



Annual report 2024

We are securities services

Key figures

		2024	2023
Operating business			
Member institutions	Number	1,027	1,065
Securities accounts	Number (millions)	5.3	5.2
Transactions	Number (millions)	53.6	48.1
Results			
Net fee and commission income	EUR (millions)	328.3	309.1
Administrative expense	EUR (millions)	286.4	264.0
Result from ordinary activities	EUR (millions)	76.8	74.8
Net income for the financial year	EUR (millions)	52.8	50.3
Total assets	EUR (millions)	927.5	673.6

Annual report 2024

Deutsche WertpapierService Bank AG

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Letter from the Board of Management



Left to right:

Dr Thorsten Warmt,
Member of the Board

Markus Neukirch,
Member of the Board

Kristina Lindenbaum,
Chief Representative

Ladies and gentlemen,

Equities were the one asset class nobody seeking double-digit returns in 2024 could ignore: the MSCI World rose by some 17% within 12 months, with the DAX rising by as much as 19%. This confirms once more that securities are a promising investment even in an uncertain economic environment. The same was true of crypto assets such as bitcoin, which surpassed the USD 100,000 mark for the first time at the beginning of December.

Looking to the long term and opting for broadly diversified securities remains the crucial step

for savers to build wealth and provide for retirement. Many have recognised this, as our savings plan figures show: for the first time we managed more than 1.3 million contracts for our client institutions in 2024, and we also expect growth in 2025. Even today, roughly one in five of the transactions we process relates to a savings plan. Overall, our transaction figures rose by 10% in the past financial year to hit a new annual high of 53.6 million. Thanks in part to price gains on the market, the figure for assets under custody hit EUR 2.17 trillion by the end of the past year.

These key figures for our operational development show that banks and savings banks are increasingly promoting their securities business and improving their fee and commission income. This is the right move, because competition in the market is intensifying and the past year saw no growth in the number of shareholders in Germany (12.1 million). This situation makes it all the more crucial to ensure the most attractive possible portfolio in the securities business.

We are doing our bit to make that happen. Our securities savings product family supports banks and savings banks in offering their customers a comprehensive range of products and services. Our newest addition, the capital-forming "VL-Sparen" product, is constantly developing and supplements the existing range of ETF and fund savings plans, reinvestment management, precious metal savings and savings in individual equities (equities savings). And the expansion does not stop there, with the new automatic deposit savings product also slated for launch in the coming years.

Alongside conventional securities, crypto currencies are playing an ever greater role for risk-aware and often young investors. We already anticipated the shift towards digital assets years ago, and for this reason bitcoin has been available as an investment option via wpNex, our platform for digital assets, since spring 2024. One of our client institutions, MLP Banking AG, has been taking advantage of the benefits offered by wpNex from day one: integration into its own user interface, secure trading and safe custody from a regulatory viewpoint, and transaction settlement directly via the existing current account. Ether has been available since the end of 2024, making it the second token on offer, and others will follow as the platform is expanded.

Meanwhile our wealth management marketplace is creating an additional investment opportunity for medium to high-net-worth private clients. This will enable client institutions to choose from a wide range of reputable wealth managers to find the best fit for the personal investment preferences of a demanding group of clients.

Continually refining and improving our products and services will remain a prerequisite for raising the appeal of trading in various asset classes among private and institutional clients. At the same time, the new business created by our products and solutions enables us to take the income generated and continuously invest it in IT infrastructure and in dwpbank's operational processes. Going forward, we will remain focused on our securities settlement platform, which is dwpbank's state-of-the-art technological centrepiece.

The success of the past financial year, with pre-tax operating profit of EUR 63.1 million after adjusting for non-recurring effects, confirms that we are on the right track in terms of expanding our portfolio, improving processes and enhancing efficiency. All of this will be necessary to safeguard our position as market leader in the long term in the face of continuing high cost pressure and intense competition. We intend to achieve this in 2025 and beyond together with our employees and our more than 1,000 client institutions. Going forward, the securities business will remain more than ever an integral part of growth and prosperity in Germany.

Yours,



Markus Neukirch



Dr Thorsten Warmt



Kristina Lindenbaum



Focusing on performance – today and tomorrow

Bitcoin and Ether
account for around

70%

of the global market
cap for crypto assets.

Our client institutions expect absolute reliability in their day-to-day securities business, but also the ability to recognise the trends of tomorrow early on and exploit them. Our response is to expand our trading platform for digital assets, empower our clients to engage with their own customers, support their sales activities and work flat-out to make our processes more agile and efficient.

wpNex – the trading platform for digital assets is growing

wpNex, our platform for trading digital assets, has been available to retail investors since 2024. It features trading in bitcoin and now also ether, the world's second-largest crypto currency. Together, the two account for some 70% of the global market cap for crypto assets. wpNex enables banks and savings banks to integrate crypto trading in bitcoin and ether into their front and back-end



systems via the existing technical interface with dwpbank. Our client institutions turn to wpNex for all the requisite processes, including safe custody and portfolio management, and investors invest in digital assets via their familiar user interface. This strengthens the institutions' customer loyalty and their position as they vie with neobanks and crypto exchanges.

MLP Banking AG, which has been offering its customers bitcoin on the market since the spring of 2023, has already integrated ether into its portfolio. Investors can purchase both crypto assets via the existing MLP customer portal and their investments are shown in a crypto account managed by dwpbank. The transactions are settled directly via the customer's current account with no need for prior transfers.



“We are happy with wpNex. It is a lean and fully integrated solution we can use to offer our customers crypto trading as an extension of our wealth management services – all within their familiar and secure banking environment and without involving third parties.”

Jakob Trefz,
Head of Wealth Management, MLP



“With bitcoin and ether we are offering our client institutions the two crypto currencies with the highest market demand. The existing connection to our securities settlement platform gives banks and savings banks access to the world of digital assets with regulatory certainty.”

Kristina Lindenbaum,
Chief Representative, Customer Management and Digitalisation



WPCockpit – Engage with customers the easy way

To exploit the untapped potential in the securities business, savings banks need straightforward data on their securities customers. With WPCockpit, we help our client institutions leverage automation to structure and analyse customer data. This enables them to quickly find the right customer groups to lock in growth right across their securities business. And all of this can be achieved with a modicum of effort, as Maximilian Weiß from Product Management & Sales at dwpbank emphasises: "You don't have to be a data analyst – after a brief introduction anyone can use WPCockpit."

Many savings banks have already experienced the benefits first hand. Kreissparkasse Herzogtum Lauenburg has been using the tool to good effect since the beginning of 2024: "An analysis from WPCockpit showed that a large number of our securities accounts are seldom used. This motivated us to launch two campaigns raising our customers' awareness of securities savings," said Sven Schmiedeberg from the sales management team at the savings bank. However, the bank is not just using the software for sales – a WPCockpit analysis also enabled securities account customers to be approached about an upcoming fund liquidation.

"At the click of a button, WPCockpit delivered a promising selection of customers receptive to a securities saving plan."

**Sven Schmiedeberg,
Sales Management, Kreissparkasse Herzogtum Lauenburg**

Some

15 %

of all securities
accounts at savings
banks were analysed
using the tool in 2024.

User call: ever more savings banks are using WPCockpit

Many savings banks are already using WPCockpit: some 15% of all securities accounts at savings banks were analysed using the tool in 2024 – an encouragingly large share at the present time. WPCockpit will be expanded continuously in line with user requirements and new features will be added. With this in mind, we arranged a user call with savings banks to exchange ideas and experience. Savings banks from Hamburger Sparkasse to Nassauische Sparkasse took part in the online session, all reporting on positive scenarios using the tool and the ways it had been put to successful use engaging with customers. Helpful for many: New filter functions in WPCockpit, such as searching by securities class or identification number will make analysis even quicker and easier for savings banks going forward.



“The feedback from savings banks shows that together we are on the right track.”

Maximilian Weiß,
Product Management & Sales





VL-Sparen – a new window to securities saving

Up to seven million people in Germany fail to take advantage of the employer-funded capital-forming benefits scheme (vermögenswirksame Leistungen, known by the abbreviation "VL"). This means some EUR 1.6 billion goes unclaimed – massive untapped potential for employees and for banks and savings banks. dwpbank's "VL-Sparen" product has been available to its client institutions since 2024, creating the opportunity to transfer their retail customers' capital-forming benefits into attractive savings plan products. A wide range of funds, ETFs and equities are there for them to do so, giving institutions a simple way to retain their existing customers and attract a new, young customer base. The VL contacts are invested in the savings bank's securities account B, which enables a comprehensive view of customers' securities exposure. Sophisticated automation also reduces the administrative workload involved in processing VL contracts.

Up to

7 million

people in Germany fail to take advantage of the employer-funded capital-forming benefits scheme (VL).

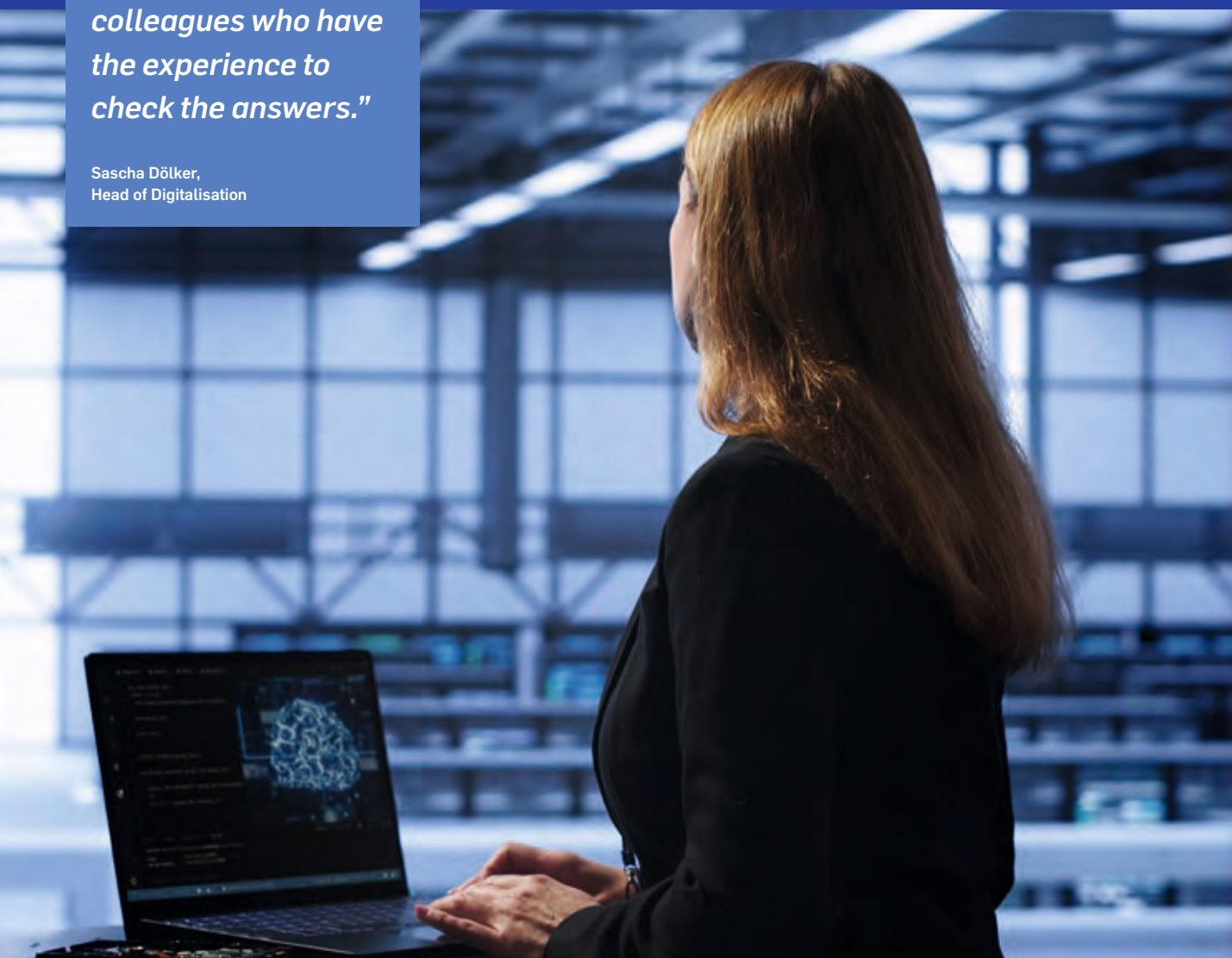


“We decided on a test phase in the customer service centre because the conditions there are perfect: a manageable level of complexity, a solid database and colleagues who have the experience to check the answers.”

Sascha Dölker,
Head of Digitalisation

AI assistant tested in practice

dwpbank's customer support centre gained a new colleague in 2024 – initially just for a probationary period. An internal AI assistant is currently being tested and trained to support our colleagues going forward by providing quick and precise answers to customer queries. The first step was for the AI tool to gain knowledge from the more than 8,000 pages of the securities settlement platform manual. It was then given pseudonymised real-world customer queries to test its effectiveness. Our digitalisation experts collected the feedback to make constant adjustments, for instance by rephrasing the questions (referred to as prompts). The AI was already finding helpful answers after just a few weeks of training, as Andreas Bögel from the customer support centre notes: "If the improvements continue at this rate, we will have a really useful tool to make our work easier in the future." Going forward, the intention is to identify further applications for AI at dwpbank. One thing is clear: humans will always be the final authority when it comes to deciding how information is used.





Agile release management for lean processes

Efficient release management is crucial for dwpbank. It is the only way we can provide securities trading, settlement and custody with the required quality. Like most financial institutions, we previously provided software updates in three major releases per year. The increasing complexity caused the number of individual projects per release to rise steadily, however, prompting excessively long lead times, the involvement of too many people and dependencies between projects. For this reason we have completely reworked our procedure. The aim: a streamlined and largely automated process.

Our new release management breaks customer requirements down into smaller, self-contained topic-specific packages. These then run through the process independently and are overseen by a package owner with specialist knowledge – smaller packages can be processed much more effectively. During a three-week technical acceptance phase, the package owner checks for errors and maturity and decides whether to put it forward for the upcoming release.

Post-release fixes
have been reduced by
roughly

80%

This is then followed by an initial quality check, transfer to pre-production for the subsequent acceptance test, and tests by the data centre. A key aspect is that package owners and release managers can intervene where necessary to postpone topics or make changes. However, this now happens far less frequently. Post-release fixes have been reduced by roughly 80% and in many cases are no longer necessary.



“The new release process creates significant value added for our customers and partners by improving response capability and time-to-market. The insights gained from this process are now being included in our overall IT change management.”

**Dr Thilo Müller,
Head of Management and Services**



Agile working methods: the next milestones

dwpbank uses the term "transformation" to describe the targeted development of its structure, culture and technology. In this context, the iTOPS.TNL (short for IT and Operations, the next level) deals with the structure of our cooperation and our evolution into an agile organisation. To make the transition easier for the colleagues involved, we are working with pilot areas that integrate agile structures into their daily working lives and adapt them to dwpbank's requirements. The process was initiated in 2024 with the new "Platform and Application Management" domain, followed by the "Tax" and "Reporting (Transactions)" sub-domains. As part of regular reviews, the participants use various criteria to look at how the new structures are working, where collaboration is going well and where adjustments have to be made. These insights are then incorporated into the future pilot process, ensuring that at the end of the day the departments become efficient agile teams.

A close-up photograph of two hands holding white puzzle pieces. The hands are positioned as if about to fit the pieces together. In the background, a smartphone is visible but out of focus. A dark blue rectangular box with the text 'iTOPS.TNL' is overlaid on the right side of the image.

iTOPS.TNL

Taking responsibility – for all stakeholders



At dwpbank, we are part of a diverse society and we take the same responsibility for our customers and partners as we do for our people. We make it our mission to do business sustainably and offer our staff the best possible opportunities for development.

New sustainability obligations: CSRD and LkSG

The environmental, social and governance aspects of sustainability (ESG for short) have always played a major role at dwpbank. There are now two new abbreviations in the field of sustainability: CSRD and LkSG. The EU Corporate Sustainability Reporting Directive (CSRD) lays down uniform, binding ESG reporting requirements for businesses across the block. dwpbank has also been subject to this directive since 2024. The requirements under the CSRD include demonstrating a path towards decarbonisation, in other words outlining how we will achieve net zero in the coming years. Another aspect is to foster a culture free from discrimination.

dwpbank has also been subject to the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, "LkSG") since the beginning of 2024. It requires businesses to monitor their own and their suppliers' observance of human rights and social and environmental standards, for example in relation to health and safety, fair pay, compliance with environmental standards and protection against discrimination.



