framework, UmweltBank offers plenty of scope for initiative and the opportunity to take on responsibility.

UmweltBank lives by the principle of 'quality over quantity'. There are no individual targets for achieving specific turnover or sales figures. This ensures fair customer service and motivates staff to make decisions based on values rather than profit.

As dedicated specialists in the field of green investment and the professional financing of environmental projects, the staff are UmweltBank's most important asset. One aim of our HR policy is therefore to consistently create and further develop the best possible working conditions. In addition to supporting a healthy work-life balance, targeted professional and personal development ensures a high level of competence and motivation.

S1-1 – **Policies relating to the Bank's own workforce**

UmweltBank has binding guidelines and management systems in place for staff development, remuneration and the protection of the health and safety of its own workforce. These are supplemented by works agreements and additional management tools. Together, these structures serve to systematically manage impacts, risks and opportunities relating to staff and to implement workforce-related sustainability aspects such as fair working conditions, equal treatment and equal opportunities. Unless otherwise stated, the concepts and guidelines set out below apply to all UmweltBank staff (excluding student staff and trainees, with the exception of health and safety at work and remote working).

Staff Development

The staff development policy aims to provide targeted training for all staff, strengthen individual development prospects and foster long-term loyalty to UmweltBank. By aligning job profiles, competency models and development measures – supported by managers as key drivers of staff development – transparent requirements and individual development pathways are established. In this way, risks such as inadequate qualifications or a lack of motivation are reduced, whilst opportunities for high performance, commitment and stable business success are created. Flexible working time arrangements and the option of remote working complement these measures and support a healthy work-life balance.

Health and Safety at Work

UmweltBank has an occupational health and safety management system in place designed to systematically identify, assess and prevent workplace risks. Preventive and protective measures are continuously implemented, whilst regular training and inspections ensure the long-term health and safety of staff.

Remuneration Structure

The policy on remuneration principles covers the entire in-house workforce, with the exception of members of the Executive Board, and implements the requirements of the German Banking Act (KWG), the Institutional Remuneration Regulation (InstitutsVergV) and the MaComp. Annual disclosure in the publicly available disclosure report ensures transparency. In addition, there are works agreements on the 13th month's salary for all employees and on the remuneration structure, which ensure a modern, role- and market-value-oriented remuneration system based on clearly defined assessment levels. These measures promote transparency, remuneration equity and internal fairness.

To further support fair working conditions and a healthy work-life balance, UmweltBank offers employee benefits, including subsidies for childcare, meals, health services, a company pension scheme and preferential terms on its own financial products.

The combination of clearly defined remuneration structures, individual development measures, flexible working models and targeted benefits creates an integrated management system that reduces risks such as unequal treatment, internal conflicts or a loss of motivation, whilst at the same time creating opportunities for commitment, staff retention and a willingness to perform. The system supports a forward-looking human resources policy, enhances UmweltBank's appeal as an employer and contributes to the long-term stability and satisfaction of its workforce.

Human rights

UmweltBank AG's guidelines regarding its own workforce do not specifically address the issues of human trafficking, forced or compulsory labour, or child labour. However, due to the comprehensive legal regulations in place in Germany, these aspects are regarded as an integral part of the fundamental legal and ethical requirements. Accordingly, UmweltBank AG undertakes, as part of its Code of Conduct, to respect internationally recognised human and personal rights and, furthermore, ensures through its investment criteria that it does not participate, either directly or indirectly, in human rights violations.

S1-2 **– Involvement of the Bank's own workforce and employee representatives;** existence of channels for the workforce to raise concerns or needs; and measures to address these

UmweltBank has structured and accessible communication and reporting channels through which staff can raise their concerns, needs or observations. These include regular collaboration with the works council and the representatives for employees with severe disabilities, who are involved at an early stage in relevant decision-making processes and represent the interests of the entire workforce. In addition, internal forums such as staff plenary sessions, staff meetings and the company-wide intranet ensure a continuous exchange of information. The informal, first-name culture fosters open and accessible communication.

UmweltBank conducts regular staff surveys, which are systematically analysed and used to continuously improve working conditions and decision-making processes. A key component of the internal reporting structures is the existing complaints mechanism in accordance with the Whistleblower Protection Act. The internal reporting office enables confidential and, if desired, anonymous reports of possible breaches of legal requirements, internal company regulations or other irregularities.

Where reports are received regarding potential negative impacts on the workforce, UmweltBank systematically assesses whether a significant negative impact exists or could arise. In such cases, appropriate remedial measures are initiated , such as process adjustments, conflict resolution measures or individual support services. The effectiveness of the communication and complaints channels, as well as the measures taken, is evaluated and, where necessary, further developed in consultation with the employee representative bodies.

As part of its sustainability strategy, UmweltBank is committed to promoting equal treatment and equal opportunities. The proportion of women in management roles is intended to remain stable at an annual average of between 40–60 per cent. Through a gender-neutral HR policy, flexible working time models and the needs-based use of remote working, these proportions are to be sustainably secured and further strengthened. The sustainability strategy forms an integral part of the management's objectives and is accordingly embedded in the corporate governance framework. Furthermore, UmweltBank's Code of Conduct explicitly refers to the principle of equal opportunities, thereby underlining the binding expectation that all managers and staff actively uphold this principle.

S1-3 **– Measures and resources relating to the Bank's own workforce**

To implement the defined sustainability objectives, UmweltBank has identified and established appropriate measures designed to effectively manage and continuously improve the key issues of fair working conditions, equal treatment and equal opportunities.

Measure: On an annual average, the proportion of women in management roles is between 40–60%

To achieve this target, UmweltBank pursues a gender-neutral human resources policy that applies organisation-wide and across all management levels. The measure is aimed at all staff, particularly women within the organisation, and is implemented through milestones defined within an EMAS-compliant management framework. The definition and implementation of these targets are based in particular on the legal requirements of the FüPoG and relevant EU gender equality strategies. A more balanced gender distribution strengthens equal opportunities in the long term, enhances the organisation's attractiveness as an employer and supports sustainable corporate development.

Measure: Engagement rate should be greater than or equal to 80%

To achieve this target, UmweltBank is implementing organisation-wide measures to stabilise and increase staff satisfaction, which promote a values-based, staff-oriented and sustainable corporate culture. The measures are aimed at all staff and are steered via quarterly milestones defined annually. For the year 2026, these include, amongst other things, the implementation of a leadership programme for new managers, the establishment of a talent development programme, preparatory steps for conducting a bank-wide staff survey, and the derivation of an updated SINNdex based on the survey results. These measures help to strengthen fair working conditions, reduce absenteeism and staff turnover, and promote long-term employee retention.

<u>Established measures implemented by UmweltBank relating to its own workforce:</u>

In addition to the measures currently defined in the EMAS process, UmweltBank has been implementing a wide range of further measures relating to its own workforce for many years. These measures are firmly embedded in human resources and work management, regardless of the reporting year in question, and are continued on an ongoing basis. They form the basis for fair working conditions, health, equal opportunities and work-life balance, and systematically complement the measures currently in place.

Transparent remuneration structure

UmweltBank's remuneration system is designed with sustainability in mind, in line with the company's strategy. In 2023, a new remuneration structure was introduced, ensuring a modern, uniform and transparent remuneration system for all employees. Remuneration is structured on the basis of role- and market-value-based pay bands, as well as a uniform set of rules governing the application of the system.
Furthermore, all permanent employees of UmweltBank receive a special payment ('thirteenth month's salary') in addition to their twelve monthly salaries. The Supervisory Board decides on special payments for the Executive Board. Information on the remuneration of the Executive Board can be found in ESRS 2 GOV-2.

Additional employee benefits

In addition to their salary, UmweltBank offers its employees a range of attractive additional benefits. The company covers the cost of the Deutschlandticket for all permanent staff. This enables employees not only to use public transport for their daily commute but also to use the ticket free of charge for leisure activities or travel.

To support families, the bank provides financial assistance to staff with children.

Business travel is predominantly undertaken by train. UmweltBank provides all employees who undertake regular business travel with a 2nd-class BahnCard Business 25, which allows them to travel using 100 per cent green electricity as standard. They may also use these benefits for private travel.

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

UmweltBank actively promotes the option of a company pension scheme and subsidises the contributions.

As a public limited company, UmweltBank has the option of making its employees co-owners through employee share schemes – thereby promoting motivation and loyalty. In the past, the bank has offered its staff the opportunity on several occasions to purchase employee shares on attractive terms. This offer was also taken up enthusiastically in 2025.

Career development

UmweltBank employees have access to a wide range of internal and external training programmes.
The content of these training programmes covers banking-specific, environment-focused and personal development topics.

Supporting Young Talent

Supporting young talent is an integral part of UmweltBank's sustainable HR strategy. The aim is to support young people on their educational and career paths, provide early insights into professional practice and contribute to securing a long-term supply of qualified specialists.

A key element of this support for young talent is the partnership with the Georg Simon Ohm University of Applied Sciences in Nuremberg. This collaboration serves to strengthen the exchange between academia and professional practice, as well as to facilitate early networking between students and potential employers. As part of this ' ' partnership, UmweltBank is involved, amongst other things, in sponsoring a lecture theatre, thereby supporting the university's academic infrastructure.

Furthermore, UmweltBank has been participating in the Germany Scholarship scheme at Nuremberg University of Applied Sciences for several years. Through this financial support, the bank assists high-achieving and socially engaged students. The scholarship helps to give students greater freedom for their academic and personal development, whilst at the same time promoting exchange between the university, business and society.

In addition, UmweltBank is committed to providing fair and transparent conditions for young talent. This applies in particular to interns, working students and those starting their careers. Compliance with the relevant standards is confirmed by the Fair Company seal.

Through these measures, UmweltBank contributes to the promotion of education, the development of qualified young professionals and the long-term strengthening of the region as a centre for business and education.

Diversity and Equal Treatment

Cultural diversity is a source of enrichment for UmweltBank and a key factor in its long-term success. The working environment is characterised by mutual respect and tolerance. All staff members are treated with respect, regardless of gender, nationality, ethnic origin, religion or belief, disability, age, sexual orientation or gender identity. By signing the Diversity Charter, UmweltBank underlines its commitment.

UmweltBank attaches great importance to equal pay and fair remuneration for all employees, regardless of gender. Against this background, it regularly analyses and monitors the gender pay gap. Further details on this are set out in the key figures under ESRS S1-15.

Work-life balance

UmweltBank actively supports its employees in balancing work and family life. As part of its child-friendly HR policy, the bank generally offers the option of part-time work. Many employees take advantage of this opportunity to care for their families whilst balancing their professional commitments and take a break from work. The majority of mothers and fathers return to the company following parental leave. UmweltBank facilitates this return through individual part-time arrangements and a financial contribution towards childcare costs. In addition, the work-life balance is supported by flexible arrangements for remote working.

Occupational Health Management

UmweltBank's strategically focused occupational health management aims to ensure that work and organisational structures are designed with health in mind and forms an integral part of the corporate culture. Measures covering various health-related areas are implemented, and employees are supported through regular information sessions and training.

To prevent one-sided strain, all workstations are equipped with ergonomic office chairs and height-adjustable desks. This also allows employees to work whilst standing. To ensure the equipment is used to its full potential, UmweltBank places great emphasis on regular ergonomics consultations. These are offered not only on-site in the office but also virtually for those working from home.

To promote staff wellbeing, a range of activities were organised throughout the year. As in previous years, back fitness and yoga classes were held on an ongoing basis in 2025 in the immediate vicinity of UmweltBank. In 2025, UmweltBank once again took part in the company run around Nuremberg's Dutzendteich.

Promoting staff mental health is also a key priority, which is why this topic is regularly on the annual agenda. Confidential occupational psychology and occupational health consultations are available as part of our ongoing support programme. In addition, a series of talks on dealing with challenging situations during change processes, which began in 2024, was continued and completed in 2025. To ensure that the bank not only takes a preventative approach but also provides adequate support to employees with existing mental health issues or those in crisis, a total of 15 employees were trained in mental health first aid in 2025.

Health and Safety

In the area of occupational safety and health protection, the focus is on accident prevention, protection against work-related health risks and the safety of employees. Modern occupational health and safety takes into account the complex demands of a dynamic working world and creates a health-promoting environment for all employees. The Occupational Health and Safety Committee, which meets quarterly, defines the annual priority topics in a structured and transparent manner, discusses suggestions and needs within the company, and ensures that measures are implemented competently.

Occupational health and safety support is provided by an external prevention team comprising an occupational safety specialist, a company doctor and an occupational psychologist. Internally, six safety officers were also involved in occupational health and safety in 2025. To ensure the company is well prepared for emergencies, employees also received further training in 2025 as first-aiders and fire safety officers.

As part of the occupational health programme, a total of 44 employees took up the offer of an eye test in 2025. Where computer glasses are required, UmweltBank provides a subsidy of 100 euros; four employees applied for this in 2025.

Metrics and targets

S1-4 – Targets relating to our own workforce

UmweltBank has defined sustainability targets for the coming reporting year 2026 in order to specifically address the material issues of fair working conditions, equal treatment and equal opportunities identified as part of the double materiality analysis.

Target: The proportion of women in management roles is between 40–60% on an annual average

The aim is to maintain the proportion of women in management roles at an annual average within a target range of 40 to 60 per cent on a long-term basis, thereby ensuring a balanced gender distribution. This target falls under the categories of social sustainability and responsible corporate governance and is in line with national and European gender equality requirements as well as the UN Sustainable Development Goals, in particular SDG 5. It is a relative, long-term target with no fixed end date, which is reviewed annually at the level of UmweltBank's own operational processes and relates to business activities limited to Germany. Greater gender diversity in specialist and management roles contributes to equal opportunities, fair working conditions and more inclusive decision-making processes, and can have indirect positive effects on sustainable corporate strategies.

Target: Engagement rate should be greater than or equal to 80%

The aim is to maintain the staff engagement rate (SINNdex) – comprising job satisfaction, motivation, retention and willingness to recommend the organisation – at a level of at least 80% on a long-term basis. This target is defined as a long-term, relative target with no fixed end date and is reviewed annually. It relates to UmweltBank's own operational processes and applies to all organisational units within its business activities, which are limited to Germany. High levels of employee satisfaction make a significant contribution to fair working conditions, health and wellbeing, and equal opportunities, whilst supporting productivity, innovation, employer attractiveness and sustainable corporate development.

S1-5 **– Characteristics of the company's workforce**

UmweltBank's workforce grew overall during the reporting year. The number of both female and male employees increased, with the percentage increase being slightly higher for female employees. The figure relates to the reference date of 31 December 2025.

S1-5 Table 1: Number of employees by gender

Gender	Unit	2024	2025	Change in %
Male	Headcount	167	190	14
Female	Headcount	209	242	16
Miscellaneous/Other	Headcount	0	0	0
Not specified	Number of heads	0	0	0
Total number of employees		376	432	15

UmweltBank's staff are based exclusively in Germany, which is why only this country is shown in the table.

S1-5 Table 2: Number of employees by country

Country	Unit	2024	2025	Change in %
Germany	Number of employees	376	432	15

The number of employees on permanent contracts who left the company during the reporting period rose slightly compared with the previous year. The analysis includes only employees on permanent contracts; working students are not included. This increase should be viewed against the backdrop of the overall growth in the workforce.

S1-5 Table 3: Number of employees who left the company

	Unit	2024	2025	Change in %
Total number of employees who left the company during the reporting period	Headcount	53	56	6

The staff turnover rate fell during the reporting year. This figure is calculated on the basis of employees on permanent contracts. Working students are not included.

S1-5: Percentage of staff turnover

	Unit	2024	2025	Change in %
Staff turnover rate during the reporting period	%	13.4	12.2	-9

S1-6 – Characteristics of non-**employees within the company's own workforce**

The number of non-employees within the company's own workforce fell significantly in the reporting year. This decline is in line with UmweltBank's strategy of focusing more strongly on permanent staff. The figure relates to the reporting date of 31 December 2025.

S1-6: Number of non-employees within the company's own workforce.

	Unit	2024	2025	Change in %
Number of non-employees within the company's own workforce	Headcount	87	24	-72

S1-7 – Collective bargaining coverage and social dialogue

UmweltBank AG operates in Germany and is not subject to any collective agreements. All employees have individual employment contracts in accordance with German labour law. Remuneration is in line with market rates and complies with all legal requirements, including regulations on the minimum wage and labour law protection standards.

The coverage rate for employee representation remained unchanged at 100% in the reporting year. This means that all employees are covered by employee representation, which underlines the high priority given to social dialogue at UmweltBank.

S1-7 Table 1: Social dialogue

Employee representation	Unit	2024	2025
	Coverage ratio (%)	100	100

At UmweltBank, the principles of freedom of association, the right to join a trade union and the right to collective bargaining apply. Employees may exercise these rights within the framework of the applicable legal provisions. These principles apply to all employees of UmweltBank.

S1-8 – Diversity indicators

At the senior management level, there is a balanced gender ratio, although the proportion of male managers is slightly higher at around 60 per cent. The proportion of women stands at around 40 per cent and makes an important contribution to the diversity of the management team. According to the ESRS, the senior management level, in the context of gender distribution, comprises the two hierarchical levels below the administrative and supervisory bodies.

Any discrepancies between this figure and those in other reports are due to the fact that this calculation was based on the cut-off date of 31 December 2025, whereas other reporting formats sometimes use annual averages.

S1-8: Gender distribution at the senior management level

Gender	Absolute (number of individuals)	Percentage (%)
Male	37	59.7
Female	25	40.3
Diverse/Other	0	0
Not specified	0	0
Total	62	100

S1-9 – Adequate wages

UmweltBank AG operates exclusively in Germany and is not subject to any collective agreements. As at 31 December 2025, 100 per cent of employees received remuneration above the statutory minimum wage as set out in the Minimum Wage Act.

S1-10 – Social security

All UmweltBank employees are covered by the statutory provisions of the German social security system. This includes, in particular, health, pension, long-term care, unemployment and statutory accident insurance.

In addition, employees are entitled to continued pay in the event of illness, paid annual leave and protective rights in connection with pregnancy and maternity in accordance with the Maternity Protection Act.

S1-11 – People with disabilities

During the reporting period, the proportion of employees with disabilities at UmweltBank stood at 3 per cent and thus remained relatively constant compared with the previous year, despite a growing total workforce. This figure is calculated as the ratio of the average number of employees with disabilities to the average total number of employees during the reporting period.

S1-11: Percentage of people with disabilities

	Unit	2024	2025
Percentage of people with disabilities at UmweltBank	%	3	3

S1-12 – Metrics on training, further education and skills development

Metrics on training and skills development will not yet be reported in the 2025 reporting year. This is due to the introduction of new HR software, the modules of which required for the collection of the relevant metrics are not yet fully available. Reporting is planned from the 2026 reporting year onwards.