“The CSRD sustainability report brings together the knowledge and experience of colleagues from right across dwpbank. Together, we define our Bank-wide sustainability targets and develop an implementation plan, because the defined targets can only be achieved when everyone is behind them.”

**Vanessa Schmitz,
Deputy ESG Officer**

dwpbank does not have a supply chain in the conventional sense, but we do work with service providers who we check for compliance with the required minimum standards – and ourselves act as a service provider open to scrutiny from our clients. The Boards and Committees department has put in place a risk management system to identify risks in relation to human rights, environmental standards and governance aspects. This risk management also covers other ESG requirements, meaning dwpbank goes far beyond the requirements of the LkSG. One focus is on preventing discrimination and disadvantage.

A week of ESG

The three pillars of sustainability took centre stage for dwpbank's ESG week in November 2024. The main attraction were three online events. Meteorologist Karsten Schwanke kicked off with a report on the environmental aspect, exploring the factors behind climate change and its impact on how we live our lives. The next day was dedicated to governance issues, with a question and answer session for Markus Neukirch and Thorsten Warnt from dwpbank's Board of Management team. Governance relates to the basic framework of a company and covers HR, structures, working methods and corporate culture. These aspects are not just a matter for the Board of Management and executives, but for all teams and levels. Good corporate governance hinges on the specialist skills, continuing education and integrity of the employees. For dwpbank, the G is a key focus of the ESG strategy because environmental and social initiatives cannot succeed in the long term without good governance.



ZUKUNFTS WOCHE

Mensch - Umwelt - Bank



“The LkSG is just the beginning and defines minimum standards. When it comes to human rights and ESG, our ambitions go a lot further. We also want to reduce CO₂ emissions in the value chain and help make the world a more sustainable place.”

Dilek Tikiz,
ESG Officer

“Focusing on short-term wins and large profits is not an effective approach in the long term. We have to position ourselves to meet the challenges of today and tomorrow and safeguard our competitive edge.”

Markus Neukirch,
Member of the Board




The third series of discussions saw Kristina Lindenbaum from the Board of Management team and head of HR Natascha Bütof address social topics. Their key message: we are already in a strong position in terms of employees thanks to our training and education programmes, wide range of benefits, comprehensive health initiatives and our employee survey. There is nevertheless still room for improvement, and with this in mind dwpbank is working on a range of initiatives to boost employee satisfaction and give the company the support it needs in the highly competitive employment market. These include mandatory training on subconscious thought patterns so that recruitment managers and staff learn not to make decisions based on preconceptions. Another focus for 2025 is dwpbank's planned power women initiative: "This was launched by a core team of motivated women and we are working on an concept to create networking opportunities," says Kristina Lindenbaum. "Our male colleagues are more than welcome to join in too!"



"In the face of demographic change, we need to make optimal use of the potential already available in the company. Conscious action to promote diversity, equality and employee development is crucial to ensure that dwpbank remains competitive."

Natascha Bütof,
Head of Human Resources



“We were also among the winners in last year's rankings, and there is a reason for that: dwpbank is investing a lot in its appeal and strives to constantly improve the working environment. We want to offer more than just a job.”

Dr Thorsten Warmt,
Member of the Board

we³ – Board of Management team and staff in dialogue

Another round of dwpbank's "we³" digital employee event kicked off in September. Thorsten Warmt, Markus Neukirch and Kristina Lindenbaum from the Board of Management team began by giving a brief update on current developments at the bank. Markus Neukirch gave an insight into the 2025 strategy in the core areas of stability, risk/regulatory and clients, Kristina Lindenbaum reported on the healthy business performance in the current year and Thorsten Warmt commented on the results of the most recent employee survey, calling the 86% participation rate "genuinely impressive" and the employee satisfaction rate of 88% "a really solid basis to work with". In particular, he highlighted the quality of much of the feedback: the comments had been constructive and it had been very helpful to get a differentiated view, including on critical issues. The participants then learned more about the strategic development in the context of the transformation, the Metis project and client interest in wpNex. The event then turned to the question and answer session, with more than 30 audience questions answered on camera on topics ranging from salary trends and cloud strategy to use of the informal "du" form of address within the company.



In the “Most Wanted Employer 2024” ranking, we achieved a strong

4th place

with 4.2 out of 5 possible stars.

Top position in employer ranking

dwpbank remains one of the top employers in Germany's financial sector. We achieved 4.2 out of a possible 5 stars and a recommendation rate of 98% in the “Most Wanted Employer 2024” ranking from the DIE ZEIT publishing group and rating platform kununu, putting us in a solid fourth place. Only a fraction of Germany's approximately 1,400 financial institutions qualified for the competition due to the strict criteria, with only banks and savings banks with a score of at least 3.5 out of 5 stars and a recommendation rate of at least 70% reaching the short list. There also has to be a minimum number of current ratings. Only 15 financial institutions made it through to the final. The overall result included ratings on career and salary, corporate culture and diversity, with dwpbank scoring particularly well on its corporate culture.

Rookie Summit – a networking opportunity for young professionals

The time spent studying and in training is very much shaped by those you spend it with. The same is true at dwpbank, where we currently have 16 apprentices, 26 trainees and 10 students on twin-track courses at our 3 locations. There are also 16 colleagues taking part in the "Young Professional" development programme. All are well integrated in their departments and familiarised with their work, but often there is only a fleeting opportunity for them to network among themselves. This is something that young professionals Hannah Trilling, Dennis Pyka and Maximilian Weiß and the two trainees Annika Backes and Franziska Berres wanted to change: without hesitating they launched dwpbank's first Rookie Summit. The one-day event held in August addressed many topics of significance to dwpbank, such as crypto and digital assets, agility and cooperation, and of course also opportunities for personal development. Overall, the day was well received by the roughly 50 participants and there is a clear appetite for it to be repeated. A challenge cup should help: the organisational team will pass it on to the group organising the summit next year.





“dwpbank's securities savings product family currently includes savings plans linked to more than 1,800 different ETFs, 3,700 funds (of which some 200 sustainable) and hundreds of German and international equities, with the option to select automated reinvestment management. This provides a diversified range of products for our client institutions in the competition to attract securities savers.”

Dr Thorsten Warmt,
Member of the Board

On the agenda: subsidised private pensions

Going forward, the state pension will prove less and less capable of covering retirement needs. However existing models for subsidised private pensions, such as the Riester pension, are complicated, inefficient and increasingly subject to criticism. In autumn 2024, Germany's Federal Ministry of Finance proposed a subsidised retirement investment account that is also suitable for investments without guarantee. The intention is for savers to invest their retirement capital as they choose, for example in equities or ETFs, and to benefit from state subsidies. The plan was put on hold after the previous governing coalition left office, but the new federal government will have to address the issue of subsidising private pensions. It remains by all means reasonable to consider a solution that, like the retirement investment account, also includes potentially high-return investments without guarantee. A particularly suitable option for subsidised private wealth creation are securities savings plans, which enable regular payments into funds, ETFs and individual equities. They are simple, flexible and less risky than individual investments thanks to their diversification over time.



Financial Statement 2024

Deutsche WertpapierService Bank AG

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1 General information

1.1 Business model

The business model of Deutsche WertpapierService Bank AG (dwpbank) is based on the provision of securities services for banks with a focus on financial brokerage and on securities custody and management.

The focus of dwpbank's business model lies on supporting banks and savings banks by providing their private and institutional securities account customers with stable, secure and efficient securities services. dwpbank delivers solutions along the entire securities service value chain. It offers a modular portfolio of services ranging from commission through securities settlement and safe custody down to back office functions.

By bundling large securities account, transaction and custody volumes, dwpbank realises a cost advantage for its clients through economies of scale and scope relating to products, services and expertise. Functional and technical developments as well as regulatory requirements affecting the securities business are implemented for all member banks centrally, thereby relieving them of investment and operating expenses. dwpbank furthermore leverages its in-depth expertise in the securities business to set standards in the German market and implement these on its securities service platform.

dwpbank is leveraging the three strategic priorities of "control system", "platform" and "clients" to strengthen its operational stability, improve the quality and efficiency of its processes and mitigate identified risks. It is taking decisive action to drive forward the restructuring of its technology platform based on state-of-the-art software solutions and cloud technologies and is leveraging new securities account models and digital assets to refine its products and services.

dwpbank sees the aspects of "rethinking" and "team spirit" as key success levers to achieve its strategic goals and priorities. In particular, "rethinking" is aimed at the efficiency and effectiveness of our own actions and forms a material anchor for the substantive design of our strategic priorities. "Team spirit", in particular the opportunity to boost cross-functional cooperation, enables dwpbank to precisely leverage the organisation's strengths in implementing its strategic priorities.

In this way, dwpbank underscores its continuing mission to be Germany's best partner for securities services. Ensuring efficiency and state-of-the-art quality standards serves as the basis for dwpbank's business activities and for further economies of scale. With its client-centric approach, dwpbank seeks to leverage growth opportunities and further digitalisation to expand its market share in terms of clients and products.

1.2 Objectives and strategies

dwpbank's motivation and mission is to be the best securities services partner for its customers in Germany. To that end, dwpbank provides banks from all pillars of the German finance industry with a comprehensive portfolio of standardised products and services that it continuously refines to keep pace with client requirements and relevant market developments. Its services focus on the retail and institutional business.

In the past year, dwpbank successfully implemented its "dwpbank 2024" strategy programme. Working with a well-known consulting firm, dwpbank has refined its strategic orientation and formulated a vision and strategy for the period 2025 to 2028.

Referred to as "3-2-1, go!", its strategy centres on three strategic priorities, uses two key success levers and pursues one clear mission.

1.3 Sustainability

At dwpbank, our focus on ensuring that our business model is sustainable lies at the heart of our culture. Sustainability is not simply about taking responsibility for the environment and society, it also means tending to all of the elements that safeguard dwpbank's future viability. Among other things, this also impacts profitability in the long run as well as dwpbank's continued development. Both comprise the financial aspects that are discussed in detail in this management report. The other sustainability aspects, which primarily include the non-financial aspects, are presented in detail in the separate "sustainability report" section of the management report. These non-financial aspects are summarised under the familiar term ESG. The E stands for Environmental (climate and habitat), the S for Social (employees and society) and the G for Governance (corporate management and business practices). The term ESG is used in both the management report and the sustainability report to make it clear that the reference is to the non-financial aspects of sustainability.

1.4 Offices

dwpbank offers its services from its headquarters pursuant to the Articles of Association in Frankfurt am Main as well as from its branch offices in Düsseldorf and Munich.

1.5 Equity investments

dwp Service GmbH (Halle (Saale))

dwpbank is the sole shareholder of dwp Service GmbH, which was formed in financial year 2017. A control and profit and loss transfer agreement has been entered into with dwp Service GmbH. It specialises in providing back office securities services for dwpbank's savings bank and credit institution clients and performs its tasks on behalf of dwpbank.

Its key figures were as follows as at the balance sheet date:

- **Number of employees:** 328 (previous year: 251)
- **Other operating income:** income: EUR 13,251 thousand (previous year: EUR 9,957 thousand)
- **Total assets:** EUR 1,567 thousand (previous year: EUR 917 thousand)

dwp Software Kft. (Budapest, Hungary)

dwpbank is the sole shareholder of dwp Software Kft., which was founded in 2001 and provides IT services in the banking sector. Under the terms of an agency agreement, this subsidiary performs IT consulting services, develops software solutions and supports selected applications and infrastructure components for dwpbank.

Its key figures were as follows as at the balance sheet date (translated into EUR on the basis of the reference rate published by the ECB of EUR 1 = HUF 411 as at 30 December 2024):

- **Number of employees:** 66 (previous year: 65)
- **Sales:** HUF 3,238,812 thousand (EUR 7,880 thousand, previous year: HUF 3,076,174 thousand)
- **Total assets:** HUF 1,214,734,350 thousand (EUR 2,956 thousand, previous year: HUF 1,121,144 thousand)

Cintac A/S (Roskilde, Denmark)

dwpbank acquired a 26% stake in the Danish software company Cintac A/S (stock corporation incorporated under Danish law) in 2012. The company serves to strategically secure software expertise, which is used as the basis for two core products of the securities system family deployed at dwpbank. The investment secures the long-term licence to Dynamic AI, and the long-term cooperation with Cintac A/S will be continued.

Its key figures were as follows as at the balance sheet date (translated into EUR on the basis of the reference rate published by the ECB of EUR 1 = DKK 7.4578 as at 31 December 2024):

- **Number of employees:** 1 (previous year: 1)
- **Sales:** DKK 1,871 thousand (EUR 251 thousand, previous year: DKK 1,640 thousand)
- **Total assets:** DKK 1,771 thousand (EUR 237 thousand, previous year: DKK 1,691 thousand)

2 Economic report

2.1 Development of the market environment and course of business

dwpbank once again achieved a very solid result at EUR 76.8 million in earnings before taxes, despite the challenging economic and political environment. Interest in securities was buoyed by geopolitical uncertainties, the US election, the break-up of Germany's coalition government and inflation. dwpbank saw the number of transactions rise significantly, climbing by 11% year on year (2024: approximately 53.6 million transactions; 2023: approximately 48.1 million). The development in securities savings remained stable over the course of 2024. dwpbank was managing almost 1.3 million savings plans at the end of the year, of which 54% were on ETFs and certificates, and 42% on actively managed funds. Savings plans on stocks accounted for 4% of all savings plans at year-end. The monthly saving rate per savings plan remained high, averaging EUR 252 for funds and EUR 327 for ETF savings plans. The number of managed securities accounts once again rose slightly in 2024, increasing by around 60,000 (+1%) to a total of 5.3 million. In particular, this notable development more than offset the demigration of a client in 2024.

The number of securities account items increased again slightly from 27.3 million in 2023 to 27.4 million in 2024.

Business also continued to grow in securities account service. Corporate actions, for example, rose by almost 1% to 16,164 (previous year: 16,040). In addition, gross income in the amount of EUR 41 billion (previous year: EUR 35 billion, +17%) and due amounts of EUR 247.5 billion (previous year: EUR 179 billion, +38%) were paid out to customers.

dwpbank's stable core business was enhanced by further effects on earnings, which reflect the positive overall development.

This positive performance was buoyed by a strong, though still volatile, year on the stock markets in 2024. In particular, key issues were the continued tense situation surrounding economic development, the US election and defence spending. Technology stocks continued to outperform other sectors, with the US Nasdaq-100 Technology Sector index reaching an all-time high of 22,097 points on 16 December 2024 after a strong trading year. The index then dipped slightly to close out the year at 21,012 points, marking a gain of almost 25% since the start of 2024. The number of companies choosing to go public declined

again, with the number of IPOs on European exchanges falling further to 125 (previous year: 148). Nevertheless, issue volumes were up 41%, rising from USD 13.5 billion to USD 19.1 billion. The DAX, Germany's blue-chip stock index, opened on 2 January 2024 at 16,829 points (XETRA opening price) It reached a new all-time high of 20,426 points on 13 December 2024, with the stock market buoyed in particular by declining interest rates and the euphoria surrounding artificial intelligence. The DAX closed at 19,909 points on 30 December 2024, some 19% higher than the beginning of the year.

2.1.1 Changes in client structure

dwpbank's systems directly or indirectly provide securities services to a good two-thirds of the credit institutions based in Germany. As at the 31 December 2024 reporting date, dwpbank had a total of 335 direct client institutions (previous year: 345). dwpbank services another 692 (previous year: 720) credit institutions indirectly, in particular from the cooperative sector, for instance via our client DZ BANK AG.

In addition to the demigration of one client, the slight decline in contractual clients in the year under review was due to the ongoing trend towards consolidation and mergers in the German banking market.

dwpbank's client structure is as follows:

German Cooperative Financial Services Network (Genossenschaftliche FinanzGruppe)

The most significant client from the German Cooperative Financial Services Network is DZ BANK AG. A further total 692 (previous year: 720) local credit cooperatives and private banks in total are linked to dwpbank's securities system via DZ BANK AG. The decrease in this figure is due in particular to mergers between cooperative banks.

German Savings Banks Financial Services Network (Sparkassen-Finanzgruppe)

By the end of the year, four state banks (Bayerische Landesbank, Landesbank Hessen-Thüringen Girozentrale, Norddeutsche Landesbank - Girozentrale -, and SaarLB), as in the previous year, and 309 savings banks (previous year: 315) from all German states were making use of services offered by dwpbank in a direct contractual relationship. The decrease in this figure is due in particular to mergers between savings banks. Individual standard services were performed for Landesbank Baden-Württemberg in 2024. dwpbank also provides a variety of back-office services for DekaBank Deutsche Girozentrale.