S1-13 – Metrics on health and safety

UmweltBank's entire in-house workforce is covered by an occupational health and safety management system. During the reporting period, there were no reportable work-related fatalities or reportable accidents at work – neither amongst the in-house workforce nor amongst persons working at UmweltBank's sites who do not form part of the in-house workforce.

S1-13: Health and safety indicators

Gender	Unit	Employees	Non-staff
Percentage of the organisation's workforce covered by an occupational health and safety management system based on legal requirements and/or recognised standards or guidelines	%	100	
Number of fatalities resulting from reportable work-related accidents amongst all members of the company's own workforce and amongst employees working at the company's sites but who are not part of its own workforce	Headcount	0	0
Number of fatalities resulting from notifiable work-related illnesses amongst employees	Total	0	
Number of notifiable work-related accidents among the company's own workforce	Total	0	
Proportion of reportable workplace accidents among the company's own workforce	%	0	

The metrics for S1-13.d and S1-13.e are not reported, as they cannot be reliably recorded by UmweltBank. UmweltBank has no right to know the reasons for staff absences, meaning that reliable data collection is not possible. Furthermore, from UmweltBank's perspective, these KPIs are not considered material for the banking sector.

S1-14 – Metrics on work-life balance

100 per cent of all employees at UmweltBank AG are entitled to leave for family reasons under social policy agreements. These arrangements apply to the entire workforce and support the work-life balance.

S1-15 – Remuneration indicators

In line with its core values, UmweltBank attaches great importance to rewarding equal work with equal pay. In the 2025 financial year, the unadjusted gender pay gap stood at 17.76 per cent. This figure compares the average gross hourly earnings of men and women, but does not take into account structural differences such as occupation, qualifications and work experience, nor the overall market situation.

The distinction between roles with and without managerial responsibilities enhances the transparency of the calculated, unadjusted gender pay gap.

S1-15.a): Gender pay gap

	Unit	2024	2025	Change in %
Gender-specific pay differences	%	16.91	17.76	5
Excluding managers	%	10.5	10.7	2

The ratio of the highest-paid individual's total annual remuneration to the average total remuneration rose in the reporting year. This development should be viewed in the context of changes to the remuneration structure and personnel changes at management level.

S1-15.b) Annual total remuneration ratio

	Unit	2024	2025	Change in %
Annual total remuneration ratio of the highest-paid individual to the average annual total remuneration	Factor	4.80	6.04	26

S1-16 – Incidents of discrimination and other human rights incidents

During the reporting period, no incidents relating to labour and social standards were identified amongst the company's own workforce or amongst non-employees. Accordingly, no remedial or follow-up measures were required.

Governance information

ESRS G1 – Governance

Management of impacts, risks and opportunities

G1-1 – The company's governance policies

This section sets out the approaches used to specifically address the material impacts identified through the double materiality assessment. In the area of governance, the following material impacts/IRO clusters were identified: promoting a values-based, employee-oriented and sustainable corporate culture; transparency and credibility; sustainable procurement; and preventing corruption.

Code of Conduct – UmweltBank AG's Code of Conduct

UmweltBank's Code of Conduct sets out the key principles and standards of conduct governing the Bank's business activities. It is binding on all UmweltBank employees and requires them to act with integrity, fairness and transparency in their dealings with one another, as well as with customers and business partners.
The Code of Conduct addresses social and governance issues in particular. It commits the Bank to respecting internationally recognised human and personal rights, promoting diversity and equal opportunities, and ensuring safe and fair working conditions, whilst taking into account the interests of its own employees as a key stakeholder group. In the spirit of responsible conduct, UmweltBank is committed to corporate responsibility and to business activities that are economically, environmentally and socially sustainable, guided by the UN Sustainable Development Goals, whilst consistently respecting internationally recognised human rights and personal rights in order to rule out both direct and indirect human rights violations.
The Code of Conduct also contains provisions on the prevention of conflicts of interest, corruption, money laundering, market abuse and anti-competitive behaviour, as well as on data protection, confidentiality and transparent corporate communication. It sets out a minimum standard and provides guidance on correct and ethically sound conduct within UmweltBank. To ensure implementation and monitoring, compliance structures and a whistleblowing channel have been established, in addition to the responsibility of each individual employee. Breaches of the Code of Conduct may result in legal consequences.

Anti-Corruption Policy

UmweltBank's Anti-Corruption Policy aims to effectively mitigate corruption risks and thereby avoid criminal and administrative penalties. It addresses key implications and risks in the area of 'prevention of corruption' and establishes binding standards of conduct. Key provisions include: a ban on accepting and offering benefits; clear rules on gifts, invitations, donations and hospitality; and a requirement to keep records of gifts. Gifts must not be given in expectation of, or give the impression of, a quid pro quo.
Compliance with the guidelines is monitored by the central office. Breaches may result in consequences under employment law.
The policy applies to all staff, managers, temporary staff, trainees and the Executive Board of UmweltBank. The requirements also cover the acceptance and granting of benefits by or to third parties.
Employees are obliged to familiarise themselves with the policy and to comply with the requirements on their own responsibility. An induction training session to raise awareness of the requirements takes place at the start of the employment relationship.

Guideline on Combating Other Criminal Offences

UmweltBank has developed procedures to prevent other criminal offences (SSH) in order to implement the requirements set out in Section 25h of the German Banking Act (KWG). The aim of this policy is to prevent criminal offences committed by customers, employees or third parties that could jeopardise the Bank's assets. The policy contains guidelines designed to minimise the risk that the bank or its employees may be unwittingly exploited for criminal activities or may commit such offences themselves. Prevention is a key component of the strategy, implemented through risk assessments, internal control plans, technical monitoring measures and a risk-based training programme. A control system derived from a risk analysis, together with an internal whistleblowing scheme, serves to identify and report suspicious cases at an early stage. Where there are concrete grounds for suspicion, the central office decides on the next course of action and any measures that may be necessary.

The policy applies to all staff and all business relationships of UmweltBank arising from banking activities.

Responsibility for implementation lies with UmweltBank's central unit, which also fulfils the role of anti-money laundering. It draws up control plans based on the risk analysis, reports to the Executive Board and Supervisory Board at least once a year, and conducts training sessions. All staff members receive training annually and as and when required, particularly on legislative changes or current risk situations (e.g. sanctions regimes or new methods of fraud).

The framework is based on the provisions of the German Banking Act (Sections 25c and 25h KWG), is reviewed regularly and adjusted as necessary.

Whistleblower Protection Policy

UmweltBank's Whistleblower Protection Policy sets out how the requirements of the Whistleblower Protection Act are to be implemented and stipulates that employees and external individuals may report unlawful conduct confidentially or anonymously without fear of reprisals. The aim is to identify breaches of the law and criminal offences, to address them effectively, and to protect whistleblowers and affected third parties.

The system covers breaches of national and European regulations, including in the areas of financial market regulation, consumer protection, health and safety at work, data protection and information security. Each report is examined and documented by the independent internal reporting office, and measures are taken where necessary. Feedback is provided to whistleblowers within three months at the latest. The Executive Board appoints the persons entrusted with managing the internal reporting office. These individuals receive appropriate training.

The scope of application covers all employees of UmweltBank – current, former or on fixed-term contracts – as well as agency workers, job applicants, external service providers and other persons in professional contact with the bank. Reports can be made via several channels: by telephone, in writing (including anonymously) or in person.

The internal reporting office is responsible for implementation; it is organisationally based within the central department and acts on behalf of the Executive Board. It operates the reporting channels, coordinates internal investigations, prepares feedback and reports to the Executive Board and the Supervisory Board.

The system is designed to ensure that confidentiality, data protection and documentation requirements are met in accordance with the law. Retaliation against whistleblowers is expressly prohibited. The policy has been published internally, and information on how to report concerns is available both on the intranet and on UmweltBank's website. External reporting bodies (e.g. BaFin, Federal Office of Justice) are named, and the disclosure of information to the public by whistleblowers is also protected under conditions laid down by law.

Policy on the Prevention of Money Laundering and Terrorist Financing

UmweltBank's Policy on the Prevention of Money Laundering and Terrorist Financing sets out the measures to ensure compliance with the statutory regulations on the prevention of money laundering and the combating of terrorist financing. It elaborates on the legal requirements and defines binding processes to prevent the misuse of UmweltBank for money laundering or terrorist financing.

Among other things, it governs customer onboarding processes ('Know Your Customer'), the identification of beneficial owners, transaction monitoring, and the documentation and assessment of suspicious activity. Transactions giving rise to a suspicion of money laundering or terrorist financing are reported to the anti-money laundering function via defined reporting channels in accordance with Section 43 of the Money Laundering Act (GwG).

This function assesses the circumstances, decides on further measures and, where necessary, submits the required suspicious activity report to the competent authority.

The policy applies to all staff and all business relationships of UmweltBank. It also applies to the selection and monitoring of customers, products, services and country-specific risks.

Responsibility for implementation lies with the anti-money laundering function, which reports directly to the Executive Board. It conducts training, develops risk-based control plans, carries out checks, documents measures and reports regularly to the Executive Board and the Supervisory Board.

All staff members are required to complete a compulsory annual online training course on anti-money laundering. The training content is regularly updated and, where necessary and on a risk-based basis, supplemented by ad hoc training sessions (e.g. in the event of new threats or regulatory changes).

The policy is reviewed regularly and adapted to comply with legal requirements.