Private/commercial banking

As at 31 December 2024, the number of client institutions in the private and commercial banking sector was 17 (previous year: 21). These included ODDO BHF Aktiengesellschaft, Santander Consumer Bank AG, Deutsche Kreditbank Aktiengesellschaft (DKB), Hamburg Commercial Bank AG and MLP Banking AG.

2.1.2 Cooperation with our clients

dwpbank works in close cooperation with its clients. A key factor is client governance, which dwpbank established for regular dialogue and solution development in order to best support clients in successfully developing their securities business.

The most important client body at dwpbank is the Advisory Board. The current board comprises a total of 20 client representatives from the German Savings Banks Financial Services Network, the German Cooperative Financial Services Network, the private banks and the state banks. There are also permanent guests, who are representatives of the Association of German Banks (Bundesverband deutscher Banken e.V.), the National Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V.), and the German Savings Bank Association (Deutscher Sparkassen- und Giroverband e.V.). The Advisory Board, which acts as the central point of contact for the Board of Management of dwpbank in all issues connected with the market, clients and products, met twice in 2024. Among other things, the (product) ideas formulated by dwpbank and trends in the securities environment were presented, and feedback was given. At the same time, the client representatives also made their ideas and wishes known.

The Service Advisory Board continues to both provide support in expanding the value chain by reflecting on topics concerning the market, competition, trends and regulatory developments, and facilitate a dialogue for discussing sales and marketing opportunities.

2.1.3 Implementation of the "dwpbank 2024" strategy programme

In 2024, dwpbank brought to a successful conclusion its "dwpbank 2024" launched in 2021 for the Company's strategic development. The strategy programme is divided into three target dimensions: "Focus", "Improve" and "Grow".

2.1.3.1 Target dimension "Focus" – quality and future viability

Under the target dimension "Focus", since 2021 dwpbank has been bringing together key actions to maintain the stability and future viability of its business model and platform. To guarantee a securities settlement platform that is fit for the future, as part of its strategy dwpbank is pushing ahead with developing its WP3 IT platform, including optimising technical business processes, under the "MoveWP3" IT programme. The objective is to create an architecture that is scalable, high-performance, offers a secure production environment and that can respond more rapidly to client and regulatory requirements.

In 2024, the now very well-established cloud technologies enabled large strides to be made in restructuring key processes on both the transaction and securities account services sides.

In addition, process handling via the digital workplace has been rolled out to a wide range of client institutions.

Anchoring the platform and application management in the agile organisation paves the way from the programme to the organisation.

The workstream for implementing the WP3 order and trade management system (OMS) enabled implementation of the quote trading process to be completed in 2024 and a large number of client institutions to be connected. The OMS scrum teams are working hard on the next process, limit trading.

In securities account services, the processes for AGMs and suspensions in the case of reserve splits are running smoothly on our WP3 securities settlement platform. The workstream implemented two far-reaching steps forward in 2024 with the overall maturities in EUR and replacement of the booking tool, and has been executing these in production operations and at very high quality from the outset.

In addition, another key customer requirement was met by connecting Broadridge for proxy voting (instructions for AGMs abroad).

The project launched in 2023 to transfer application operations for the WP3 IT platform from FI-TS to dwpbank was successfully completed on schedule in the second quarter of 2024. The objective of this project was to improve the quality of application operations, to guarantee the stability and high availability of the WP3 application operations, and to provide users with high-performance availability of all application components.

To map the high availability of limit trading on the cloud platform, which is critical in terms of performance and availability, FI-TS was engaged to expand the existing Finance Cloud Native (FCN) platform.

2.1.3.2 Target dimension "Improve" – efficiency for our clients

The "Improve" target dimension of the "dwpbank 2024" programme identifies and realises process optimisations and structural cost savings in terms of fee and commission expenses, non-labour costs and personnel expenses. Process optimisations include simplifying processes, improving efficiency and increased use of automation. Overall, dwpbank has achieved savings of more than EUR 20 million since 2021. The specific focus in 2024 was on optimising processes in various operational functions.

2.1.3.3 Target dimension "Grow" – further develop services for our clients

In this target dimension, dwpbank continued to drive forward growth in its products and services in 2024, both in the conventional and digital securities business.

Development of an asset management marketplace

dwpbank and its partners investify TECH and Dericon are establishing an asset management marketplace. The goal is to offer high-net-worth customers a flexible, quick and easy way to choose from a wide range of top asset managers.

Banks and savings banks will select the right asset manager for their customers' needs and remain the custodian institution. Digital processes will simplify to the furthest extent the subsequent onboarding process for advisers. dwpbank will oversee the securities services in asset management.

Digital asset product range

Constant enhancements were made to the range of digital asset services in 2024. The wpNex platform went operational in the first half of the year and in a first step gives our client institutions access to trading and safe custody of crypto assets (Bitcoin and Ethereum). Other crypto assets will be made available in the near future. Besides crypto assets, there is also notable growth in the market maturity and demand for crypto securities (in accordance with the German Electronic Securities Act (Gesetz über elektronische Wertpapiere, "eWpG")). Looking to the future, the wpNex platform will also provide our client institutions access to digital assets, thus fully integrating them into the range of securities products available to our client institutions and their end customers.

2.1.4 Persistently high regulatory and market-driven requirements

As in previous years, regulatory and market-driven requirements continued to impact dwpbank's business model in 2024. This affected dwpbank as a CRR bank and service provider for the bundled implementation of requirements for its client institutions. In total, dwpbank invested some EUR 25.8 million in this area in 2024 – roughly 32.5% of its overall investments in projects.

The changes made for dwpbank's customers in financial year 2024 included further system implementations in coordination with business partners and leading banking associations of the requirements for the notification procedure relating to investment income tax on dividends and deposit certificates (Mitteilungsverfahren für Kapitalerträge aus Dividenden und Hinterlegungsscheinen, "MiKaDiv"), as introduced in sections 45b and 45c of the German Income Tax Act (Einkommensteuergesetz, "EStG") pursuant to the German Withholding Tax Relief Modernisation Act (Abzugsteuerentlastungsmodernisierungsgesetz, "AbzStEntModG"). The complex reporting obligation for corrected tax certificates (section 45a (6) EStG) went live on schedule in 2024 after its successful introduction in 2023.

Plans by the US Internal Revenue Service (IRS) for electronic submission of the annual form 1042 tax return (electronic filing 1042) as part of the Modernized e-File (MeF) system has resulted in a considerable monitoring effort and need for coordination on the part of dwpbank (including the German Banking Industry Committee's successful submission to the IRS with the key involvement of dwpbank) due to the extensive prerequisites for access.

2.2 Financial position

2.2.1 Results of operations

Material non-financial factors affecting the results of operations of dwpbank are listed in the following table: (Table below)

The overall volume of securities transactions settled by dwpbank rose by 11.3% year on year to 53.6 million, and thus exceeded the projections.

The average number of items per securities account decreased slightly as compared with 2023 to 5.1 items, and was below the projected 5.3 items per securities account. The average number of managed securities accounts rose by 2.9% to 5.3 million, and was thus level with the projection.

Non-financial indicators	2024	2023	Delta
Transactions (millions)	53.6	48.1	+5.4
Average number of securities accounts managed (millions)	5.3	5.2	+0.2
Average number of items per securities account	5.1	5.2	-0.1

Computational rounding differences may appear in the tables, so that the figures included therein may deviate from the precise figures.

Non-financial indicators	2024	2023	Delta
Interest income	10.3	7.4	+2.9
Interest expense	-3.0	-2.5	-0.5
Net interest income	7.2	4.9	+2.4
Fee and commission income	430.3	402.9	+27.4
Fee and commission expense	-102.0	-93.8	-8.2
Net fee and commission income	328.3	309.1	+19.2
Other income ¹	91.9	77.9	+13.9
Other operating expenses	-52.9	-43.6	-9.3
Net other operating income	39.0	34.4	+4.6
Personnel expenses	-132.3	-127.5	-4.8
Other administrative expenses	-154.1	-136.5	-17.6
Total general and administrative expenses	-286.4	-264.0	-22.4
Depreciation, amortisation and write-downs	-11.3	-9.5	-1.8
Earnings before taxes	76.8	74.8	+2.0
Taxes on income	-24.0	-24.5	+0.5
Net income for the financial year	52.8	50.3	+2.5

Computational rounding differences may appear in the tables, so that the figures included therein may deviate from the precise figures.

1. Other income includes current income from securities and equity investments, income from profit pooling, profit and loss transfer or partial profit transfer agreements, and other operating income.

The primary financial performance indicator at dwpbank is earnings before taxes, which are calculated using the key income and expense items. The corresponding management tools used by dwpbank are:

- the annual planning and budgeting process,
- the monthly balanced scorecard and associated report to management, and
- forecasts and quarterly reports.

dwpbank's **earnings before taxes** were up by EUR 2.0 million to EUR 76.8 million (previous year: EUR 74.8 million). This far exceeded the projected earnings before taxes of EUR 48.1 million for 2024, including due to non-recurring effects connected with the demigration of a client.

Net interest income rose by EUR 2.4 million as against 2023 to EUR 7.2 million. This was due to the increase in the average overnight balance at Deutsche Bundesbank, the higher effective interest rate of 3.73% (previous year: 3.31%) and the direct holdings of fixed-income securities in securities account A built up over the course of the year.

Net fee and commission income amounted to EUR 328.3 million, a considerable rise (by EUR 19.2 million) compared with the previous year. The year-on-year increase of EUR 27.4 million in fee and commission income was due primarily to the rise in transactions and higher safe custody volumes. Earnings were reduced by the associated higher fee and commission expenses for depositories.

The slight rise in **net other operating income** was due to an increase in other operating income and an increase in other operating expenses by almost the same amount.

Other income increased significantly year on year, by EUR 13.9 million to EUR 91.9 million. This effect was attributable primarily to non-recurring income from the demigration of a client (EUR +8.1 million) and higher income from currency translation relating to operating activities in the securities business (EUR +4.9 million).

Furthermore, **the other operating expenses** rose by EUR 9.3 million to EUR 52.9 million. The relevant items here are the addition to the provision for restructuring (EUR +4.9 EUR) and the increase in other administrative expenses (EUR +1.7 million).

General and administrative expenses increased year on year due to the continuing growth in the business. Personnel expenses rose by EUR 4.8 million year on year, due primarily to the higher number of employees and wages and salaries. The higher expenses were partially offset by the lower expenses for occupational pensions than in the previous year.

Other administrative expenses rose significantly by EUR 17.6 million year on year. The increase was primarily due to higher expenses in the project environment (EUR +10.4 million), higher costs for dwp Service GmbH as a result of outsourcing and general increases in salary costs (EUR +3.4 million), a slight increase in IT operating costs (EUR +1.9 million) and higher non-labour costs relating to personnel, such as recruitment and training (EUR +1.5 million).

The increase in **depreciation, amortisation, write-downs and reversals of write-downs** by EUR 1.8 million is due primarily to the increased recognition of internally generated intangible assets and the resulting increase in write-downs of EUR 1.5 million.

Despite the higher earnings before taxes of EUR 76.8 million, the tax expense decreased slightly by EUR 0.5 million as against 2023 to EUR 24.0 million due to adjustments in the tax accounts.

2.2.2 Net assets and financial position

As at 31 December 2024, dwpbank had total assets of EUR 927.5 million (previous year: EUR 673.6 million). Total assets consist of current receivables of EUR 257.3 million (previous year: EUR 126.8 million) from the settlement of payments in association with securities, which are offset by similar amounts of liabilities. The rise in total assets is primarily attributable to these items and to the increased holding of bonds and other fixed-income securities due to investing the liquid funds (which had increased due to retaining the prior-year net profit and raising the promissory note loan) in accordance with the investment strategy.

The Bank does not conduct any active lending business. Formal lending relationships result primarily from bank transactions pursuant to section 1 (1) sentence 2 no. 2 of the German Banking Act (Kreditwesengesetz, "KWG") in which instructions from the securities seller relating to the selling price are already permitted on the expected settlement date.

As at the balance sheet date, dwpbank's primary assets on the one hand included direct investments in interest-bearing securities (EUR 255.4 million; previous year: EUR 140.8 million), which serve as collateral for the settlement of the operating activities in the securities business and partially as the liquidity reserve. On the other hand, funds with a carrying amount of EUR 109.3 million (previous year: EUR 109.0 million) were invested in a German institutional fund (Spezialfonds).

The capitalisation of internally generated software resulted in intangible fixed assets of EUR 90.8 million (previous year: EUR 70.7 million), reflecting the creation of additional functionalities within the securities system. Investments amounting to EUR 30.7 million were made in financial year 2024. Other assets consist primarily of tangible fixed assets (operating and office equipment), software and licences, and receivables from services billed to clients.

As at 31 December 2024, dwpbank had a surplus of deferred tax assets amounting to EUR 15.8 million (previous year: EUR 25.9 million). This surplus resulted from temporary differences in the measurement of balance sheet items in the tax accounts versus the financial accounts.

As at the date of adoption of the 2024 annual financial statements, dwpbank's equity amounted to EUR 388.0 million, including net retained profits (previous year: EUR 335.2 million). The Bank's liable capital in the amount of EUR 262.6 million (previous year: EUR 211.3 million) continues to consist solely of core (common equity tier 1) capital (see section 4.4 for further information).

As at the balance sheet date, the Bank reported pension obligations totalling EUR 112.9 million (previous year: EUR 114.1 million). This decline was largely attributable to a decrease in the measurement parameters used to recognise assumptions regarding future pension trends caused by inflation. There were also current liabilities and other provisions amounting to EUR 397.7 million (previous year: EUR 201.2 million).

dwpbank was able to meet its financial commitments at all times throughout the 2024 financial year. Through its clearing service providers, dwpbank has ample opportunity to refinance peak volumes of securities-related payment transactions. Credit lines totalling EUR 750 million are available for this purpose, which have been provided by various banks. The committed credit lines were routinely drawn down over the course of financial year 2024.

None of the committed credit lines were drawn down as at 31 December 2024. The structure and maturity of cash and cash equivalents and payment obligations are monitored on a daily basis and managed using corresponding planning tools.

dwpbank's net assets and financial position were stable and balanced at all times. Business developments at dwpbank were positive against the backdrop of the developments described above.

3 Corporate governance declaration

In accordance with the Act on the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors (Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst), dwpbank has undertaken to achieve a target of women holding 25% of divisional head positions and 30% of departmental head positions by the established reporting date of 30 June 2025.

The Supervisory Board resolved a target of 0% for the Board of Management and a target of 10% for the Supervisory Board, in each case for the 30 June 2025 reporting date. The target for the Board of Management was set against the background of its current composition and small size.

A strategy was adopted in order to promote diversity in the Board of Management and the Supervisory Board of dwpbank, aimed at ensuring a diverse group of individuals when appointing members of the boards. As at 31 December 2024, 20% of divisional head positions and 21.6% of departmental head positions were held by women. The percentage of women serving on the Supervisory Board amounts to 13.3%. As previously, no women serve on the Board of Management. The failure to meet the targets for women holding divisional and departmental head positions was due to the measures taken and planned by dwpbank to increase the proportion of women in management positions having yet to show an effect.

All internal and external job adverts for leadership positions are aimed at women, men and non-binary candidates in equal measure. Our Q³ talent development programme prepares and develops employees with leadership potential to take on management responsibility. This programme also has a module to focus on strengths and develop talent that has been specially designed for women. In addition, as at 31 December 2024 a total of 40.5% of deputy departmental heads and 30% of deputy divisional heads were women.

As such, there is a large number of women gaining initial management experience in deputy roles in order to take on leadership responsibility where necessary going forward. With a wide range of benefits to help achieve an optimal work-life balance and flexible working time models, dwpbank offers suitable conditions for all employees, irrespective of their gender. dwpbank bundled additional measures to increase the proportion of women in divisional and departmental head positions in its ESG strategy in order to increase the number of female applicants and potential internal female candidates. The newly formed "power women dwpbank" network is aimed at promoting the achievement of ESG goals for the advancement of women, offering female colleagues networking opportunities across hierarchical levels and departments, and supporting them in their individual career goals.

4 Risk report

dwpbank AG has a risk management system which is aligned with changing overall conditions on an ongoing basis. It includes tools to identify, assess, manage, monitor and communicate the material risks for dwpbank. The existing risk management tools were further refined during the year under review.

4.1 Basic features of risk management

Material risk management requirements

dwpbank is required in accordance with section 25a (1) KWG to have in place a proper business organisation, which must comprise, in particular, appropriate and effective risk management, on the basis of which an institution shall continuously safeguard its internal capital adequacy. The Bank is also required to have adequate staffing and technical and organisational resources, and an adequate contingency plan, especially for IT systems.