Procurement and Contract Management

The 'Procurement and Contract Management' policy sets out binding guidelines in the areas of procurement and contract management. In particular, it sets out responsibilities, tasks and recommendations for procurement and supplier selection, and defines the processes for contract management, including monitoring and termination. The scope of the procurement guidelines generally covers all contracts, unless separate processes exist for specific areas (e.g. for the procurement of goods or events). Furthermore, contract management covers all contracts between the bank and companies that provide services to UmweltBank. Excluded from this are banking service contracts with private or corporate customers, as well as employment contracts. A key aspect of the policy centres on sustainability considerations: the policy defines the criteria to be taken into account when selecting service providers and the exclusion criteria applicable in the areas of environment, social issues and governance. In this context, tenders must be systematically compared and evaluated against various criteria – such as price, sustainability, quality standards, certifications or regional focus. Taking these criteria into account, the policy sets out how to identify the most suitable proposal. Contract management provides a bank-wide framework for the entire contract lifecycle. To this end, the policy provides guidelines and checklists designed to prevent the conclusion of undesirable contracts and to support the favourable structuring of desired contracts.

Further information on corruption prevention and whistleblower protection

UmweltBank has policies in place to combat corruption and bribery that are in line with the United Nations Convention against Corruption. In addition, there are binding regulations for the protection of whistleblowers, which enable the confidential reporting of potential breaches.

Using a bank-wide risk analysis, UmweltBank AG identifies department-specific risks relating to other criminal offences, including the risk of corruption and bribery. Based on the risk analysis, appropriate measures and controls are put in place to mitigate these risks.

G1-2 – Measures relating to governance

To implement the defined sustainability objectives, UmweltBank has identified and established appropriate measures designed to effectively manage and continuously improve the key areas of promoting a values-based, employee-oriented and sustainable corporate culture, as well as transparency and credibility.

Measure: Promoting employee participation and identification

To achieve this objective, UmweltBank is developing and implementing an approach that embeds sustainability and environmentally friendly behaviour within the organisation through appropriate participation and training formats. In 2026, the formats will be planned, piloted and implemented, and subsequently systematically evaluated and further developed on the basis of the results and feedback received. Implementation will follow the 2026 annual plan, with two formats being rolled out in the first and second halves of the year, each comprising planning, implementation and evaluation. The expected outcomes are the establishment of effective, practical formats that promote staff participation and strengthen sustainability in day-to-day working life. Through repeated implementation and evaluation, the measures contribute directly to the achievement of objectives. The resources utilised consist primarily of internal human resources and organisational capacities.

Measure: Publication of a sustainability report based on the ESRS

To achieve this objective, a company-wide reporting process for ESRS-light reporting will be established and supplemented by targeted training for relevant staff. The measure applies to all activities and organisational units relevant to the report. In 2026, data requirements, responsibilities and validation processes will first be defined and put into operation; this will be followed by quality assurance and the final publication of the report, before the process is evaluated. Expected outcomes include improved data quality, a consistent reporting process and a sustainability report ready for publication that supports the intended ESRS-light compliance.

Measure: Compliance with Article 449a of the CRR

To achieve these objectives, the legal requirements will be analysed, necessary data points identified and (where necessary) recorded, and IT systems and processes adapted to enable reliable annual reporting. The main implementation phase is scheduled for 2026, followed by the transition to routine operation. The aim is to achieve consistent, verifiable and institution-wide comparable disclosure in UmweltBank's disclosure report.

Supplier Management and ESG Integration

The selection and assessment of suppliers is carried out with systematic consideration of environmental, social and governance (ESG) factors. As part of the internal assessment process (ZAM-AR), the risk must be assessed for each service provider to determine whether effective measures to protect the environment and to ensure compliance with human, children's and workers' rights have been implemented. The assessment is based on the criteria of climate, resource conservation, water and biodiversity, and ranges from 'low' to 'high' (Regulatory reference: DORA 2024/1773, Art. 6(1)(f)). Before issuing an external tender, an initial check is carried out to determine whether the service can be procured from a ZAM eG-managed partner (Atruvia, DZ Bank, ParcIT) ; if so, these partners are given preferential consideration. Otherwise, quotations are obtained from the open market and compared on the basis of various criteria – including price, sustainability, quality standards, certifications and regionality. Exclusion criteria, such as breaches of environmental regulations, human and labour rights or governance standards, are examined in particular for larger procurements or high-risk sectors. Any notable cases are clarified in consultation with the sustainability department. ESG issues are covered in the basic sustainability training provided to decentralised service managers. In addition, ESG criteria are enshrined in the Procurement and Contract Management Policy.

Procedures for preventing, detecting, investigating and responding to allegations or incidents relating to corruption or bribery

As a credit institution, UmweltBank is obliged to comply with various statutory and regulatory requirements. These include, amongst other things, requirements relating to the detection and prevention of money laundering, terrorist financing and other criminal offences, regulations concerning insider dealing and market manipulation, as well as compliance with financial sanctions.

Within UmweltBank's organisation, there is a separate and independent compliance function as well as an anti-money laundering function. The compliance function works to ensure that measures and procedures for complying with legal requirements are in place within UmweltBank and are adhered to.
New legal or regulatory requirements are continuously analysed for their relevance and materiality to the Bank, and steps are taken to ensure their implementation.
To fulfil their duties, these functions have unrestricted access to information.
The compliance function reports to the Executive Board and, where appropriate, to the Supervisory Board on a regular basis and as and when required.

UmweltBank has implemented binding guidelines and processes to combat corruption and bribery. As a general rule, staff members must not demand or accept any personal benefits, whether material or immaterial, when dealing with business partners, customers, suppliers, service providers or public officials.

UmweltBank has established a Code of Conduct. The Code of Conduct sets out the values and principles of conduct governing the Bank's business activities. It contains fundamental requirements regarding the conduct of every individual. These include guidelines on avoiding and managing conflicts of interest. The interests of customers are at the heart of everything we do. UmweltBank staff must therefore avoid conflicts of interest in which their own independence could be compromised, even if only in appearance. Any existing conflicts of interest must be disclosed.

UmweltBank's staff receive regular and ad hoc training on various topics to ensure that all staff are informed about the relevant legal and regulatory requirements so that these are complied with. Based on legal and regulatory requirements, staff also receive regular compulsory training, which must be completed, for example, as online training in the form of web-based courses or through face-to-face sessions. This includes training on topics such as data protection and information security, anti-money laundering and fraud prevention, risk culture and health and safety. Further training needs are also analysed on a risk-based basis, ensuring that relevant departments receive more in-depth training on preventing money laundering and terrorist financing, or on capital markets compliance.

UmweltBank has set up a whistleblowing office for reporting concerns regarding possible breaches of laws, internal guidelines or other malpractices in the workplace. Both employees and external parties who have a business relationship with UmweltBank have the opportunity to report such concerns confidentially. The internal reporting office manages the reporting channels, carries out the procedure for handling incoming reports and takes follow-up action where necessary. Where reports and breaches are made that fall within the scope of the Whistleblower Protection Act, the reporting office is bound by a duty of confidentiality.

Reports can be made by telephone, email or post. Whistleblowers also have the option of submitting reports anonymously by posting or dropping off a letter.

In addition to contacting the Bank's internal reporting office, whistleblowers are free to contact an external reporting body. These include authorities such as BaFin.

Metrics and targets

G1-3 – Objectives relating to governance

UmweltBank has defined sustainability targets for the coming financial year 2026 in order to specifically address the material issues identified as part of the double materiality analysis: promoting a values-based, employee-focused and sustainable corporate culture, as well as transparency and credibility.

Objective: Promoting employee participation and identification

In the action area 'Sustainable Corporate Culture', UmweltBank aims to promote employee participation and identification, thereby further strengthening a sustainable corporate culture. This qualitative, time-bound target applies to the entire bank and relates to its own business activities in Germany in 2026. Specifically, sustainability and environmentally friendly behaviour are to be systematically embedded across all departments by implementing the participation and training formats developed in 2025 in 2026, systematically evaluating them, and further developing them on the basis of the results and the feedback received. Progress will be measured by whether the formats are effectively implemented and continuously improved.

Objective: Publication of a sustainability report based on the ESRS

The objective is to publish a sustainability report based on the ESRS for the financial year 2025, in order to increase transparency regarding the company's sustainability performance. The objective relates to the systematic collection and disclosure of material environmental and sustainability information. The degree to which the objective is achieved is defined as a relative target and measured on the basis of the report's full compliance with the relevant requirements of the company's own 'ESRS-light' methodology. The scope covers all business areas relevant to the report. Achievement of the target is scheduled for 2026. During the target period, the report's content and key performance indicators will be compiled, the report will be finalised and published, and the reporting process will subsequently be reviewed and further developed.

Objective: Compliance with Article 449a of the CRR

The objective is the full, compliant implementation of ESG disclosure in accordance with Article 449a of the CRR, starting with the disclosure report for the 2026 reporting year. The objective relates to the disclosure of activities in UmweltBank's lending and investment portfolio concerning economic sectors that have an impact on climate change. In addition, qualitative information on the consideration of ESG risks in the areas of corporate strategy, governance and risk management will be published. The scope covers UmweltBank's relevant lending and investment activities. The base year is 2026; the target is designed as a permanent, annually recurring disclosure target. This is a statutory target based on the CRR and relevant EBA guidelines.

G1-4 – Metrics relating to corruption or bribery

No incidents of corruption or bribery were identified during the reporting period. There were no confirmed breaches, no convictions and no fines relating to corruption or bribery.

G1-6 – Indicators relating to payment practices

UmweltBank has standardised payment processes whereby payment is triggered automatically once invoices have been subject to a technical review and approved. Differentiated payment terms by supplier category, which can be analysed by the system, including separate recording for small and medium-sized enterprises (SMEs), are not currently in place. A quantitative assessment of compliance with specific payment terms is therefore not possible.

Payments are initiated on a decentralised basis by the relevant departments as part of the invoice approval process. There are currently no ongoing legal disputes arising from late payments.

Company-specific information

ESRS U1 – Strict sustainability criteria in lending, own investments and investment options

The topic 'Strict sustainability criteria in lending, proprietary investments and investment options' has been identified by UmweltBank as a company-specific issue of significant importance and has been included in the reporting in addition to the topic-specific ESRS. The decisive factor here is the high strategic relevance of strict sustainability criteria to UmweltBank's business model and sustainable orientation, as this topic represents a key lever for specifically managing environmental and social impacts and ensuring the sustainable impact of its business activities.

The application of high sustainability standards in lending, proprietary investments and investment options ensures the high-quality focus of projects and investments and guarantees the consistent integration of sustainability into business operations. At the same time, the criteria contribute to advancing the Sustainable Development Goals (SDGs) – both within the company and along relevant value chains. From an opportunity perspective, this issue addresses in particular the rising demand for sustainable investments, as well as potential reputational gains and positive effects on employer branding. On the other hand, there are increased costs and resource requirements resulting from the implementation, application and further development of strict sustainability criteria, which are considered a significant risk.

UmweltBank's investment and financing principles are established by the Executive Board and the Environmental Council and are specified through clearly defined positive and exclusion criteria.

Positive criteria

UmweltBank exclusively finances projects and invests only in companies that contribute to one or more of the United Nations Sustainable Development Goals (SDGs).

Exclusion criteria

The following principle applies to UmweltBank's exclusion criteria: UmweltBank does not finance projects or invest in companies that

- harm people's well-being and/or
- harm the preservation of nature and/or
- lack sufficient transparency regarding their business practices.

A more detailed description of the positive and exclusion criteria can be found at the following link: Investment Criteria | UmweltBank

Management of impacts, risks and opportunities

U1-1 – **The company's guidelines on sustainability criteria**

Positive and Exclusion Criteria

The positive and exclusion criteria set out the guidelines according to which the bank operates in order to consistently align its business activities with sustainable development and the UN Sustainable Development Goals (SDGs). They apply to all of UmweltBank's lending and investment activities, as well as to its procurement processes.

Positive criteria include financing and investments that contribute to the implementation of the 17 United Nations Goals, such as the protection of biodiversity or the mitigation of climate change. Exclusion criteria cover behaviours and business practices that impair the quality of life of people and animals and/or destroy natural resources, including environmentally harmful actions, harmful economic practices and violations of labour and human rights. For procurement, the positive and exclusion criteria are set out in a separate catalogue, which ensures that environmental, social and economic aspects are systematically taken into account in all procurement decisions. Among other things, child labour, unfair wages, corruption, human rights violations and breaches of ILO conventions are excluded.

In addition, the positive and exclusion criteria govern the verification process to ensure compliance with sustainability requirements, the procedure to be followed in the event of breaches, and strictly limited exceptional cases in which deviations are permitted.

Environmental Rating

The Environmental Rating is a key tool used by UmweltBank to manage and assess the environmental and social sustainability impact of its financing and investment activities. The aim of the Environmental Rating is to avoid potential negative environmental impacts, to promote positive effects in a targeted manner, and to systematically take sustainability risks into account. It supports UmweltBank in identifying, managing and monitoring material sustainability impacts, risks and opportunities across its relevant business activities. The Environmental Rating is applied to property loans, loans in the renewable energy sector and in treasury operations, and is therefore an essential component of UmweltBank's sustainable business and risk management. For each relevant project, an environmental assessment is carried out, based on a multidimensional sustainability rating that takes into account both environmental and social criteria. The Environmental Rating for property finance was developed in collaboration with UmweltBank's Environmental Council and the German Sustainable Building Council (DGNB) and is aligned with recognised external sustainability standards. The Treasury Environmental Rating further ensures that UmweltBank's own investments also comply with the sustainability requirements set out in its Articles of Association at all times.

U1-2 – Measures relating to sustainability criteria

Measure: Ongoing review of the positive and exclusion criteria by the Environmental Council, as well as adjustments on an ad hoc basis where necessary.

To achieve this objective, the positive and exclusion criteria are reviewed by the Environmental Council both on a regular basis and as and when required, and are further developed where necessary. The substantive work focuses on reviewing the criteria for government bonds, subsequent technical consultation within the Environmental Council, and the preparation of a basis for decision-making for the Executive Board. The expected outcomes of the measure are to ensure that the positive and exclusion criteria remain up to date, appropriate and effective. Through the regular review and further development of the criteria, the measure contributes directly to the achievement of the associated objective. The resources deployed for this purpose consist primarily of internal specialist and committee capacities.

Metrics and targets

U1-3 – Objectives relating to sustainability criteria

Objective: Review and further development of the positive and exclusion criteria

As part of the company-specific theme 'Strict sustainability criteria', UmweltBank pursues the objective of continuously reviewing and further developing its positive and exclusion criteria. This ensures that these criteria will continue to serve as a binding basis for sustainability-related decisions across the entire core business – particularly in lending, products and proprietary investments. The objective is defined as a qualitative, time-bound performance target for the year 2026 and is monitored through regular discussions in the Environmental Council and the decisions documented there. The setting of the objective is based on the internal EMAS process. The plan for 2026 is to systematically review the criteria for government bonds, coordinate them with the Environmental Council and submit the resulting decision-making framework to the Executive Board for further consideration. In addition, a routine comprehensive review of the positive and exclusion criteria will be carried out by the end of the year. This continuous review is intended to ensure and further develop the effectiveness of the underlying measures in the long term.

U1-4 – Metrics relating to sustainability criteria

To manage and monitor the sustainable orientation of its business model, UmweltBank uses a qualitative metrics to the application of sustainability criteria in lending and proprietary investments. The decisive factor here is the extent to which sustainability requirements are bindingly integrated into the relevant decision-making and review processes.

UmweltBank's positive and exclusion criteria form an integral part of all relevant lending and investment decisions and provide the basis for the selection, assessment and management of financing and proprietary investments.

The indicator relates to the bank's own business activities and is based on internal lending, project and portfolio data. It demonstrates that sustainability criteria are not applied on an ad hoc basis, but rather, as an integral part of business processes, ensure UmweltBank's consistent and long-term focus on sustainable financing.

Supplementary information

This section supplements UmweltBank's sustainability reporting for the relevant reporting year, which has been prepared in accordance with the European Sustainability Reporting Standards (ESRS). It serves to provide a transparent presentation of further environmental information that goes beyond the ESRS disclosures and is relevant to understanding UmweltBank's sustainability performance.

The environmental information contained herein relates to data required under the EMAS Regulation and not fully covered by the ESRS. It provides supplementary information on UmweltBank's environmental performance and environmental management.

Environmental information

Eco-Management and Audit Scheme (EMAS) Disclosures

UmweltBank's vision is to preserve and create a world worth living in for future generations. The bank's sustainability management system is based on its sustainability policy, which complements the Articles of Association and the business strategy with the positive and exclusion criteria for its core business as fundamental guidelines. UmweltBank's sustainability policy forms the basis for consistently sustainable business operations. An annual cycle comprising the steps of planning, implementation, review and management assessment puts this policy into practice. The sustainability management system is implemented on the basis of EMAS (Eco-Management and Audit Scheme), a European environmental management system. The process is also (re-)validated annually by an independent environmental verifier who is subject to state supervision.

Unless otherwise stated, the metrics presented in the report relate to UmweltBank's business premises at Laufertorgraben 4, 6 and 8, Nunnenbeckstraße 6–8 and Emilienstraße 3 (all in Nuremberg). Metrics relating to the UmweltHaus are reported in addition and presented separately.

Sustainability Policy

UmweltBank – the name says it all: the bank is entirely focused on environmental protection and sustainability. This commitment is firmly enshrined in its sustainability policy. The basis for this is the preamble to the Articles of Association:

"UmweltBank promotes the sustainable development of society with the aim of preserving and creating a world worth living in for future generations. The bank aligns its business activities with the United Nations Sustainable Development Goals. In particular, it contributes to the realisation of sustainable cities and communities, affordable and clean energy, and climate protection. In doing so, it pays attention to sustainable production and consumption, as well as gender equality. Honesty, transparency and a people-centred approach are the values that guide its actions. A stable economic foundation is a prerequisite for successful work.*"*

UmweltBank's mission is to contribute in every respect to the protection of the environment through its business activities, whilst taking social aspects into account. This gives rise to the following specific objectives:

UmweltBank invests its own funds and customer deposits exclusively in sustainable projects, i.e. those that are environmentally and / or socially beneficial. UmweltBank sees itself as a private development bank.

All third-party products offered to customers (securities, etc.) must be ecologically and / or socially oriented.

In the Bank's day-to-day operations, gender equality and sustainability in procurement are always taken into account.

Within the scope of its capabilities, the bank plays an active role in the economy and society to drive forward ecological change, particularly within the financial sector.

Sustainability in Practice

The environmental footprint of the bank's operations is to be continuously reduced as part of the EMAS sustainability management system. UmweltBank also strives for continuous improvement with regard to social aspects. Compliance with applicable laws and regulations – not only those relating to environmental, economic and social matters – is a matter of course for UmweltBank's staff and governing bodies.