As part of the regular planning processes, dwpbank continuously reviews financial and human resources based on commercial approaches and adjusts them as necessary. Appropriate personnel expense and non-labour cost budgets were included in the annual planning.

In addition, the provisions of the Minimum Requirements for Risk Management (Mindestanforderungen an das Risikomanagement, "MaRisk") and the Capital Requirements Regulation (CRR) apply in particular.

Risk strategy: the foundation for risk management

dwpbank's risk strategy constitutes the framework for the organisation of risk management and risk reporting. It is part of dwpbank's annual strategy process, during which it is updated. The risk strategy outlines the foundation for professional risk management in the context of the corporate strategy. At dwpbank, risks are defined as the danger that actual results deviate from planned results with respect to the Bank's net assets, results of operations, liquidity or non-financial situation. It categorises and describes risks and determines the risk appetite. It also defines the risk management and controlling processes, internal capital adequacy and risk culture.

In line with the corporate strategy, the material objectives of the risk strategy and risk management are:

- Managing operational risks and other risk types effectively to identify risks early and enable them to be mitigated in consideration of business aspects,
- Ensuring internal capital adequacy at all times,
- Promoting a risk culture and transparency,
- Constantly refining the methods and processes used.

The content of the risk strategy was reviewed and updated in 2024 in line with the corporate strategy. The tolerances for material risk types were adjusted within the Bank's ICAAP while maintaining the previous tolerance for overall risk as a key element of risk appetite.

The risk management system is adjusted on an ongoing basis in line with changing legal and regulatory requirements. One key aspect of strategic development in 2024 was projects that concerned reviewing and revising the internal control system (ICS) and associated governance, as well as reinforcing the risk management system.

4.2 Governance framework for risk management

Responsibility for risk management lies with the Board of Management, which in the context of the three lines of defence model is tasked with ensuring a comprehensive and effective risk management system. The full Board of Management set up the Risk Management organisational unit as one of the second-line-of-defence functions. It sets the general conditions for a Bank-wide risk management system and develops methods and processes for identifying, assessing, controlling, monitoring and communicating risks and the risk culture. To describe and continuously improve its risk culture, dwpbank is guided by the four dimensions of a sound risk culture laid down by the Financial Stability Board (tone from the top, employee accountability, effective communication and challenge, appropriate incentive schemes). Current actions to improve the risk culture include regular dialogue between central risk management and other departments on risk topics, as well as internal publications.

All executives at dwpbank are responsible for identifying, assessing, reporting and managing the risks which arise in their respective area of responsibility. Local risk managers are also appointed in each of the Bank's units. Role owners have been given appropriate resources and are trained for their work. They act as multipliers and their knowledge and experience make them a key element of operative risk management (including serving as a first port of call for central risk management, offering support and assistance in quantifying identified risks). This also includes centralised monthly reporting on indicators that is included in the Bank-wide risk report.

In addition to risk management, the second line of defence includes the compliance function. The three lines of defence model and the compliance function are described in greater detail in the "Governance information" section of the sustainability report. Given the different disclosure requirements for the management report and the sustainability report, the information is spread across both reports. For readability, redundancies are avoided where possible.

The third line of defence is Internal Audit, which applies a risk-based approach to provide the Board of Management and the Supervisory Board with independent and objective assurance regarding the appropriateness and effectiveness of governance and risk management. The annual audit of dwpbank's risk management system forms part of Internal Audit's audit plan.

The risk management framework has been published throughout the Bank in a risk management manual that is binding for all employees. The provisions set out in the manual are taken into account in the department-specific process documentation and work instructions.

The risk committee meets monthly to discuss the risk report and current risk-relevant issues. The members of the committee include members of the Board of Management and senior management. The risk report is discussed at a Board of Management meeting once a quarter.

The Supervisory Board receives reports on the risk situation of dwpbank on a quarterly or ad-hoc basis, as necessary. This is preceded in each case by a detailed discussion in the Risk and Audit Committee of the Supervisory Board.

4.3 Risk types

Non-financial risk (operational risk)

In the case of non-financial risk (NFR), the focus is on operational risk. dwpbank independently models business risk, which is likewise part of NFR and included in the ICAAP.

The NFR taxonomy is a systematic classification of all NFR sub-categories allocated to the risk type operational risk. (Figure below)

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The definition includes legal risk. In accordance with this causal definition, dwpbank classifies process, employee, technology and external risks under operational risk, with explicit reference to legal risk.

The NFR sub-categories are formed based on the responsibilities of the associated departments responsible for the respective risk sub-type (e.g., compliance for compliance risk).

Until the end of 2024, dwpbank applied an approved Advanced Measurement Approach (AMA) to quantify operational risk for the internal capital adequacy analysis (economic perspective) and calculate the relevant own

NFR taxonomy

NFR Level 1		
NFR Level 2	Compliance risk	
NFR Level 3	Money laundering and terrorist financing risk	WpHG compliance risk
	Financial sanctions and embargoes risk	Tax compliance risk
	Fraud risk	
	MaRisk compliance risk	

NFR taxonomy of dwpbank at Level 2 and Level 3 (below OpRisk)

funds requirement (normative perspective) at their annual value-at-risk (VaR) in the 99.9% quantile. At the end of 2022, Risk Management identified a weakness in the AMA model for operational risk, which could not be rectified in the short term, and for which an add-on has since been charged under both the normative and economic perspectives. The Bank reviews the assumptions for the add-on on an ongoing basis; it amounted to EUR 11.1 million as at the end of 2024. Work to review the model used to quantify operational risk was completed in 2024 and a new model for the economic perspective will be used from 2025 onwards.

The key elements of the AMA model at dwpbank consist of an internal loss database, external risk data, risk assessments, scenario analyses and business environment and internal control factors. The results of the annual risk assessment and the risk scenarios developed on that basis form the underlying data for the model. After the risk assessment, a scenario analysis is carried out to more closely analyse serious risk scenarios and scenarios of particular Bank-wide relevance and to achieve the best possible assessment of the risk profile. The two instruments together enable evidence-based risk analysis and action to prioritise measures.

In addition to its new product process, dwpbank performs special assessments during the year if it has launched new products or entered new business areas. Actual and near-miss losses or the implementation of risk-reducing measures can also trigger a review of prior assessments. The scenario analysis has a significant influence on the quantitative amount recognised for operational risk. This tool was used to analyse a total of 101 scenarios as at 31 December 2024, of which 75 were used in modelling the risk assessment and 26 in workshop-based scenario analyses. It revealed that the possibility of erroneous corporate actions and a loss of information (data) integrity and availability in the context of information security represent the highest risk amount.

As a component of the risk management early warning system, risk indicators guarantee early risk identification thanks to the definition of objective limits. If an indicator is seen to be developing critically, monitoring is promptly increased and risk management measures are triggered. The regular monitoring of the specified indicators and risk scores enables the early identification of indications of pending risks.

Based on dwpbank's business model, non-financial risk has been identified as the largest and most important risk at dwpbank. Consequently, it must be managed with a high level of sensitivity across the Bank with the involvement of all employees.

Operational risk							
Data protection risk	Service provider risk (dependency)	ICT and physical security risk	HR risk	Process risk	Legal risk	Project risk	
Data protection risk	Service provider risk	Availability and continuity risk	Staffing risk	Risk arising from defective process design and documentation	Contract risk	Project risk	
		Integration risk	Employment law risk	Risk arising from defective process execution	Legal advisory risk		
		Confidentiality risk		Model risk			
		Physical security risk					

In the context of further developing dwpbank's internal control system, the goal is to identify non-financial risks early on – as far as possible at the process level – and leverage standardised risk assessment requirements to create more granular risk transparency. The primary focus in this context is on using a functioning control system to identify and avoid/reduce rare high losses.

Risk events and indicators

The number of risk events reported in 2024 was at a low level, slightly below the previous year (2024: 62 based on the reporting threshold; previous year: 85).

There is no statistical correlation between the number of events reported annually and the annual loss total. As is typical for operational risks, annual loss totals are characterised not by the frequency of losses but rather by unsystematic occurrences of large losses. At EUR 1.3 million in expenses, the total of realised losses in 2024 remained close to the low level of the previous year (EUR 1.6 million).

Indicators revealed a positive overall situation in 2024. A total of 96.5% of indicators had a green traffic light status (previous year: 86.6%). An analysis of the amber and red indicators does not indicate any systemic weaknesses. For the most part, these are dealt with as soon as possible by taking action.

There are no legal proceedings pending in connection with dwpbank's business activities. dwpbank is involved as a third-party defendant in a lawsuit between an institutional end customer and a client institute; an initial oral hearing took place in 2024. The amount in dispute is EUR 0.17 million.

WP2 system availability remained at the prior-year level and was very high overall; the risk indicator "online availability of WP2" averaged 100.00% (previous year: 99.84%). The availability indicators for WPDirect and WPIO averaged 99.87% and 99.92%, respectively, and thus likewise remained level with the prior-year figures of 99.79% and 99.86%.

In terms of the IT indicators, there was one IT disruption with high criticality (previous year: one IT disruption with high criticality and one with very high criticality). The disruption with high criticality was caused by a malfunction in e-mail traffic (incoming and outgoing). In 2024, the software quality of the securities system family was improved slightly year on year with respect to impact of disruptions on clients.

Process stability is measured using the indicators "production stability" (comprising individual indicators from securities settlement) and "IT stability" (availability indicators and disruptions). Production stability was 99.75% for 2024 (previous year: 99.94%). In relation to "IT stability", availability amounted to 99.90% (previous year: 99.82%) with one highly critical disruption. The indicators remained around the healthy level of the previous year.

Over the course of the year, the provider management indicators in terms of SLA breaches and audit monitories were at a good level, however comparatively worse than in the previous year. This was due to an issue that took some time to troubleshoot but has since been resolved.

Four security incidents were reported for 2024. In two cases, internal data was inadvertently sent in error. In another case, technical users' passwords were sent internally in plain text to a very small group of recipients. Furthermore, a customer was for a short time able to see other customers' order data, however without being able to draw conclusions about them. None of these incidents constituted a data breach.

The risk indicators for contingency management (including convening of the crisis team and the number of provider emergencies) were at an even lower level than in the previous year.

Financial risks

Counterparty risks

dwpbank understands counterparty risk as the risk of partial or complete default on a deliverable contractually pledged by or expected from a business partner or counterparty, in each case with adverse earnings effects for dwpbank. dwpbank does not conduct any active lending business. It maintains client relationships with banks. Given this, the counterparty risk does not usually relate to the risk of loan losses. A new model was introduced to quantify the economic counterparty risk as at 31 December 2024, following the earlier initial validation. The risk is now determined with a time horizon of one year in line with the internal capital adequacy analysis. The total risk amount comprises a value at risk (VaR) determined to the 99.9% quantile of the loss distribution using a Monte Carlo simulation and a migration risk premium. The migration risk takes account of the present value loss from the deterioration in creditworthiness beyond rating segments and is added to the determined VaR without consideration for diversification effects.

Market risks

Market risk is the risk of unplanned negative earnings deviations resulting from unfavourable changes in market prices. At dwpbank, economic market risk arises exclusively from changes in interest rates (interest rate risk) and credit spreads (credit spread risk). Other market risks (such as equity price risk, exchange rate risk, commodity price risk and volatility risk) are currently excluded given the investment strategy pursued (direct investments and the investments by the special fund are made exclusively in fixed-income securities). The jointly measured interest rate risk arising from dwpbank's asset portfolio on the one hand and the pension obligations on the other is calculated based on the difference between the present values of the asset portfolio and pension obligations, respectively.

Credit spread risk results from movements in the spreads on bond prices in the direct and fund holdings, which are caused by (i) an idiosyncratic change in the credit quality of issuers (without being reflected in the rating), (ii) systemic or macroeconomic effects (affecting issuers in a single rating category), (iii) market participants' changing assessment of what constitutes an appropriate risk premium for a given credit quality, and (iv) a change in the liquidity premium. Fluctuations in the spreads are measured using euro-aggregated benchmark curves for investment-grade rating categories so as to avoid factoring in idiosyncratic effects. In accordance with dwpbank's investment strategy and the investment rules of the special fund, investments may only be made in the bonds of issuers with high credit ratings. In line with the other models, credit spread risk and interest rate risk are calculated using a stochastic VaR model at the 99.9% quantile over a one-year time horizon.

Liquidity risks

dwpbank defines liquidity risks as the risk that pending payment obligations cannot be met at all, or can only be met with restrictions, at an increased price or with a delay. dwpbank's liquidity risk results primarily from its current business operations in securities settlement, and in particular from dwpbank's function as liquidity provider. As such, it is primarily relevant as a cost and earnings risk. The main liquidity risks for dwpbank are intraday risk and call risk (of which pre-funding risk).

Intraday liquidity risk refers to the risk of an unfavourable intraday sequence of cash flows, i.e., cash outflows before cash inflows. The risk of increased cash flows is referred to as call risk or pre-funding risk. This occurs in the case of an absolute increase in cash flows or if committed credit lines are insufficient to ensure pre-financing for transactions.

In accordance with AT 4.1(4) MaRisk, the liquidity and insolvency risks defined for dwpbank are not included in the internal capital adequacy analysis at dwpbank as they cannot be reasonably limited or covered by risk coverage potential such as capital.

dwpbank has developed an ILAAP concept that represents liquidity risk management throughout the Bank and is based on the principles of the ECB Guide to ILAAP. Additional KPIs are defined and included in the liquidity contingency plan to ensure that the intraday payment obligations are continually met in the context of the Bank's function as a liquidity provider. The liquidity overview and multi-period stress tests confirm that dwpbank does not have any traditional medium to long-term liquidity risk in the sense of mismatched maturities of cash flows or maturity transformation due to its business model that does not require refinancing.

The reportable liquidity coverage ratio (LCR) at dwpbank is a recovery indicator, and is integrated into dwpbank's monthly risk reporting. The ratio amounted to 2,383.2% as at 31 December 2024 (previous year: 1,026.18%) and consequently (as throughout the whole of 2024) was above the supervisory requirement of 100%.

In addition, dwpbank uses other recovery and risk indicators to monitor developments in the liquidity situation and operational liquidity requirements to ensure the early identification of liquidity shortages.

Pension risks

With respect to pension obligations, within dwpbank's risk management system a distinction is made between including any hidden liability from pension obligations in determining the risk cover assets (see section 4.4), interest rate risks stemming from pension obligations and pension risks from direct and indirect pension obligations.

A hidden liability from pension obligations would result from a negative difference between the carrying amount of dwpbank's pension obligations and their economic value, and reduce dwpbank's risk cover assets in the context of the internal capital adequacy assessment. There was no hidden liability, but a hidden reserve which was not included in the risk cover assets as at 31 December 2024.

The interest rate risk is factored into the risk category of market risk as part of the joint measurement of interest rate risks from the asset portfolio and pension obligations (see market risk).

Annual changes in the factors pension trend, salary trend and mortality are used to determine direct pension risks, as these have a significant influence on the amount of the obligation in the future. Potential fluctuations in these influencing factors and the resulting changes in the economic value of the obligation are included in the internal capital adequacy analysis as a pension risk with support from our actuary, Mercer. On the one hand, indirect pension risk captures the risk that dwpbank would hold subsidiary liability in the event of the pension provider going bankrupt (this risk is currently assessed as zero). On the other hand, it includes the potential obligation arising from the opportunity-based outsourcing of pension obligations to BVV Pensionsfonds AG to provide additional cover in the event of a defined shortfall in the existing plan assets as against the required plan assets in the pension fund.

Business risks

dwpbank includes strategic and economic risks in business risks on the basis of a single year. Business risks manifest in net income and their effect describes the risk that actual results fall short of projected results. At the end of each quarter, the potential deviation from projected net income is calculated to the 99.9% quantile p.a. based on historical observations of deviations between projected and realised income and losses in aggregated income statement cost centres and the current business plan. This factors in developments for dwpbank that are both unfavourable (lower income and higher costs) and

favourable (higher income and lower costs). If this potential plan deviation would lead to a negative result for the year for dwpbank, the amount of the possible loss represents risk cover consumption in the internal capital adequacy analysis. The internal capital adequacy analysis would otherwise result in a risk amount of EUR 0 as the potential plan deviation would not lead to a negative result for the year.

Accounting for ESG risk drivers

In accordance with MaRisk, ESG risks are environmental, social or governance events or conditions that, if they occur, can have significant actual or potential negative impacts on the net assets, financial position and results of operations of an entity, and on its reputation. ESG risks in the categories of climate and environment are broken down into physical and transition risks. Physical risks are those that arise from current climate conditions and events. They include both acute phenomena, such as extreme weather events, as well as ongoing climate conditions such as rising average temperatures. The transition risks are those that arise from action to adapt to climate and environmental conditions. For instance, current political and business policy decisions will influence future developments such as fossil fuel prices. ESG risks have the potential to adversely impact all business areas and risk categories, and as such are considered a sub-aspect of the existing risk categories. Consequently, dwpbank treats them as a risk driver and not as a separate risk category.