Precautionary Approach

UmweltBank takes into account 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, States shall, to* the extent of their capabilities, apply the precautionary approach. Where there is a threat of serious or irreversible damage, a lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental damage."

By enshrining the Sustainable Development Goals in its Articles of Association, applying clear positive and exclusion criteria, and using environmental ratings in its lending decisions, UmweltBank assumes a high degree of environmental and social responsibility in the course of its business activities. The Bank therefore assesses the risk of contributing to irreversible environmental damage in the course of its business activities as very low.

Compliance with environmental legislation

UmweltBank complies with the relevant environmental legislation. In addition, it adheres to voluntary and stakeholder-driven commitments, as well as industry standards relating to sustainability and environmental policy. In line with industry practice, UmweltBank is subject to banking and capital markets regulations, such as those set out in the German Banking Act (KWG) and the German Securities Trading Act (WpHG). Compliance with general duties of good conduct is monitored by the compliance organisation, which reports directly to the Executive Board. The relevant environmental laws are recorded by the Sustainability Department in collaboration with the Legal and Compliance Department and regularly reviewed to ensure they remain up to date. In the event of discrepancies or changes to the law, necessary measures are initiated following consultation with the Executive Board. No breaches of environmental legislation were identified in 2025.

Human Rights

UmweltBank respects internationally recognised human rights. The bank has published clear principles governing lending, investment products and its own investments. These define binding positive and exclusion criteria, with human rights violations specified as a clear exclusion criterion. If an exclusion criterion applies, no business transaction takes place. No business activities were identified in 2025 that contravened human rights. There are no known cases of child labour or forced labour. When procuring products and services, UmweltBank places particular emphasis on ethically sound suppliers and service providers. These are regularly assessed through a screening process. With its sole registered office in Nuremberg and its preference for working with local suppliers and service providers, UmweltBank minimises the risk of human rights violations occurring in the procurement of its products and services.

EMAS environmental management process

Identification of significant environmental aspects

As part of its EMAS environmental management system, UmweltBank regularly identifies and assesses its significant environmental aspects. The starting point for this is the dual materiality analysis carried out as part of its sustainability reporting. This involves identifying significant impacts, risks and opportunities (IROs) and grouping them by theme. These clusters are then assessed within the EMAS process based on UmweltBank's ability to influence them. On this basis, UmweltBank's significant environmental aspects are determined, which are then monitored and managed within the environmental management system. The following aspects are considered relevant:

Direct environmental aspects:

- Direct CO_2 emissions
- Strict sustainability criteria
- Regulatory framework and compliance
- Reputation
- Sustainable use of resources
- Fair working conditions
- Equal treatment and equal opportunities
- Transparency and credibility
- Sustainable corporate culture

Indirect environmental aspects:

- Climate change and resilience
- Indirect CO_2 emissions
- Renewable energy
- Sustainable property
- Biodiversity

Targets and measures are derived for these key sustainability aspects. The targets are approved by the UmweltBank Executive Board. All staff, the Supervisory Board and the Environmental Council are then informed of the targets.

Implementation in practice

The Sustainability Department works on the implementation and ongoing improvement of the environmental management system.

Staff are regularly made aware of sustainability issues and receive training where necessary. New staff members are introduced to UmweltBank's sustainability management as part of their induction training. Major changes are announced at plenary meetings attended by all the Bank's staff, or via the intranet. Procedures are clearly documented in guidelines and processes. These documents form part of the Bank's organisational handbook.

Internal audit

An environmental management audit is carried out once a year by UmweltBank's Internal Audit department. This department works closely with the Sustainability Department and the Executive Board. The Internal Audit department is an independent control body within UmweltBank. It possesses the necessary expertise and objectivity to ensure that the audit is conducted to a high standard.

The primary objective of the environmental audit is to assess the effectiveness of the environmental management system, to ensure compliance with legal requirements and to achieve continuous improvement in UmweltBank's environmental performance. In the process, deviations from established regulations are systematically identified and, where necessary, appropriate corrective actions are initiated. The results of the environmental audit are summarised in a report, which serves both as documentation and provides senior management with a well-founded overview of the effectiveness of the management system and the progress made in the Bank's environmental performance.

Management Review

The effectiveness of the environmental management system is assessed annually by the Executive Board. The management review is based on the environmental audit report and the Board's own observations. In particular, the review considers environmental performance indicators, the extent to which targets have been met, proposals for improving the sustainability management system, environmental feedback from customers, and the legal framework. The results of the review are used to optimise the management system and to ensure the continuous improvement of all environmental processes and performance.

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 verifier. The results of this audit are also communicated to the UmweltBank's Environmental Council. The findings are incorporated into the planning for the next management cycle. In addition, the updated environmental statement is subject to an annual review.

Environmental performance

Key environmental indicators

As a service provider whose staff are predominantly office-based, the direct environmental impacts of the Bank's business processes are comparatively low. Indirectly, however, UmweltBank has a significant impact on the environment, particularly when setting lending criteria and in relation to its own financial investments. To report transparently on its environmental impacts, UmweltBank sets out its relevant direct and indirect impacts in the form of a CO_2e-balance sheet.

Direct impacts

As part of its environmental management system in accordance with EMAS guidelines, UmweltBank collects data annually on the key indicators of energy efficiency, material efficiency, waste, water and biodiversity, business travel and emissions, with the latter being presented and explained separately as part of the CO_2e balance sheet.

Energy efficiency

A detailed account of UmweltBank's energy efficiency can be found in the disclosure in accordance with ESRS E1-7 on page 138.

Material efficiency

Paper consumption

	Unit	2024	2025	Change in %
Paper consumption for marketing activities	t	4.4	9.4	112
Paper consumption – business operations	t	11.7	9.1	-23
Total paper consumption	t	16.2	18.5	14
Paper consumption per employee	kg/employee	48.1	51.5	7

The figure 'per *employee*' is calculated using the full-time equivalent of the workforce (358.8 in 2025).

In 2025, UmweltBank's paper consumption rose compared with the previous year. Total paper consumption increased by 14 per cent, whilst paper consumption per employee rose by 7 per cent. The increase is primarily attributable to a significant rise in marketing activities. In addition, the print run of the 'Refer a Friend' postcard was increased, as this forms part of the new customer welcome packs and the number of new customers has risen significantly compared with the previous year.

Paper consumption in day-to-day operations was reduced by 23 per cent. This reduction is also attributable to the continued implementation of measures to cut paper consumption. For instance, due to Atruvia's specifications and infrastructure, the bank does not produce its own letterhead or envelopes, as all mailings are processed via Atruvia's central printing facility. Online banking also continues to contribute to the reduction in paper consumption, as there is no need for printed account statements or extensive information and terms-and-conditions brochures.

UmweltBank uses only environmentally friendly paper. This contains no substances harmful to health and is produced in a carbon-neutral manner.

Waste

Waste generation

	Unit	2024	2025	Change in %
Organic waste	t	6.5	6.2	-4
General waste	t	1.7	1.6	-4
Yellow bag	t	0.4	0.4	-4
Paper waste	t	12.0	13.1	9
Total waste generated	t	20.7	21.4	4
Waste generation per employee	t/employee	0.1	0.1	-3
Hazardous waste	kg	33.0	32.2	-2
Electrical waste	kg	1.0	51.6	5060

Waste volumes are estimated using methods based on volume. Measurement inaccuracies of 10% are possible. The separate collection rate in accordance with the GewAbfV is 92.5%. The figure 'per employee' is calculated using the full-time equivalent of the workforce (358.8 in 2025).

The waste generated consists almost exclusively of household-type waste. This is collected regularly by the City of Nuremberg's waste management service and disposed of appropriately. Special waste, such as electronic waste or faulty fluorescent tubes, is handed in at the local recycling centre.

In the 2025 reporting year, the total volume of waste increased slightly by around 4 per cent compared with the previous year. This is primarily due to an increase in paper waste, which is linked to the destruction of files as part of the move to the UmweltHaus. At the same time, organic waste, residual waste and hazardous waste fell slightly. The significant rise in electronic waste is attributable to increased separation and the proper disposal of end-of-life equipment during the reporting year.

Water

Water

	Unit	2024	2025	Change in %
Total water consumption	m^3	3,021.5	2,781.5	-8
Water consumption per employee	l/employee/day	36.5	31.3	-14

The figure 'per employee' is calculated using the full-time equivalent of the workforce (358.8 in 2025).

UmweltBank's water consumption is similar to that of a household. Water is used almost exclusively for sanitary facilities, cleaning the business premises and for watering plants. Accordingly, the discharge of waste water is also to be regarded as similar to that of a household.

In the 2025 reporting year, water consumption fell compared with the previous year. Total consumption decreased by 8 per cent, whilst water consumption per employee fell by 14 per cent. This is attributable to a more conscious and efficient use of water in business operations.

Biodiversity

Biodiversity

	Unit	2024	2025	Change in %
Total land use	m^2	3,526.4	3,526.4	0
Office floor area	m^2	5,789.1	5,789.1	0

UmweltBank's premises comprise the office buildings at Laufertorgraben 4, 6 and 8, Nunnenbeckstraße 6–8 and Emilienstraße 3 (all in Nuremberg). All these sites cover a total area of approximately 3,526 m².

The building at Emilienstraße 3 is a listed Art Nouveau building which underwent extensive eco-friendly refurbishment several years ago and is used exclusively by UmweltBank. At Laufertorgraben 6, there are other tenants in the building alongside UmweltBank. The green inner courtyard serves as an ecological compensation area here. At Laufertorgraben 4 and 8, and on Nunnenbeckstraße, the UmweltBank also shares the buildings with other tenants.