ESG risks are analysed and assessed within dwpbank's existing risk management processes. The integration of ESG is discussed in detail in the sustainability report.

4.4 Internal capital adequacy

dwpbank's internal capital adequacy is calculated among other things in accordance with the requirements of the "Guidelines on the supervisory assessment of banks' internal capital adequacy concepts and their integration into processes of integrated performance and risk management (ICAAP)" issued by BaFin and Deutsche Bundesbank. This takes into account ensuring capital adequacy from both a normative and an economic perspective.

dwpbank's risk appetite and risk management are integrated in Bank-wide processes that cover actions to identify as well as to monitor, communicate and update the risk situation. The starting point is the risk appetite approved by

the Bank's Board of Management. This specifies the maximum acceptable utilisation of risk cover assets, which is broken down to the level of material individual risk types and mapped using thresholds. The aim is to operationalise the risk appetite within risk management and identify any potential or actual need for action. The specified risk tolerances are reviewed once a year.

All material risks that can reasonably be limited by means of risk cover assets are limited by them. Liquidity is another limiting factor in addition to the risk cover assets. Regulatory requirements and the economic perspective are taken into consideration for both the risk cover assets and liquidity.

Internal capital adequacy in the normative perspective

The approach to internal capital adequacy in the normative perspective is based on a multi-year assessment of dwpbank's ability to meet all quantitative regulatory and supervisory capital requirements. The overall capital requirement (OCR) was 17.2% as at 31 December 2024 (Pillar 1 minimum requirement of 8% + SREP add-on of 5.9% + combined buffer requirement (CBR) of 3.3%). The total capital ratio is calculated by comparing total own funds – which at dwpbank comprise solely common equity tier one capital (CET 1) – with the own funds requirements for counterparty credit, market and operational risks in accordance with the supervisory reporting form. The total capital ratio (TCR) amounted to 30.8% as at the end of 2024. It increased significantly year on year (2023: 25.2%) due to the full retention of the net profit after tax of EUR 50.3 million for 2023, and exceeded the OCR at all times. For the capital planning period to 2027, it is envisaged that own funds will be further significantly strengthened by retention actions, which further increases the overfulfillment of capital requirements in the forecasts for development under the normative perspective.

The normative perspective furthermore comprises an adverse scenario to be designed by dwpbank itself that is considered to be a negative deviation from the base scenario. As a result, a more noticeable impact on own funds and the risks in adverse capital planning become apparent on occurrence of the adverse scenarios. Under the adverse scenarios, the current total SREP capital requirement of 13.9% and the OCR for the capital planning period can be met at all times.

MREL-Anforderungen

In addition to the minimum capital requirements, BaFin has set a minimum requirement for own funds and eligible liabilities (MREL) for dwpbank, which the Bank has to hold as a loss and recapitalisation buffer for a potential resolution based on the current version of Directive 59/2014/EU in conjunction with section 49 (1) of the German Recovery and Resolution Act (Sanierungs- und Abwicklungsgesetz, "SAG") establishing a uniform procedure for the resolution of credit institutions and investment firms.

Based on the MREL notification dated 8 May 2024, dwpbank must comply with a target MREL amounting to 24.67% of the total risk amount plus the combined buffer requirement (CBR) (currently 3.3%), i.e., a total of 28.0%, by 1 January 2024.

Until 20 March 2024 (the date on which the retention of profit after tax for 2023 was included), the MREL ratio and MREL ratio + CBR were not met on a daily basis. The shortfall resulted from the subsequent effects of the loss event in the course of a capital action in 2022. The profit for 2023 was retained in full. Furthermore, the Bank has raised an MREL-eligible promissory note loan totalling EUR 50 million to boost the MREL ratio and improve its own funds. An orderly MREL ratio was restored upon completing these actions.

	2024	2023
Operational risks	EUR 680.7 million	EUR 715.8 million
Counterparty risks	EUR 171.8 million	EUR 118.3 million
Market risks	EUR 0.0 million	EUR 3.7 million
Total risks	EUR 852.5 million	EUR 837.8 million
CET 1	EUR 262.6 million	EUR 211.3 million
TCR	30.81%	25.22%

(as at 31 December 2024)

Internal capital adequacy in the economic perspective

The economic perspective investigates whether the internal capital is adequate to cover all of the key economic risks to which dwppbank is exposed (as determined using the Bank's internal methods). As part of the internal capital adequacy analysis, dwppbank initially determines its risk cover assets using adjusted accounting figures (including equity reported in the balance sheet, the profit received during the year (pro forma after tax), hidden reserves/liabilities, intangible assets and deferred taxes) and compares these to the calculated sum of risks. The internal capital adequacy analysis is supplemented regularly by comparing expected losses with existing provisions and loss budgets and by stress tests.

The material risks to which dwppbank is exposed are compared against the risk cover assets. Risk amounts are added up using a conservative approach.

As at the end of the fourth quarter of 2024, the profit received (earnings after tax) amounted to EUR 52.8 million. Together with equity reported in the balance sheet, and after deducting the hidden liabilities relating to securities and the promissory note loan amounting to EUR 34.8 million (previous year: EUR 36.8 million), the risk cover assets amounted to EUR 216.5 million as at 31 December 2024 (previous year: EUR 202.6 million). Consequently, as presented in the table below, 55.1% of risk cover assets were utilised (previous year: 55.3%), and the risk buffer amounted to EUR 97.2 million (previous year: EUR 90.2 million). Based on the Bank's internal capital adequacy analysis dated 31 December 2024, its internal capital adequacy is therefore guaranteed.

The aggregate tolerance threshold (77%) had not been exceeded as at 31 December 2024: (Table below)

	2024	2023
Operational risks	EUR 55.8 million	EUR 58.6 million
Counterparty risks	EUR 13.1 million	EUR 8.9 million
Market risks	EUR 33.8 million	EUR 21.1 million
Pension risks	EUR 16.6 million	EUR 23.5 million
Business risks	EUR 0.0 million	EUR 0.0 million
Total risks	EUR 119.3 million	EUR 112.1 million
Risk cover assets	EUR 216.5 million	EUR 202.6 million
Risk cover asset utilisation	55.1%	55.3%

(as at 31 December 2024)

Computational rounding differences may appear in the tables, so that the figures included therein may deviate from the precise figures.

4.5 Continuous action management

Action management primarily represents the risk control and monitoring functions based on the identification, evaluation and communication of risks within the risk management cycle. Action management consists of a number of risk management instruments and reports. Risk mitigation and risk transfer are the main options for controlling risks. Risk reduction activities were also implemented in 2024.

Significant risk is generally countered through avoidance or measures to mitigate or transfer risks. Business aspects, such as the cost of risk mitigation or transfer and the earnings contributions of the divisions affected, are taken into account.

Based on the results of risk analyses, the available options for risk management action are discussed at the meetings of the Risk Committee and at the meetings of the Board of Management.

Changes in the risk situation are monitored within the risk management system. Follow-up processes have been established for critical changes in the risk and recovery indicators, risk events involving significant losses and ad hoc risk reports.

dwppbank has also taken out insurance for operational risks as an instrument for risk mitigation and transfer in addition to establishing business continuity planning that allows an appropriate response to disruptions in business processes at all times.

4.6 Outlook

In its ongoing development of risk management processes and measurement methods, dwpbank constantly scrutinizes the processes and methods used in order to take account of market trends resulting from market participants' intensified trading activities, regulatory requirements, new technologies, and the increasing significance of IT solutions in the banking sector, and thereby identifies potential for improvement.

The models to quantify risk under the economic perspective are validated on a regular basis and revised as necessary. The work to revise the model for quantifying operational risk was completed in 2024, and the model can now be used for the economic perspective from 2025 onwards.

One advantage of the new model is that it avoids the issues experienced with the AMA model in modelling the ex-post side, where the major loss that occurred in 2022 could not be processed. To resolve these issues, risk events (internal losses) will be modelled via the risks scenarios only going forward instead of incorporating them directly into the calculation of capital requirements.

An ICS and NFR framework was developed in 2024 as part of the ICS implementation project. Care was taken to closely interlink the future ICS for OpRisk scenarios and the risk methods used by the specialist risk functions. These frameworks are slated for gradual introduction in 2025, which will further improve overall risk management.

5 Outlook and report on opportunities

5.1 Outlook for the economy and financial markets

Looking to the coming year, the persistent political tensions, emergent trade disputes and muted growth prospects will make for a fast-paced environment that offers little scope for reliable projections.

A current study reveals that 47% of banks expect the economic situation to worsen in the next 12 months. By contrast, just 30% are optimistic. This pessimistic mood among financial institutions is also reflected in cautious growth forecasts, with leading economic research institutions projecting gross domestic product (GDP) growth of just 0.8% for 2025, down on the previous forecast of 1.4%. According to the latest figures from the German Council of Economic Experts, growth will be much lower at just 0.4%. This outlook for the German economy contrasts with the robust situation in the eurozone as a whole, where the European Commission assumes growth of 1.3%. As such, Germany is left trailing its eurozone peers.

After inflation in Germany fell significantly to 2.4% in 2024, another moderate reduction to 2.1% is expected this year. The ECB expects eurozone inflation of 2.2% for 2025, with a gradual decline over the course of the year. Consequently, inflation will play a somewhat less pronounced role in monetary policy decisions in 2025.

In terms of choosing asset classes, expectations of lower inflation and a renewed rise in asset price inflation continue to favour equities, particularly since the prospects of cuts to key interest rates open up additional leeway for valuations despite their generally high levels.

For the coming year, the forecasts for the key US equities index S&P 500 are more optimistic than for the DAX. Morgan Stanley and Goldman Sachs expect the index to rise to 6,500 points by the end of 2025, with Swiss bank UBS putting the figure at 6,600 points. The only more optimistic projection is from DZ Bank at 6,900 points, while Helaba forecasts 6,400. These put the expected gains in the 8.5%–15% range.

Projections for the DAX are more cautious but nevertheless positive, with the index forecast to close the year at between 20,000 (LBBW) to 20,500 (Helaba) to 21,500 points (DZ Bank).

The challenging environment on the equities markets will open up both risks and opportunities. Investors will continue to question the sustainability of market returns in 2025, particularly in the USA. Although the lower interest rates, high profits and a wave of innovation create a favourable environment for equities, geopolitical uncertainties and developments on the labour market could increase the risks of a downturn.

5.2 Regulatory outlook

Compliance with regulatory requirements will continue to represent a considerable burden on the overall banking sector and dwpbank in 2025. By bundling implementation of regulatory and market requirements, going forward dwpbank intends to continue easing the burden on its client institutions arising from their own implementation efforts and the resulting risks, and deliver value added in securities service. This opens up opportunities for dwpbank to work more closely with its existing client base and to gain new clients, including by expanding the product and service portfolio.

5.2.1 Impacts on market infrastructure

A report from the European Securities and Markets Authority (ESMA) indicates that the settlement of trades on the European securities market – which predominantly takes place on the second day after trading (t+2) – will likely be shortened to one day in 2027 due to regulatory requirements. This switch to settlement on the day after trading (t+1) will involve wide-ranging initiatives and a need for action at dwpbank as early as 2025 to provide in-depth monitoring of the legislative process and for early analysis and preparation of the necessary adjustments to processes and systems.

Post-trade settlement has already been shortened to t+1 on the North American market, which dwpbank has implemented. A corresponding implementation project is currently ongoing to drive forward preparations to replace the ISO 15022 SWIFT message format with ISO 20022 in dwpbank's systems, with a target deadline of November 2025.

EU regulations, implementation acts and BaFin circulars relating to the prevention of money laundering and terrorist financing were also key in 2024, with particular regard to the sanctions against Russia. dwpbank has modified its application-based transaction monitoring for sanctions compliance at the level of persons/entities and classes of securities to match the new obligations, and has launched a new application module for ex-post monitoring of suspicious transactions.

dwpbank expects the European Commission to present a new action plan to develop the capital markets union (referred to as the savings and investment union) in 2025. This will be analysed in depth, as it is expected to form the basis for a large number of regulatory initiatives that will have considerable effects for dwpbank and its client institutions.

The EU strategy for retail investors published in 2023 will likely be finalised in 2025. Current assessments indicate that the revision to the Markets in Financial Instruments Directive (MiFID) it includes will be of particular importance to dwpbank and its client institutions. In 2025 and subsequent years, in-depth monitoring of the legislative process is likely to involve a considerable analysis workload and consequently implementation requirements.

Further delegated acts are expected in 2025 in addition to the changes to the Markets in Financial Instruments Regulation (MiFIR review). For dwpbank, this will result among other things in the need to modify processes in transaction reporting.

With regard to using digital assets as an innovative application option and base technology in the securities business, the EU Markets in Crypto-Assets Regulation (MiCAR) came into effect in 2024. dwpbank is participating in this development via its digital infrastructure wpNex and has developed a corresponding roadmap.

5.2.2 Tax changes

The move to postpone the entry into force of the reporting obligations under sections 45b et seq. of the German Income Tax Act (Einkommensteuergesetz, "EStG") until 2027 and the expanded content of reports in the context of the FASTER Directive, which was transposed in the Annual Tax Act 2024 (Jahressteuergesetz 2024), mean that work to implement the German Withholding Tax Relief Modernisation Act (Abzugsteuerentlastungsmodernisierungsgesetz, "AbzStEntModG") will continue into 2025. Further technical and legal requirements are expected in this context, including in relation to financial agreements. Implementation of the FASTER Directive will also necessitate modifications to the withholding tax processes.

Furthermore, the repeal of the loss offset restriction for forward contracts (section 20 (6) sentences 5 and 6 EStG, old version) and in particular the worthless expiration of securities means that comprehensive and complex implementations are to be expected in 2025.

In addition, Germany's Federal Ministry of Finance has announced a complete revision of the administrative instructions on definitive withholding tax, the issue of tax certificates and data transfer in accordance with sections 45b and 45c EStG. As such, this will involve considerable analysis and implementation work.

In the context of US taxation, further need for coordination with the German Banking Industry Committee and WM Datenservice is expected in view of the rules on taxation of dividend equivalents under section 871m IRC, which will now be fully applicable from 1 January 2027 onwards.

5.2.3 Other relevant changes

The EU Digital Operational Resilience Act (DORA), which applies to financial entities, entered into force at the beginning of 2025. A number of delegated acts relating to DORA will apply over the course of the year, and as such measures to implement them in dwpbank's processes and systems will continue as part of corresponding projects in 2025.

While the revised Capital Requirements Regulation (CRR III) from the EU's banking package enters into force at the beginning of 2025, delegated acts and an act transposing the revised Capital Requirements Directive (CRD VI) into national law will follow during the year. This will also require adequate analysis and implementation work at dwpbank in 2025.

In the key area of sustainability, dwpbank will take further action in 2025 to implement the requirements for sustainability reporting, including defining a decarbonisation strategy and expanding the reporting requirements under the EU Taxonomy. Action will also continue to comply with the German Supply Chain Due Diligence Act. In implementing the Markets in Crypto Assets Regulation (MiCAR), dwpbank will make ESG data on its crypto services available on its website. As part of its omnibus initiative, the European Commission is planning legislative changes to existing sustainability requirements, and preparation may be required for their implementation.

5.3 Opportunities for dwpbank's long-term economic development

As in previous years, developments on the securities market are a key factor shaping dwpbank's financial results.

Another increase in the number of transactions is expected in 2025, with the figure rising by 1.5% (+0.8 million transactions). An increase of 0.1 million securities accounts (+1.9%) is also expected, with a simultaneous increase in securities account items by 0.6 million (+2.2%). This will cause the average number of items per securities account to rise by a moderate 1.01% to 5.18. Strong growth in transaction numbers by 7.5% is expected in the savings plan business.

Based on the activities outlined and the respective planning, dwpbank expects earnings before taxes in the mid-sev-en-digit range for 2025, significantly below the figure for the financial year ended.

The operating business recorded a cost-income ratio (CIR) of 78.15% in 2024. A short-term increase has to be expected here going forward due to the (adverse) impact of higher depreciation, amortisation and write-downs and further increases in investments. In the long term, dwpbank is aiming for CIR to return to the 80% range. For the return on equity, the target is between 7% and 11% p.a. in the period 2025–2028.

As outlined in section 1.2, dwpbank's strategy 2025–2028 comprises three priorities: control system, platform and clients, and two levers: rethinking and team spirit. With the "control system" priority, the aim is to optimise structures, processes and mechanisms to ensure that dwpbank is managed transparently, responsibly and efficiently. Implementing an appropriate and effective internal control system also helps improve the management of operational risk.

With the "platform" priority, dwpbank aims to safeguard its technological resilience and future viability. The establishment and continuous development of the WP3 platform will gradually replace the use of host/mainframe technology. In addition to achieving potential savings, it will also form the basis for a high-performance and future-proof securities platform that will continue to meet market and regulatory requirements in a timely and comprehensive manner. The centrepiece for operational value creation is a securities settlement platform that remains highly efficient in terms of its breadth and depth of service and that forms the basis for dwpbank's current and future competitive advantage. Cost advantages will also be realised from the public cloud.

With the "clients" priority, dwpbank will launch new securities account (pricing) models that enable banks to offer cost-effective entry-level securities accounts. dwpbank will also further expand its offering for digital assets. The foundation for this has already been laid with the successful launch of the wpNex platform, which will be gradually expanded to include further elements such as additional crypto currencies.

The "rethinking" lever is also highly relevant for the strategy period 2025–2028. Refining quality standards and process architecture and documentation will further strengthen the foundation for the transfer of expertise necessitated by demographic change and at the same time lay the groundwork for further enhancing efficiency. This lever also anchors active, continuous cost management firmly in the strategy.

With the "teamwork" lever, dwpbank is pushing forward with cross-functional cooperation throughout the Bank and is introducing agile working methods where feasible. In addition, dwpbank leverages active skills management to ensure that the necessary future skills are available. These priorities and levers ensure that dwpbank has the optimal resources for the journey ahead and can look to the future with optimism.

Assets

from 31 Dezember 2024

Assets	EUR	31/12/24 EUR	31/12/23 EUR thousand
1. Cash			
a) Central bank balances of which: at Deutsche Bundesbank EUR 514,740.67 (previous year: EUR 439 thousand)	514,740.67		438
		514,740.67	
2. Loans and advances to other banks			
a) Payable on demand	385,606,436.36		265,393
		385,606,436.36	
3. Loans and advances to clients		3,135,354.73	2,388
4. Bonds and other fixed-income securities			
a) Bonds and notes			
aa) Of public-sector issuers of which: eligible at Deutsche Bundesbank EUR 156,293,846.58 (previous year: EUR 121,277 thousand)	156,293,846.58		121,277
ab) Of other issuers of which: eligible at Deutsche Bundesbank EUR 99,082,095.60 (previous year: EUR 19,494 thousand)	99,082,095.60		19,494
		255,375,942.18	
5. Equities and other non-fixed-income securities		109,251,597.22	108,966
6. Equity investments		186,432.00	320
7. Shares in affiliated companies		651,697.32	652
8. Trust assets		10,481,752.75	3,182
9. Intangible fixed assets			
a) Internally generated industrial and similar rights and assets	90,767,275.49		70,742
b) Purchased concessions, industrial and similar rights and assets and licences in such rights and assets	713,652.00		1,122
		91,480,927.49	
10. Tangible fixed assets		3,925,120.00	4,931
11. Other assets		15,572,543.24	19,046
12. Prepaid expenses		6,686,732.05	7,215
13. Deferred tax assets		44,613,437.00	48,406
Total assets		927,482,713.01	673,572

Equity and liabilities		31/12/24	31/12/23
	EUR	EUR	EUR thousand
1. Liabilities to other banks			
a) Payable on demand	275,266,663.73		111,833
		275,266,663.73	
2. Liabilities to clients			
a) Other			
aa) Payable on demand	20,756,512.31		253
		20,756,512.31	
3. Trust liabilities		10,481,752.75	3,182
4. Other liabilities		9,644,596.13	21,363
5. Deferred income		45,455.52	568
5a. Deferred tax liabilities		28,838,016.00	22,488
6. Provisions			
a) Provisions for pensions and similar obligations	112,878,346.11		114,107
b) Provisions for taxes	0.00		123
c) Other provisions	81,535,608.72		64,431
		194,413,954.83	
7. Equity			
a) Subscribed capital	20,000,000.00		20,000
b) Capital reserves	108,416,625.67		108,417
c) Revenue reserves			
ca) Legal reserves	2,000,000.00		2,000
cb) Other revenue reserves	204,807,685.90		154,469
d) Net retained profits	52,811,450.17		50,338
		388,035,761.74	
Total equity and liabilities		927,482,713.01	673,572

1. Other obligations			
a) Irrevocable loan commitments	1,256,547.76		1,353

Income statement

for the period from 1 January to 31 December 2024

	EUR	EUR	2024/EUR	previous year/ EUR thousand
1. Interest income from				
a) Lending and money market transactions	8,892,497.66			6,562
b) Fixed-income securities and debt register claims	1,392,750.17	10,285,247.83		791
2. Interest expense		-3,044,587.59		-2,497
			7,240,660.24	4,856
3. Current income from				
a) Equities and other non-fixed-income securities		66.26		0
b) Equity investments		15,995.29		20
c) Shares in affiliated companies		128,939.00		134
			145,000.55	154
4. Income from profit pooling, profit and loss transfer, or partial profit transfer agreements			638,730.12	53
5. Fee and commission income	430,330,185.61			402,919
6. Fee and commission expense	-102,044,433.78			-93,812
			328,285,751.83	309,107
7. Other operating income			91,083,126.31	77,710
of which: income from discounting longer-term provisions: EUR 0.00 (previous year: EUR 30 thousand)				
8. General and administrative expenses				
a) Personnel expenses				
aa) Wages and salaries	-110,855,707.83			-104,037
ab) Social security, post-employment and other employee benefit costs of which: in respect of old-age pensions EUR 5,673,266.61 (previous year: EUR 8,574 thousand)	-21,429,197.11	-132,284,904.94		-23,461 -127,498
b) Other administrative expenses		-154,133,653.69		-136,529
			-286,418,558.63	-264,027

	EUR	EUR	2024/EUR	previous year/ EUR thousand
9. Amortisation and write-downs of intangible fixed assets and depreciation and write-downs of tangible fixed assets			-11,290,605.57	-10,287
10. Other operating expenses dof which: interest on longer-term provisions: EUR 333,441.78 (previous year: EUR 439 thousand)			-52,883,046.63	-43,554
11. Write-downs of and allowances on loans and advances and certain securities and additions to provisions for credit risks	-159,285.62			-97
12. Income from reversals of write-downs of loans and advances and certain securities and reversals of provisions for credit risks	12,920.00			79
			-146,365.62	-18
13. Write-downs of and allowances on equity investments, shares in affiliated companies and securities treated as fixed assets	-133,568.00			0
14. Income from reversals of write-downs of equity investments, shares in affiliated companies and securities treated as fixed assets	285,733.70			802
			152,165.70	802
15. Result from ordinary activities			76,806,858.30	74,796
16. Taxes on income				
a) Current taxes on income	-13,852,567.13			-19,615
b) Deferred taxes	-10,142,841.00			-4,843
			-23,995,408.13	-24,458
17. Net income for the financial year			52,811,450.17	50,338
18. Net retained profits			52,811,450.17	50,338

Statement of changes in fixed assets

for the period from 1 January to 31 December 2024

	Cost				Cost
	1 January 2024	Additions	Disposals	Reclassifications	31 December 2024
I. Intangible fixed assets					
1. Internally generated industrial and similar rights and assets	137,702,116.89	30,665,670.36	-1,757,501.21	325,935.72	166,936,221.76
2. Purchased concessions, industrial and similar rights and assets and licences in such rights and assets	8,319,203.64	292,626.50	-862,369.14	-325,935.72	7,423,525.28
Total intangible fixed assets	146,021,320.53	30,958,296.86	-2,619,870.35	0.00	174,359,747.04
II. Tangible fixed assets					
1. Technical equipment and machinery	16,070,636.63	254.43	-8,146,376.88	0.00	7,924,514.18
2. Other assets, operating and office equipment	9,148,000.87	194,352.76	-953,100.32	0.00	8,389,253.31
Total tangible fixed assets	25,218,637.50	194,607.19	-9,099,477.20		16,313,767.49
III. Long-term financial assets					
1. Bonds and other fixed-income securities	143,924,574.49	88,292,265.21	-4,218,450.50	0.00	227,998,389.20
2. Equities and other non-fixed-income securities	114,999,906.87	0.00	0.00	0.00	114,999,906.87
3. Equity investments	320,000.00	0.00	0.00	0.00	320,000.00
4. Shares in affiliated companies	651,697.32	0.00	0.00	0.00	651,697.32
Total long-term financial assets	259,896,178.68	88,292,265.21	-4,218,450.50	0.00	343,969,993.39
Total	431,136,136.71	119,445,169.26	-15,937,798.05	0.00	534,643,507.92

Cumulative depreciation, amortisation and write-downs					Cumulative depreciation, amortisation and write-downs	Carrying amount	Carrying amount
1 January 2024	Additions	Disposals	Reclassifications	Reversals of write-downs	31 December 2024	31 December 2024	31 December 2023
-66,960,293.24	-9,458,071.23	575,353.92	-325,935.72	0.00	-76,168,946.27	90,767,275.49	70,741,823.65
-7,197,373.64	-694,187.50	855,752.14	325,935.72	0.00	-6,709,873.28	713,652.00	1,121,830.00
-74,157,666.88	-10,152,258.73	1,431,106.06	0.00	0.00	-82,878,819.55	91,480,927.49	71,863,653.65
-13,236,054.02	-599,862.04	8,109,125.88	0.00	0.00	-5,726,790.18	2,197,724.00	2,834,582.61
-7,051,728.83	-538,484.80	928,356.32	0.00	0.00	-6,661,857.31	1,727,396.00	2,096,272.04
-20,287,782.85	-1,138,346.84	9,037,482.20	0.00	0.00	-12,388,647.49	3,925,120.00	4,930,854.65
-3,154,045.91	0.00	183,890.00	0.00	0.00	-2,970,155.91	225,028,233.29	140,770,528.58
-6,034,043.35	0.00	0.00	0.00	285,733.70	-5,748,309.65	109,251,597.22	108,965,863.52
0.00	-133,568.00	0.00	0.00	0.00	-133,568.00	186,432.00	320,000.00
0.00	0.00	0.00	0.00	0.00	0.00	651,697.32	651,697.32
-9,188,089.26	-133,568.00	183,890.00	0.00	285,733.70	-8,852,033.56	335,117,959.83	250,708,089.42
-103,633,538.99	-11,424,173.57	10,652,478.26	0.00	285,733.70	-104,119,500.60	430,524,007.32	327,502,597.72

Notes to the 2024 annual financial statements

General information

The annual financial statements of Deutsche WertpapierService Bank AG (hereinafter dwpbank AG) for the 2024 financial year were prepared in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch, "HGB") and the German Regulation on Accounting by Banks (Kreditinstituts-Rechnungslegungsverordnung, "RechKredV").

I. Accounting policies

Assets and liabilities have been accounted for in accordance with German generally accepted accounting principles as set out in sections 252 et seq. HGB unless dictated otherwise by the special provisions of sections 340 et seq. HGB. The provisions of the RechKredV were observed.

The individual assets were measured conservatively. Loans and advances to other banks and to clients were measured at their principal amounts. Liabilities are carried at their settlement amounts.

To adequately account for expected bad debts, the balance sheet items Loans and advances to clients and Loans and advances to other banks were reviewed in financial year 2024 to determine any need to recognise valuation allowances. Specific valuation allowances for exposures at imminent risk of default are recognised based on an individual estimate. No specific valuation allowances were recognised for financial year 2024.

Latent credit risk must be accounted for by recognizing corresponding global valuation allowances. In accordance with IDW accounting principle AcP BFA 7, historical credit loss experience is used as the basis for calculating expected credit losses and consequently for assessing whether a global valuation allowance needs to be recognised for any potential counterparty credit risk. Furthermore, dwpbank's specific business model is taken into consideration and transparent assumptions are made about probabilities of default.

The calculation of global valuation allowances assumes a ten-year observation period, during which the defaults on loans and advances to clients recorded by dwpbank were negligible in terms of amount.

There are no indications in dwpbank's 2024 annual financial statements that a global valuation allowance needs to be recognised. The assumption going forward is that dwpbank's loans and advances to clients will not be subject to any general counterparty credit risk that would require a global valuation allowance to be recognised taking into account the impact of the current macroeconomic environment on our customers.

Receivables and liabilities from the performance of payments in association with securities were recognised by the Bank as trust assets and trust liabilities respectively, provided the appropriate contractual bases exist.

Securities are classified as fixed assets or current assets using objective and subjective criteria depending on their purpose. The objective criteria represent classification based on the respective features of the asset, whereas the subjective criteria relate to how dwpbank can use the individual asset.

Securities allocated to the liquidity reserve and thus to current assets are recognised at amortised cost or market value as at the balance sheet date based on the strict principle of lower of cost or market value.

Debt securities held as long-term financial assets are measured at the less strict principle of lower of cost or market value. Write-downs were only recognised if any impairment identified was expected to be permanent. The impairment test differentiated between changes in value due to interest rates and those due to credit ratings.

In the case of a prolonged price loss due solely to interest rates, held-to-maturity fixed-income securities which are expected to be redeemed at their principal amount are written down to that principal amount.

Reversals of write-downs of securities are recognised if the reasons for specific write-downs recognised in the past no longer apply.

The special fund allocated to fixed assets on launch and reported under the "Equities and other non-fixed-income securities" balance sheet item was measured in accordance with the less strict principle of lower of cost or market value.

In the case of fixed-income special funds, the assessment of whether impairment was permanent took into consideration the fund's composition and risk profile, the fixed-income securities held in the fund, potential compensatory effects and potential reductions in capital due to planned or implemented distributions or reallocations of the fund's material assets.

For the purposes of measurement as at the balance sheet date, the look-through principle was applied on the assumption that impairment was expected to be permanent. To do so, all of the fixed-income securities held in the fund were analysed and valued separately as at the respective reporting date. To the extent that fixed-income securities were not subject to valuation haircuts due to ratings downgrades, and both the intention and objective conditions were present to hold them until maturity, securities acquired at a discount (below par) were written down to their respective principal amount and compensatory effects, depending on the time to maturity. Bonds included in the fund that are not expected to be held until maturity were reported at their respective market value as part of the overall valuation of the special fund, and a corresponding write-down was applied.

Equity investments and shares in affiliated companies were carried at cost, less write-downs in the event that impairment is expected to be permanent.

If the reasons for writing down a financial asset cease to apply, the write-down is reversed up to a maximum of the asset's historical cost.

Finite-lived items of intangible and tangible fixed assets are carried at cost and reduced by depreciation reflecting their expected useful lives. These useful lives are generally based on the depreciation tables published by the tax

authorities. If any impairment identified is expected to be permanent, the carrying amount of the asset is written down.

The bank has exercised the option provided under section 248 (2) HGB to capitalise internally generated intangible assets.

Low-value assets are recognised in accordance with tax simplification rules.

The provisions take into account all identifiable risks and uncertain obligations as at the balance sheet date and were recognised at their settlement amount in accordance with prudent business judgement.

Pension and early retirement provisions are calculated in line with actuarial principles in application of the projected unit credit method and in application of the Prof. Klaus Heubeck 2018 G mortality tables, based on the following actuarial assumptions: (Table below)

In accordance with section 246 (2) HGB, the Bank offset assets and liabilities to the necessary extent. These relate to the provisions for partial retirement and the corresponding plan assets.

Foreign currency receivables and liabilities were translated at the ECB reference rates of 31 December 2024 in accordance with section 340h HGB.

The Bank presents deferred tax assets and liabilities separately under assets and under liabilities (section 274 (1) HGB). The calculation is based on a tax rate of 31.771%.

The proposal for the appropriation of profits was prepared taking into account the restrictions on distribution set out in section 253 (6) HGB and section 268 (8) HGB.

	%
Discount rate (10-year average)	1.90
Discount rate (7-year average)	1.97
Pension increase	1.50 – 2.50
Early retirement benefits	2.50

For 2024, changes in fixed assets are presented in a separate statement of changes in fixed assets appended to the notes.

In accordance with IDW AcP BFA 3, the entire banking book under the HGB was measured at the lower of cost or market value, whereby the interest-bearing transactions and financial instruments (on- and off-balance-sheet items) not held for trading were assessed with respect to whether a provision under section 249 HGB (provision for expected losses) had to be recognised in application of the principle of prudence under the HGB for any excess obligations. Any potential excess obligation was calculated using an income statement approach. Administrative expenses were recognised at the level of the full-time equivalents (FTEs) required, decreasing as securities matured. Appropriate risk premiums were included in the carrying amounts of the securities. As at the balance sheet date, this valuation did not result in any negative balance of discounted earnings contributions for the period. Consequently, it was not necessary to recognise a provision for expected losses for transactions in the banking book.