Business travel

Business travel

	Unit	2024	2025	Change in %
Rail	km	195,184.0	307,550.0	58
Cars	km	6,882.0	14,089.0	105
Flights	km	0.0	1,252.0	-
Total business travel	km	202,066.0	322,891.0	60
Business travel per employee	km / employee	601.2	899.9	50

The figure 'per *employee*' is calculated using the full-time equivalent of the workforce (358.8 in 2025).

In accordance with the bank's internal guidelines, business travel must generally be undertaken by train. Should this not be possible or involve a disproportionately high cost, cars with combustion engines may be hired where necessary. Air travel is only permitted if the time taken to travel by train would be disproportionately long.

In the 2025 reporting year, UmweltBank's business travel increased significantly compared with the previous year. The total number of kilometres travelled on business rose by 60 per cent, whilst business travel per employee increased by 50 per cent. This increase is primarily attributable to the fact that, as part of the planned divestment of shareholdings, meetings were held more frequently at the respective locations. Furthermore, travel activity increased due to higher overall business activity, for example through a greater presence at specialist events and trade fairs. Despite the increase in travel activity, rail remains the preferred mode of transport for business travel and is promoted bank-wide through the provision of the Deutschlandticket free of charge to all staff.

Commuter travel

Commuter travel

	Unit	2024	2025	Change in %
Public transport	km	1,061,855.5	1,422,694.5	34
Petrol/diesel cars	km	265,531.3	246,117.1	-7
Electric car	km	53,972.6	54,555.7	1
Bicycle	km	71,655.8	41,919.3	-41
On foot	km	35,397.8	29,668.5	-16
Total commuter traffic	km	1,488,413.0	1,794,955.0	21
Commuter traffic per employee	km/employee	4,428.5	5,002.7	13

The figure 'per employee' is calculated using the full-time equivalent of the workforce (358.8 in 2025). The data for 2024 has been retrospectively adjusted due to a change in the survey methodology to ensure the figures are comparable.

Employees' commuting increased overall in 2025. The distances travelled to and from work rose by 21% compared with the previous year, whilst commuting per employee increased by 13%. Reasons for this include, amongst other things, a greater presence of employees in the office and an increasing number of employees with longer commutes.

Local public transport continues to account for the largest share of commuting journeys. To make commuting as environmentally friendly as possible, UmweltBank provides all permanent staff with the Deutschlandticket free of charge. In addition, staff also cycle or walk to work. The proportion of journeys made using petrol/diesel cars has fallen slightly compared with the previous year. Overall, the proportion of sustainable modes of transport remains significantly higher, meaning that a considerable proportion of commuter journeys are already made in an environmentally friendly manner, thereby contributing to the reduction of CO_2e emissions.

Direct Impacts: UmweltHaus

The UmweltHaus, UmweltBank's headquarters on Nuremberg's Nordwestring which has been under construction since 2022, plays a crucial role in assessing the bank's direct environmental impact. Ecological factors, such as avoiding the use of new land and ensuring good transport links, were taken into account right from the choice of location. The UmweltHaus is being built as a hybrid timber structure designed to minimise energy and resource consumption. It will be one of the first non-residential buildings to be constructed in accordance with the 'KfW Effizienzhaus 40 EE' energy efficiency standard. Furthermore, as part of a holistic energy concept, the building's façade is designed to generate energy using photovoltaics.

UmweltBank is aiming for DGNB Platinum certification for the UmweltHaus – the organisation's highest accolade. In 2022, the project already received a DGNB Platinum pre-certificate, which recognises the planning and efforts made to date towards creating a particularly sustainable corporate headquarters.

The UmweltHaus's environmental performance is being measured and communicated transparently from the outset – even during the construction phase. As construction progresses, further metrics are being published in stages, including those relating to energy efficiency, the material efficiency of the building materials used, water consumption and waste generation. Information on biodiversity and emissions generated is also to be included in the sustainability report in future.

100 per cent of the electricity used on the construction site is sourced from renewable energy sources. In 2025, electricity consumption amounted to around 225,000 kWh, which was slightly below the previous year's figure.

Water consumption during the same period amounted to around 1,237 m³. The volume of waste generated by construction activities in 2025 stood at around 31 tonnes, which was significantly lower than the previous year's figure; this is attributable to the progress of the construction work and the changed composition of the building materials used in the construction process.

UmweltHaus

	Unit	2024	2025	Change in %
Water consumption	m³	1,079.2	1,237.0	15
Water consumption per m² of usable floor area (12,685.5 m²)	m³/m²	0.1	0.1	15
Electricity consumption	kWh	235,320.0	225,495.0	-4
Electricity consumption per m² Floor area (24,124.79 m²)	kWh/m²	9.8	9.3	-4
Waste generation	t	319.1	31.0	-90
per m² Floor area (24,124.79 m²)	t/m²	0.013	0.001	-90
of which mixed construction site waste (AVV 17 09 04)	t	47.0	9.0	-81
of which: construction rubble (AVV 17 01 07)	t	0.0	0.0	0
of which mixed metals (AVV 17 04 07)	t	0.0	0.0	0
of which: natural and coloured film (AVV 150102)	t	93.5	0.1	-100
of which: concrete (AVV 17 01 01)	t	5.8	3.8	-35
of which wood (AVV 17 02 01)	t	133.2	1.3	-99
of which paper and cardboard (AVV 15 01 01)	t	0.2	3.6	1,470
of which iron and steel (AVV 17 04 05)	t	2.2	7.7	255
of which insulation material made from hazardous substances (AVV 17 06 03)	t	0.0	0.1	0
of which construction/insulation polystyrene (AVV 17 06 04)	t	0.1	0.1	27
of which plastics (AVV 20 01 39)	t	0.0	0.0	0
of which commercial waste similar to household waste (AVV 200301)	t	36.7	5.2	-86
of which: commercial waste (waste code: A4910)	t	0.6	0.0	-100

The usable floor area of the UmweltHaus is approximately 12,685.5 m²

Indirect impacts

Through its business activities, UmweltBank has a significant indirect environmental impact. This relates not only to the selection of suppliers, for example when procuring office supplies, but in particular to the definition of lending criteria and the selection of its own financial and investment portfolios, which have a significant impact on the environment.

Sustainable procurement

When procuring operational supplies, UmweltBank takes environmental and social aspects into account. The internal sustainability criteria are binding for all suppliers and service providers and ensure that every procurement meets the Bank's sustainability standards. When purchasing office supplies and cleaning products, UmweltBank has relied on a sustainable partner company for many years. This partner exclusively supplies goods that meet strict environmental and social standards and dispatches them in an CO_2e-neutral manner using eco-friendly reusable packaging. When selecting food for catering for customers and for corporate events, UmweltBank also consistently prioritises regional sourcing, plant-based products, organic farming and fair production conditions. When establishing new business relationships or awarding specific contracts, the bank assesses the environmental and social standards of service providers, suppliers and the products themselves. Compliance with international standards, such as those of the International Labour Organisation (ILO), is also taken into account. Furthermore, UmweltBank carries out a detailed supplier risk assessment that considers human rights, labour law and environmental aspects. When selecting suppliers, the Bank systematically reviews certifications, sustainability criteria and potential grounds for exclusion. In high-risk sectors or in the case of major procurements, an in-depth analysis is carried out to ensure that the relevant sustainability requirements are met. Where necessary, suppliers are required to implement corrective measures, the progress of which the bank monitors through management review meetings. These meetings usually take place on a regular basis or as and when required. In the event of serious or repeated breaches, graduated escalation measures may be taken – up to and including the termination of the business relationship.

Printing and dispatch processes

UmweltBank outsources its printing processes to Atruvia, an IT service provider with high sustainability standards. Only paper from sustainably managed forests (FSC- or PEFC-certified) is used, and the printing inks employed are water-based. Furthermore, print runs are limited to the necessary quantities in order to conserve resources. Unavoidable paper waste is recycled and returned to the cycle.

The dispatch process is also designed to be climate-friendly: all letters and DHL parcels are sent in a CO_2e-neutral manner via Deutsche Post's 'GoGreen' service. The resulting emissions are offset through investments in recognised climate protection projects. Furthermore, optimising the choice of printing locations reduces transport distances, thereby further lowering CO_2e emissions.

Through its collaboration with Atruvia and the use of sustainable printing and dispatch solutions, UmweltBank ensures that sustainability is consistently taken into account in these processes as well.

Lending

Through its lending activities, banks have a significant influence on their customers' investments. UmweltBank grants loans exclusively to social and environmental projects and has clear positive and exclusion criteria.

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

Due to legal requirements and in accordance with the principles of prudent business management, banks are required to maintain a liquidity reserve. This reserve ensures that customers' deposits can be repaid and outstanding loan commitments honoured at any time. In addition, banks invest their own funds and surplus liquidity in securities for the longer term (investment portfolio). Common forms of investment include, for example, balances held with the Deutsche Bundesbank, as well as covered and uncovered bonds issued by European countries.

The selection of suitable investments is based on the bank's proprietary environmental rating system, which assesses each investment against strict positive and exclusion criteria. Through its activities, UmweltBank supports the United Nations Sustainable Development Goals (SDGs). The first step involves checking that the required minimum standards (exclusion criteria) are met. If these are not met, the investment is excluded. If these are met, the next step is to determine whether a project has a positive impact on the sustainability goals. Only then is an investment permitted. The bank carries out ongoing checks on every individual transaction. If an issuer does not meet the requirements of the Environmental Rating, no new investments are made and any existing holdings are sold promptly, taking economic considerations into account.