Computational rounding differences may appear in the tables, so that the figures included therein may deviate from the precise figures.

II. Notes to the balance sheet

1. Cash

Cash of EUR 515 thousand (previous year: EUR 438 thousand) comprised solely interest balances at the Bundesbank for non-operating liquidity.

2. Loans and advances to other banks

Loans and advances to other banks can be broken down as follows:

3. Forderungen an Kunden

The loans and advances to clients payable on demand of EUR 3,135 thousand (previous year: EUR 2,388 thousand) resulted primarily from invoices outstanding as at the balance sheet date (EUR 1,961 thousand; previous year: EUR 1,636 thousand). The invoices outstanding as at the balance sheet date included loans and advances to affiliated companies of EUR 854 thousand (previous year: EUR 239 thousand).

Foreign currency receivables amounted to EUR 538 thousand (previous year: EUR 390 thousand).

4. Bonds and other fixed-income securities

This item consists entirely of listed fixed income securities amounting to EUR 255,376 thousand (previous year: EUR 140,771 thousand). Of these, EUR 225,028 thousand (previous year: EUR 140,771 thousand) are allocated to long-term financial assets and EUR 30,348 thousand (previous year: EUR 0 thousand) to the liquidity reserve. EUR 7,079 thousand of the securities will mature in financial year 2025.

Loans and advances to other banks

EUR thousand	31/12/2024	31/12/2023
Payable on demand		
Credit balances with banks	385,606	265,393
of which from operating activities in the securities business	249,178	115,734
of which from proprietary business	136,428	149,659
of which credit balances from non-operating activities in the securities business held in the Bundesbank deposit facility	91,000	96,000
of which foreign currency receivables	44,809	32,222
of which receivables from banks in which dwpbank holds an equity interest	33,985	41,267

In addition to the liquidity reserve, bonds and notes serve as collateral for dwpbank's participation in Xetra trading as a CCP of EUREX Clearing AG and in trading on the Frankfurt Stock Exchange, as well as to secure the domestic transactions settled via the Bundesbank account. They are deposited in a pledged securities account with Clearstream.

The securities from the bond portfolio classified as fixed assets were written down to their principal amount as at the balance sheet date and not to their respective lower market value of EUR 204,517 thousand (previous year: EUR 121,020 thousand) due to the intention to hold them until maturity and the fact that the impairment was due exclusively to interest rates.

In the financial year, a write-down on securities with carrying amounts of EUR 49,286 thousand (previous year: EUR 49,276 thousand) was not recognised, since these were already measured at carrying amounts below their respective principal amounts.

5. Equities and other non-fixed-income securities

The carrying amount of this item relates to the unlisted units of a German institutional fund (Spezialfonds) launched for dwpbank. The fund serves to generate returns in excess of the money market interest rate and can be liquidated at short notice without restrictions.

Due to interest rate-related impairment that is expected to be permanent, the units of the special fund with a carrying amount of EUR 109,252 thousand (previous year: EUR 108,966 thousand) classified as long-term financial assets were not written down to the market value of the fund units (EUR 93,244 thousand; previous year: EUR 91,869 thousand), but rather to the fair value of the fund units calculated in application of the look-through approach specified in point I. below. Write-downs of EUR 16,008 thousand (previous year: EUR 17,097 thousand) were not recognised.

The special fund did not make any distributions in the financial year. The interest accruing was reinvested in the special fund.

As at year-end, the special fund predominantly contains highly rated securities mainly issued by euro area governments and German and European institutions.

6. Equity investments

dwpbank holds a 26% interest in CintaC A/S, Roskilde, Denmark, which it recognises at a carrying amount of EUR 186 thousand (previous year: EUR 320 thousand). A write-down of EUR 134 thousand (previous year: EUR 0 thousand) was recognised on the carrying amount as at the balance sheet date. The shares are not listed. The company's share capital amounts to DKK 587 thousand (EUR 79 thousand). Net income of DKK 706 thousand (EUR 95 thousand) was generated in financial year 2024.

7. Shares in affiliated companies

As at 31 December 2024, dwpbank held shares in the following affiliated companies: (Table below)

In accordance with section 290 (5) HGB, consolidated financial statements were not prepared since taken together the subsidiaries need not be included in consolidated financial statements on account of their insignificance for the presentation of the net assets, financial position and results of operations of the Group, in accordance with section 296 (2) HGB.

The changes in the long-term financial assets outlined in notes 4 to 7 are presented in the statement of changes in fixed assets attached to the notes. (p. 56)

8. Trust assets

The trust assets reported separately here relate entirely to loans and advances to other banks of EUR 10,482 thousand (previous year: EUR 3,182 thousand) resulting from payments associated with securities settlement. This item is offset by trust liabilities to other banks in the same amount.

Foreign currency receivables amounted to EUR 1,911 thousand (previous year: EUR 887 thousand).

Shares in affiliated companies

Company	Registered office	Equity EUR thousand	Net income for the financial year EUR thousand	Equity interest	Carrying amount EUR thousand
dwp Service GmbH	Halle/Saale	500	639	100.00 %	539
dwp Software Kft.	Budapest (Hungary)	1,913*	489*	100.00 %	113

* provisional values on preparation of the balance sheet

9. Intangible fixed assets

This item consists primarily of software developed internally by the Bank. The Bank identified EUR 30,667 thousand (previous year: EUR 28,837 thousand) of its project work as additions eligible for capitalisation in the financial year and recognised this amount as internally generated intangible assets.

Purchased intangible assets relate exclusively to software. Software is carried at cost less amortisation. The amortisation period is four years.

10. Tangible fixed assets

Tangible fixed assets are finite-lived operating assets and business equipment, as well as technical equipment and machinery. The useful life of a tangible fixed asset takes account of the asset's physical life, technical obsolescence and contractual and statutory restrictions.

The changes in the intangible fixed assets and tangible fixed assets outlined in notes 9 and 10 are presented in the statement of changes in fixed assets attached to the notes.

11. Other assets

The other assets can be broken down as follows as at the balance sheet date: (Table below)

The decrease in receivables from securities settlement to EUR 1,847 thousand (previous year: EUR 9,327 thousand) was due to a smaller number of open securities transactions in the operating business as at the balance sheet date.

The miscellaneous other assets also include a subordinated asset of EUR 483 thousand (previous year: EUR 387 thousand) resulting from payments for an irrevocable loan commitment in the total amount of EUR 1,740 thousand (previous year: EUR 1,740 thousand).

The other assets include items denominated in foreign currencies amounting to EUR 1,219 thousand (previous year: EUR 3,394 thousand).

12. Prepaid expenses

This item includes EUR 6,687 thousand (previous year: EUR 7,215 thousand) in prepaid advance payments by dwpbank only.

Other assets

EUR thousand	31/12/2024	31/12/2023
Employee-related receivables	5,616	5,240
Income tax receivables	4,859	3,377
Receivables from securities settlement	1,847	9,327
Value-added tax receivables	1,340	0
Creditors with debit balances	70	27
Other assets from settlement with depositories	0	29
Miscellaneous other assets	1,840	1,047
	15,573	19,046

13. Deferred tax assets

Deferred tax assets amounting to EUR 44,613 thousand (previous year: EUR 48,406 thousand) resulted from differences in the measurement of balance sheet items in the tax accounts and in the financial accounts. This relates primarily to the recognition of a tax adjustment item in accordance with section 4e of the German Income Tax Act (Einkommensteuergesetz, "EStG"), the special fund (tax recognition of retained income) and the difference in the recognition of individual provisions under tax law, in particular pension and restructuring provisions. EUR 3,793 thousand (previous year: income of EUR 1,384 thousand) results pro rata from effects recognised as expenses in 2024.

14. Liabilities to other banks

The EUR 275,267 thousand in liabilities payable on demand (previous year: EUR 111,833 thousand) resulted mainly from the Bank's operating activities in the securities business and included EUR 46,359 thousand (previous year: EUR 29,576 thousand) denominated in foreign currency.

Liabilities to banks in which dwppbank holds an equity interest totalled EUR 56,517 thousand (previous year: EUR 25,583 thousand).

This item includes a promissory note loan with a principal amount of EUR 30,000 thousand (previous year: EUR 0 thousand) raised in financial year 2024.

15. Liabilities to clients

Liabilities to non-banks amounted to EUR 20,757 thousand (previous year: EUR 253 thousand); these related mainly to liabilities from the Bank's operating activities in the securities business.

This item includes a promissory note loan with a principal amount of EUR 20,000 thousand (previous year: EUR 0 thousand) raised in financial year 2024.

16. Other liabilities

The other liabilities can be broken down as follows as at the balance sheet date: (Table below)

Other liabilities includes items denominated in foreign currencies amounting to EUR 5 thousand (previous year: EUR 5,785 thousand).

17. Deferred tax liabilities

All of the deferred tax liabilities of EUR 28,838 thousand (EUR 22,488 thousand) relate to the capitalisation of internally generated intangible fixed assets. In financial year 2024, deferred tax liabilities increased by EUR 6,350 thousand (previous year: EUR 6,228 thousand) through profit or loss.

Other liabilities

EUR thousand	31/12/2024	31/12/2023
Employee-related liabilities	3,682	3,213
VAT liabilities	2,054	1,478
Liabilities from operating activities in the securities business	1,977	11,582
Liabilities from services	1,608	4,574
Miscellaneous other liabilities	323	516
	9,645	21,363

18. Provisions

Provisions before offsetting against plan assets totalled EUR 194,456 thousand as at 31 December 2024 (previous year: EUR 178,786 thousand).

The provisions offset against plan assets can be broken down as follows: (Table 1 below)

The difference in pension provisions in accordance with section 253 (6) HGB amounts to EUR -1,745 thousand.

Under other employee-related provisions, the provision for partial retirement was offset against the corresponding plan assets of EUR 42 thousand in accordance with section 246 (2) HGB. This figure constitutes both the fair value and amortised cost of the reinsurance.

19. Equity

Subscribed capital amounted to EUR 20,000,000 and is divided into 20,000,000 registered voting shares with restricted transferability. The share capital is fully paid up and structured as follows: (Table 2 below)

Changes in equity in the financial year: (Table on the right)

20. Foreign currencies

As at 31 December 2024, EUR 48,476 thousand (previous year: EUR 36,894 thousand) in assets and EUR 48,274 thousand (previous year: EUR 36,247 thousand) in liabilities were denominated in foreign currencies.

Provisions

EUR thousand	31/12/2024	31/12/2023
Provisions for pensions and similar obligations	112,878	114,107
Provisions for outstanding invoices	21,914	17,847
Other employee-related provisions	19,687	14,753
Restructuring provisions	18,361	19,094
Provisions for early retirement	16,491	8,064
Provisions for holiday leave and flexitime	4,210	3,861
Provisions for partial retirement	158	295
Provisions for taxes	0	123
Other provisions	714	516
	194,414	178,660

Equity

Shareholders as at 31 December 2024	Percentage	No. of shares
DZ BANK	50.00000 %	10,000,000
Sparkassenverband Westfalen-Lippe	20.00000 %	4,000,000
Rheinischer Sparkassen- und Giroverband	20.00000 %	4,000,000
Bayerische Landesbank	3.74501 %	749,002
Landesbank Hessen-Thüringen Girozentrale	3.74499 %	748,998
DekaBank Deutsche Girozentrale	2.51000 %	502,000
	100.00000 %	20,000,000

Changes in equity

EUR thousand	Subscribed capital	Capital reserves	Legal reserves	Other revenue reserves	Net retained profits
Brought forward as at 1 Jan. 2024	20,000	108,417	2,000	154,469	50,338
Additions to revenue reserves from prior-year net retained profits				50,338	-50,338
Balance as at 31 Dec. 2024	20,000	108,417	2,000	204,808	52,811
Total equity					388,036

III. Notes to the income statement

1. Interest income

Interest income results primarily from lending and money market transactions amounting to EUR 8,892 thousand (previous year: EUR 6,562 thousand) and relates to operating and non-operating activities in the securities business.

The interest on fixed-income securities amounting to EUR 1,393 thousand (previous year: EUR 791 thousand) resulted from securities furnished as collateral.

2. Interest expense

The interest expense includes the expense of EUR 1,157 thousand (previous year: EUR 0 thousand) for interest on a promissory note loan raised in the financial year, interest of EUR 1,345 thousand (previous year: EUR 2,051 thousand) for current accounts relating to operating activities in the securities business, provision commissions of EUR 539 thousand (previous year: EUR 442 thousand) and other interest of EUR 4 thousand (previous year: EUR 3 thousand).

3. Current income

Current income includes primarily dividend payments from affiliated companies of EUR 129 thousand (previous year: EUR 134 thousand) from dwp Software Kft., Budapest (Hungary) and EUR 16 thousand (previous year: EUR 20 thousand) from Cintac A/S, Roskilde (Denmark).

4. Fee and commission income

Fee and commission income amounted to EUR 430,330 thousand (previous year: EUR 402,919 thousand), with EUR 414,401 thousand (previous year: EUR 388,304 thousand) of that amount resulting from full-service securities services. Brokerage fees and expenses amounted to EUR 12,748 thousand (previous year: EUR 11,326 thousand). Additional income amounting to EUR 3,181 thousand (previous year: EUR 3,288 thousand) resulted from reimbursement of expenses and depositories' transaction fees passed on to clients.

5. Fee and commission expense

Fee and commission expenses amounted to EUR 102,044 thousand (previous year: EUR 93,812 thousand) and included securities account and transaction fees of EUR 84,390 thousand (previous year: EUR 77,950 thousand). Brokerage fees and expenses amounted to EUR 11,769 thousand (previous year: EUR 10,587 thousand). The other fee and commission expense and reimbursement of expenses totalled EUR 5,886 thousand (previous year: EUR 5,275 thousand).

6. Other operating income

Other operating income of EUR 91,083 thousand (previous year: EUR 77,710 thousand) can be broken down as follows: (Table 1 below)

In financial year 2024, the income from recharging production costs contained in the IT services (including migrations) amounting to EUR 1,203 thousand (previous year: EUR 505 thousand) was offset against other administrative expenses

of EUR 945 thousand (previous year: EUR 453 thousand) and personnel expenses of EUR 258 thousand (previous year: EUR 52 thousand).

7. Other administrative expenses

The other administrative expenses of EUR 154,134 thousand (previous year: EUR 136,529 thousand) can be broken down as follows: (Table 2 below)

Other operating income

Income from	31/12/2024	31/12/2023
Currency translation	29,894	24,992
Exchange rate measurement	26,673	21,613
IT services (incl. migrations)	13,779	14,122
Income from the demigration of a client	8,066	3,000
VAT refunds from prior periods	2,450	4,179
Reversal of provisions	2,585	2,695
Damages	1,281	765
Leasing	1,117	1,028
Postage in the securities business	903	1,020
Discounts	412	412
Discounting of provisions	0	30
Miscellaneous other income	3,923	3,855
	91,083	77,710

Other administrative expenses

Expenses for (EUR thousand)	31/12/2024	31/12/2023
IT operating costs	60,702	58,831
Purchased services	57,696	43,071
Building maintenance and ancillary costs	13,776	13,548
Production-related administrative expenses	8,697	9,214
Contributions and fees	5,815	6,022
Non-labour costs	5,697	4,172
Market support	1,452	1,402
Other administrative expenses	297	269
	154,134	136,529

Other administrative expenses

Expenses for (EUR thousand)	31/12/2024	31/12/2023
Foreign currency translation	26,715	21,635
Non-deductible input tax	7,833	8,713
Restructuring	9,911	4,971
Losses	1,406	1,372
Currency translation	1,141	1,617
Postage	905	1,021
Outsourcing of pension provisions	859	715
Discounting of employee-related provisions	332	1,051
Items relating to prior periods	4	314
Other administrative expenses	3,775	2,145
	52,883	43,554

8. Other operating expenses

The other operating expenses of EUR 52,883 thousand (previous year: EUR 43,554 thousand) comprise:
(Table above)

9. Taxes on income

EUR 14,303 thousand (previous year: EUR 19,162 thousand) of reported current taxes related to the operating profit from the past financial year. EUR 478 thousand resulted from payments of tax arrears for prior years (previous year: tax refunds of EUR 453 thousand).

Total expenses of EUR 10,143 thousand (previous year: EUR 4,843 thousand) resulted from deferred taxes.

10. Return on capital

The return on capital, which under section 26a of the German Banking Act (Kreditwesengesetz, "KWG") is calculated as net income for the financial year divided by total assets, amounted to 5.69%. The meaningfulness of the return on capital is limited since dwpbank's total assets are heavily dependent on the volume of settled securities transactions and thus cannot be actively controlled by the Bank.