In addition to the bank's own monitoring, the Environmental Council, as an external body, is involved in assessing the environmental rating. It reviews progress on a quarterly basis and conducts an annual audit of all the bank's own investments.

Corporate Responsibility

UmweltBank supports various charitable projects through donations or sponsorship. Furthermore, the bank is actively involved in various networks and associations.

CO_2e reporting

A detailed breakdown of UmweltBank's greenhouse gas emissions can be found in the disclosure in accordance with ESRS E1-8 on page 139.

Sustainability Goals and Measures

UmweltBank's sustainability targets for 2025

Environmental aspect		Target	Deadline	Achievement of target
Direct CO_2 emissions	1	DGNB Platinum certification for UmweltBank's new premises	2026	All measures planned for 2025 successfully implemented
Strict sustainability criteria	2	Thorough review of the positive and exclusion criteria	2025	Target fully achieved
	3	Strengthening sustainability performance through external validation	2025	Target fully achieved
Equal treatment & Equal Opportunities	4	On an annual average, the proportion of women in senior specialist or management roles is between 40–60%	2025	Target of 95.75% achieved
Transparency and credibility	5	Publication of a sustainability report for the 2025 financial year, based on the ESRS, to increase transparency regarding our sustainability performance (NEW from 05/25)	2026	All measures planned for 2025 successfully implemented
	6	Ensure compliance with the EU Taxonomy Regulation through a comprehensive reporting process	2026	Postponed
Promoting a values-based, employee-focused and sustainable corporate culture	7	Promoting employee participation and identification	2025–2026	All measures planned for 2025 successfully implemented
	8	Engagement rate (comprising job satisfaction, motivation, retention and willingness to recommend) should be 80 per cent or higher	2025	Target 95% achieved
Indirect CO_2 emissions	9	Development of a climate strategy	2025	Target fully achieved
Renewable energy	10	Support for projects that contribute to the decarbonisation of the German economy	2025	Target achieved to 34.89%
Biodiversity	11	Development of a biodiversity strategy	2026	All measures planned for 2025 successfully implemented

UmweltBank's operational sustainability targets for 2026

Environmental aspect		Target		Measure	Deadline
CO_{2e} emissions; sustainable use of resources	1	DGNB Platinum certification for the UmweltBank's new premises	1.1	Ensuring compliance with the DGNB Platinum criteria through targeted building biology support and further quality assurance measures during the construction process.	2026
Strict sustainability criteria	2	Review and further development of the positive and exclusion criteria	2.1	Ongoing review of the positive and exclusion criteria by the Environmental Council, as well as adjustments as and when necessary, to ensure they serve as a binding basis for sustainability-related decisions across the entire core business (in particular lending, products and investments).	2026
Equal Treatment & Equal Opportunities	3	On an annual average, the proportion of women in management roles is between 40–60%	3.1	Through measures implemented as part of a gender-neutral human resources policy and by creating a working environment that offers equal opportunities, the proportion of women in management positions is to be maintained at a constant level.	2026
Reputation; Regulatory Affairs and Compliance; Transparency and Credibility	4	Publication of a sustainability report for the 2025 financial year, based on the ESRS, to increase transparency regarding our sustainability performance	4.1	Establishment of a comprehensive data collection and validation system to produce a report based on the ESRS, and targeted training for relevant teams to ensure compliance with the new standards.	2026
	5	Ensure compliance with the EU Taxonomy Regulation through a comprehensive reporting process	5.1	Systematic recording and assessment of ESG activities and criteria relevant to disclosure in accordance with Article 449a of the CRR to ensure complete documentation of all requirements by 2026.	2026
Sustainable corporate culture	6	Promoting employee participation and identification	6.1	Developing and implementing an approach to systematically embed sustainability and environmentally friendly behaviour across all departments.	2026
Fair working conditions	7	The engagement rate (comprising job satisfaction, motivation, retention and willingness to recommend) should be greater than or equal to 80%	7.1	The implementation of individual measures is intended to stabilise or increase staff satisfaction.	2026
Climate change and resilience	8	Development, implementation and monitoring of the climate strategy	8.1	Formulation of medium- and long-term climate targets based on a suitable model.	2027

Environmental aspect		Target		Measure	Deadline
			8.2	Implementation and monitoring of short-, medium- and long-term climate targets, including regular reporting and integration into management processes.	2028
	9	Strengthening the UmweltBank's transformative impact through effective transformation approaches	9.1	Evaluation and review of the implementation of effective transformation approaches to systematically increase the sustainable impact of the core business.	2027
Renewable energy	10	Supporting projects that contribute to the decarbonisation of the German economy	10.1	New lending to customers investing in the renewable energy sector (photovoltaics, wind power and battery storage).	2026
Biodiversity	11	Development of a biodiversity strategy	11.1	Development and publication of a biodiversity strategy setting out measures to promote and conserve biodiversity.	2027
Sustainable property	12	Launch of a private mortgage product	12.1	Reintroduction of private construction financing for sustainable properties in building cooperatives and conclusion of the first pilot financing agreements with customers.	2026
	13	From mid-2026, the energy efficiency of the property will be mandatorily assessed for all new property finance arrangements (supported by appropriate evidence) and systematically taken into account in the loan application process.	13.1	Establishment of a standardised process for the mandatory assessment, documentation and evaluation of the energy efficiency of properties in the context of all new property financing arrangements.	2026
	14	Promotion of sustainable property projects in Germany	14.1	Granting new loans to customers who invest in sustainable property.	2026

The following section describes further targets and measures that are not currently covered by the ESRS topic standards applied in the reporting year. The presentation is based on the structure of the ESRS disclosure requirements GDR-A (Actions) and GDR-T (Targets) to ensure transparency and traceability.

Target: Development of a biodiversity strategy

The objective is to develop and publish a company-wide biodiversity strategy that systematically addresses the protection and promotion of biological diversity. This objective relates to the sustainability aspect of biodiversity and ecosystems and aims to identify the company's relevant impacts, dependencies, risks and potential and to integrate these into a strategic framework. The degree to which the objective is achieved is measured qualitatively by whether a biodiversity strategy is developed, adopted and published by 2027. The scope covers all company-relevant activities and organisational units.

Action: Development of a biodiversity strategy

To achieve this objective, a company-wide biodiversity strategy will be developed and published. The initiative involves an in-depth analysis of existing research findings and available company data, the identification of relevant impacts, interdependencies and opportunities, and the assessment of suitable strategic approaches, including potential synergies with the long-term climate strategy. The scope covers all relevant activities and organisational units within the company. Implementation will take place in stages up to 2027. Based on in-depth analyses, a coherent draft strategy will be drawn up, reviewed and finalised. The expected outcome is a published biodiversity strategy that provides a structured framework for the future management of biodiversity issues within the company.

Objective: Reintroduction of private mortgage financing for sustainable properties in building cooperatives

UmweltBank aims to reintroduce private mortgage financing for sustainable properties in co-housing groups and to successfully complete the first financing deals. This objective supports the promotion of sustainable real estate projects and contributes to strengthening energy-efficient and community-oriented forms of housing. The target is defined as follows: the reintroduction is deemed to have been achieved once the relevant financing offers are available again and the first contracts with customers have been concluded. The target relates to the business area of private mortgage financing in building cooperatives and covers Germany exclusively. The target year is 2026.

Measure: Reintroduction of private mortgage lending for sustainable properties in building cooperatives

To achieve this target, the reintroduction of private mortgage lending for sustainable properties in co-housing groups is being implemented as a structured measure. In this way, the measure makes a direct contribution to achieving UmweltBank's environmental and sustainability targets by supporting sustainable real estate projects and facilitating their financing.

Contact for sustainability management

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Validation of the Environmental Statement

The EMAS environmental management system is audited annually by an independent environmental verifier. The verifier's statement confirms the reliability of the data and information contained in the sustainability report, as well as compliance with the requirements of the EMAS Regulation.

The auditor’s report relates solely to the German original of the Annual Report.

OmniCert
Die Umweltgutachter

ERKLÄRUNG DES UMWELTGUTACHTERS 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 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 16.06.26

Th. Grantner

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

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Disclaimer

This report contains forward-looking statements. Forward-looking statements are statements that do not relate to past data and facts, but are based on assumptions and estimates. These statements reflect the current views of the Management Board of UmweltBank regarding future developments. Forward-looking statements are subject to risks and uncertainties, such as the general economic situation, market and interest rate trends, the competitive environment and changes to banking regulations, most of which are beyond the Bank's control. Should these risks materialise or should the underlying assumptions prove to be incorrect, actual developments and results may differ from the assumptions and estimates. No guarantee is given that forward-looking statements will materialise. They are valid only on the date of their publication. UmweltBank accepts no obligation to update forward-looking statements.

This Annual and Sustainability Report does not contain any recommendations regarding the purchase, holding or sale of individual financial instruments.

This English translation is provided for convenience only. The German version is solely authoritative and legally binding. In the event of any discrepancies or inconsistencies between the German and English versions, the German version shall prevail.

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p. 11; p. 12; p. 13 UmweltGiro, Profile; p. 14 Financing; p. 16 Rental housing projects, commercial property, investor projects, building cooperatives; p. 17 Battery storage; p. 19 Profile

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EMAS
GEPRÜFTES UMWELTMANAGEMENT
DE-158-00138