IV. Report on post-balance sheet date events

No significant events or transactions occurred after the balance sheet date.

V. Other disclosures**1. Employees**

The average number of active employees (full-time equivalents) in the financial year was 1,242.5. Of that figure, 917.5 were employed full-time and 325 part-time. There were 1,267 active employees as at 31 December 2024. Of that figure, 933 were employed full-time and 334 part-time. Additionally, the Bank employed two members of the Board of Management as at 31 December 2024, as well as 11 inactive employees (e.g., on leaves of absence or sabbaticals).

2. Total remuneration of executive bodies and recognised provisions for pensions

The total remuneration paid to members of the Board of Management in the past financial year was EUR 1,325 thousand (previous year: EUR 1,504 thousand). EUR 2,591 thousand (previous year: EUR 874 thousand) was paid to former members of the Board of Management in the fi-

financial year. Additionally, provisions for pensions amounting to EUR 27,623 thousand are recognised for current and former members of the Board of Management. The total remuneration paid to the Supervisory Board of dwpbank for the past financial year amounted to EUR 266 thousand (previous year: EUR 247 thousand). The members of the Advisory Board received remuneration of EUR 5 thousand (previous year: EUR 6 thousand) for the past financial year.

3. Total fee for auditor

Expenses of EUR 989 thousand were incurred for the activities of the auditor in the financial year. Of this amount, EUR 835 thousand was attributable to statutory audit services, of which EUR 43 thousand in relation to the previous year. A further EUR 142 thousand related to other assurance services and EUR 12 thousand other services.

4. Development expenses

During the financial year, the Bank incurred a total of EUR 72,110 thousand (previous year: EUR 60,068 thousand) in expenses for development activities. These development activities were reviewed with respect to capitalisation and, if the conditions were met, were recognised in the balance sheet. EUR 30,667 thousand (previous year: EUR 28,837 thousand) was capitalised as internally generated intangible assets in the financial year.

5. Contingent liabilities not shown on the face of the balance sheet

Lease collateral in the form of a bank guarantee was provided to the lessor on behalf of dwp Service GmbH, Halle (Saale).

6. Other financial obligations

Financial obligations amounting to EUR 27,878 thousand arise from long-term contracts to which dwpbank is tied for terms of between one and five years.

dwpbank has long-term leases for its office premises amounting to EUR 26,878 thousand (of which up to 1 year: EUR 6,458 thousand; 1–5 years: EUR 20,420 thousand).

Furthermore, other financial obligations of EUR 1,000 thousand relate to a client's system migration (of which up to 1 year: EUR 200 thousand; 1–5 years: EUR 800 thousand).

The miscellaneous other financial obligations are within the boundaries of normal business operations.

There are also irrevocable loan commitments that relate in their entirety to the portions not yet drawn down of a loan commitment granted in relation to a loan for the initial fund of a non-bank entity. dwpbank expects this to be fully drawn down by 2036. Under the terms of the agreement, the tranches can be called until the end of 2045. Based on ongoing credit monitoring, a default on the part of the borrower was assessed as unlikely as at the date of preparing the annual financial statements.

7. Amounts excluded from distribution

The amounts excluded from distribution resulted from section 268 no. 8 HGB and amounted to EUR 106,542 thousand. The amounts excluded from distribution pursuant to section 268 HGB consisted of net deferred tax assets and liabilities (EUR 15,775 thousand) and capitalised internally generated intangible assets (EUR 90,767 thousand).

8. Proposal for the appropriation of profits

The proposal to the Annual General Meeting is to appropriate the net retained profits of EUR 52,811,450.17 reported in the adopted annual financial statements as follows:

1. Distribution of EUR 0.75 per no-par value share carrying dividend rights, i.e. a total of EUR 15,000,000.00.
2. Transfer to revenue reserves amounting to EUR 37,811,450.17.

9. Members of the Board of Management

The following people were members of the Board of Management of dwpbank in the year under review:

- **Dr Heiko Beck**, Bensheim, Chairman of the Board of Management, Corporate Management and Client Management (until 30 June 2024)
- **Markus Neukirch**, Reichelsheim, IT and Operations
- **Dr Thorsten Warnt**, Düsseldorf, Finance and Risk Management (since 1 September 2024)
- **Martin Zoller**, Krefeld, Finance and Risk Management (until 31 August 2024)

10. Positions held by members of the Board of Management in supervisory bodies of other companies

Dr Heiko Beck was a member of the Exchange Council of the Düsseldorf Stock Exchange (until 30 June 2024).

11. Members of the Supervisory Board

In accordance with the Articles of Association, the Bank's Supervisory Board comprises 15 members; the following people were members of the Supervisory Board:

- **Dr Christian Brauckmann**
Chairman, Member of the Board of Management/responsible for IT and Organisation, DZ BANK AG, Frankfurt am Main
- **Jürgen Wannhoff**
Deputy Chairman, Vice-President and Member of the Board of Management of Sparkassenverband Westfalen-Lippe, Münster
- **Peter Becker**
Chairman of the Board of Management of Sparkasse Herford, Herford
- **Ebrahim Boulehia**
Employee representative, dwpbank, Frankfurt am Main
- **Dr. Stefan Dahm**
Chairman of Stadtparkasse Düsseldorf, Düsseldorf
- **Ulrich Eschert**
Employee representative, dwpbank, Frankfurt am Main
- **Dr Imke Jacob (since 15 April 2024)**
Head of Strategy & Group Development, DZ BANK AG, Frankfurt am Main
- **Axel Jungen**
Employee representative, dwpbank, Düsseldorf
- **Johannes Koch (until 15 April 2024)**
Member of the Board of Management/responsible for Strategy and Management Functions, DZ BANK AG, Frankfurt am Main
- **Dr Claudia Nowak**
Employee representative, dwpbank, Frankfurt am Main
- **Thomas Pennartz**
Member of the Board of Management of Kreissparkasse Köln, Cologne
- **Peter Tenbohlen**
Head of Operations & Custody, DZ BANK AG, Düsseldorf
- **Christoph Ulm**
Employee representative, dwpbank, Munich/Deutscher Bankangestellten-Verband, Düsseldorf
- **Thomas Ullrich**
Member of the Board of Management/responsible for Transaction Management, Operations & Custody and Payments & Accounts, DZ BANK AG, Frankfurt am Main
- **Dr Ulrich Walter**
Head of Capital Markets and Trading, DZ BANK AG, Frankfurt am Main
- **Dr Markus Wiegelmann**
Member of the Board of Management/Chief Information Officer/Chief Operating Officer, Bayerische Landesbank, Munich

12. Members of the Advisory Board

dwpbank presents the ideas it has developed and the trends it has identified to the Advisory Board, which

acts as the central point of contact for the Board of Management in all issues connected with the market, clients and products, and which provides feedback.

- **Daniel Keller**
Chairman, Deputy Chairman of the Board of Management/Organisation and Sales Service, Compliance/Statutory Controls, Finance and Banking, Berliner Volksbank eG, Berlin
- **Lutz Boden,**
Deputy Chairman, Member of the Board of Management and Savings Bank Director, Sparkasse Karlsruhe AöR, Karlsruhe
- **Benoît Claveranne**
Member of the Board of Management/Chief Transformation & Development Officer, Oddo BHF
- **Matthias Frentzen**
Member of the Board/Retail Customers and HR, Dortmunder Volksbank eG, Dortmund
- **Stefan Grunwald**
Chairman of the Board of Management/Corporate Communications, HR Management, Internal Audit and Corporate Back Office, Stadt-Sparkasse Solingen AöR, Solingen
- **Tilo Hacke**
Member of the Board of Management/Private, Business and Retail Customers, Deutsche Kreditbank AG, Berlin
- **Joachim Hoof**
Chairman of the Board of Management, Ostsächsische Sparkasse Dresden AöR, Dresden
- **Jörg Lindemann**
Member of the Board of Management/Retail Customers, Private Banking, Treasury, Volksbank Darmstadt Mainz eG, Mainz
- **Reinhard Loose**
Member of the Board of Management/Compliance, Controlling, Internal Audit, IT, Group Accounting, Legal and Risk Management, MLP Finanzberatung SE, Wiesloch
- **Juan Alberto Puentes Puertas**
Head of Business Management & Operations, Norddeutsche Landesbank AöR, Hanover
- **Niels Rasmussen**
Head of IT Management, Hamburger Sparkasse AG, Hamburg
- **Heinz-Jörg Reichmann**
Chairman of the Board of Management/Sales, Sparkasse Attendorn Lennestadt Kirchhundem AöR, Attendorn
- **Wolfgang Reinhart**
Head of Operations & Services, Bayerische Landesbank, Munich
- **Markus Reitmeier**
Head of Capital Markets Retail Customers, DZ BANK, Frankfurt am Main
- **Dominic Rosowitsch (since 3 December 2024)**
Member of the Board of Management/IT, Internal Services, Lending Back Office and Organisation, DONNER & REUSCHEL AG, Hamburg
- **Roland Seidl**
Member of the Board of Management/Innovation, Media Sales, Sales Management and Regional Directors, meine Volksbank Raiffeisenbank eG, Rosenheim
- **Astrid Joost van der Spek**
Head of Capital Markets, Landesbank Hessen-Thüringen Girozentrale AöR, Frankfurt am Main
- **Gregor Surges**
Board of Management Spokesman/Savings Banks & Customer Service, Securities Account & Lending Services, IT/Organisation and Savings Bank Sales, S Broker AG & Co. KG, Wiesbaden
- **Marcus Vitt (until 30 November 2024)**
Board of Management Spokesman, DONNER & REUSCHEL AG, Hamburg
- **Jürgen Wagenländer**
Member of the Board of Management/Production, Sparkasse Mainfranken Würzburg AöR, Würzburg
- **Dr Ingo Wiedemeier**
Chairman of the Board of Management/Leadership and Management, Organisation, IT and Operations, Frankfurter Sparkasse AöR, Frankfurt am Main

Frankfurt am Main, 4 March 2025



Markus Neukirch



Dr Thorsten Warmt

Country-by-country reporting

Disclosure in accordance with section 26a (1) sentence 2 KWG as at 31 December 2024

Deutsche WertpapierService Bank AG, with registered office in Frankfurt am Main, has no foreign branches that conduct banking operations. All disclosures within the meaning of section 26a (1) sentence 2 KWG presented in the annual financial statements relate solely to the Federal Republic of Germany.

The Bank's turnover for the period from 1 January 2024 to 31 December 2024 and the average number of employees on a full-time equivalent basis for financial year 2024 are presented in the table below:

Turnover in EUR million	374.5
Interest income	10.3
Interest expense	-3.0
Net interest income	7.2
Fee and commission income	430.3
Fee and commission expense	-102.0
Net fee and commission income	328.3
Other income	91.9
Other operating expenses	-52.9
Net other operating income	39.0
Number of employees (full-time equivalent basis)	1,154.0
Profit before tax in EUR million	76.8
Taxes on income in EUR million	-24.0
Public subsidies received in EUR	0.00

Turnover is reported as the total of net interest, fee and commission, and other operating income. Other income includes current income from securities and equity investments, income from profit pooling, profit and loss transfer or partial profit transfer agreements, and other operating income.

Profit before tax amounted to EUR 76.8 million; the tax expense amounted to EUR 24.0 million.

The Bank did not receive any public subsidies in the financial year.

Independent auditor's report

To Deutsche WertpapierService Bank AG, Frankfurt am Main

Report on the audit of the annual financial statements and of the management report

Audit opinions

We have audited the annual financial statements of Deutsche WertpapierService Bank AG, Frankfurt am Main, which comprise the balance sheet as at 31 December 2024 and the income statement for the financial year from 1 January to 31 December 2024, and the notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of Deutsche WertpapierService Bank AG for the financial year from 1 January to 31 December 2024.

In accordance with the German legal requirements, we have not audited the content of those parts of the management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its financial performance for the financial year from 1 January to 31 December 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of those parts of the management report listed in the "Other Information" section.

Pursuant to section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and of the management report in accordance with section 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as the "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, "IDW"). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

Calculation and recognition of fee and commission income from full-service securities services

The disclosures relating to fee and commission income are contained in note III.4 to the annual financial statements and section 2.2.1 of the Company's management report.

Risk for the financial statements

Fee and commission income from full-service securities services is the most significant item by amount in the annual net income of Deutsche WertpapierService Bank AG. The Bank reported EUR 430,330 thousand in fee and commission income for financial year 2024, of which EUR 414,401 thousand from full-service securities services.

The fee and commission income for full-service securities services generated from client business results from various agreements with clients (banks). In principle, these agreements are based on a general list of prices and services that constitutes the basis for business relationships with clients. Clients can make use of various Deutsche WertpapierService Bank AG services from this list. Individual terms can also be agreed in derogation from the standard terms specified in the list of prices and services. Accounts are settled as part of a largely automated monthly billing run based on the agreed terms as well as the number of services provided to clients and recorded in the Bank's systems.

Given the material importance of fee and commission income from full-service securities services for the annual financial statements of Deutsche WertpapierService Bank AG, this matter was of particular significance in the context of our audit.

The particular risk for the financial statements is that by failing to properly record the contract master data such as commission rates or discount models, or by incorrectly determining service quantities and miscalculating, the fee and commission income from full-service securities services is calculated in an incorrect amount or allocated to the wrong financial year and as a result the corresponding income is misreported.

Our audit approach

Based on our risk assessment and assessment of the risk of error, we based our audit opinion on both tests of controls and substantive audit procedures. Accordingly, we carried out the following and other audit procedures:

In a first step, we carried out interviews and inspected the Company's service overviews and relevant legally binding service agreements to gain an overview of the full-service securities services provided by the Bank and all of the associated risks. Based on the identified services and their risk features, we analysed the billing process for the services provided and the recognition and accounting treatment of the resulting fee and commission income. In carrying out our tests of controls, we assessed the

implementation and effectiveness of manual and IT application-related controls that the Company has put in place to ensure the contractually compliant capture of master data relevant for billing purposes and the transaction data used to derive the material earnings contributions in the commission business.

For the IT systems and data processing applications used, we worked with our IT specialists to review in advance the effectiveness of the rules and procedures that relate to the IT applications and support the effectiveness of application controls.

In the context of our substantive audit procedures, we used the individual monthly client statements on which the transaction data is based to verify – on a test basis – the due calculation and accounting recognition of full-service fee and commission income.

Our conclusions

The manual and IT application-related controls are appropriate to ensure that the contractual master data and transaction data in the provision business are properly recorded so that the (full-service) fee and commission income is properly calculated and assigned to the correct period.

Other information

The management and/or supervisory board are responsible for the other information. The other information comprises the following non-audited parts of the management report:

- the non-financial statement, which is included in section 6 ("sustainability report") of the management report, and
- the corporate governance declaration pursuant to section 289f (4) HGB (disclosures on the proportion of women in management positions), which is contained in section 3 of the management report.

The other information also includes the remaining parts of the annual report. The other information does not comprise the annual financial statements, the audited disclosures in the management report or our associated auditor's report.

Our audit opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the above-mentioned other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited disclosures in the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Supervisory Board for the annual financial statements and the management report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, management is responsible for such internal control as it, in accordance with German Legally Required Accounting Principles, has determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as it has considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of the internal controls relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances,

but not for the purpose of expressing an audit opinion on the effectiveness of these internal controls and/or arrangements and measures of the Company.

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the forward-looking statements presented by management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the forward-looking statements, and evaluate the proper derivation of the forward-looking statements from these assumptions. We do not express a separate audit opinion on the forward-looking statements and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the forward-looking statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant material deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 15 April 2024. We were engaged by the Chairman of the Supervisory Board on 31 October 2024. We have been the auditor of Deutsche WertpapierService Bank AG without interruption since financial year 2021.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

We provided the following services that were not disclosed in the annual financial statements or in the management report of the audited company in addition to the statutory audit for the audited entity and/or an entity controlled by it.

- Agreed investigative activities in connection with the calculation of the measurement basis pursuant to section 4 (1a) of the Statute of the Protection Scheme of the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e. V., Berlin (National Association of German Cooperative Banks) and the calculation of the annual contribution to the guarantee fund for financial year 2023 by Deutsche WertpapierService Bank AG, Frankfurt am Main, in 2024,
- Agreed investigative activities in connection with the BVR Institutssicherung GmbH (BVR-ISG) classification procedure for affiliated institutions for the 2023 annual financial statements,
- Limited assurance engagement on the non-financial statement ("sustainability report") for the reporting period from 1 January 2024 to 31 December 2024.

German public auditor responsible for the engagement

The German public auditor responsible for the engagement is Thomas Beier.

Frankfurt am Main, 5 March 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft

Beier
German Public Auditor
(Wirtschaftsprüfer)

Dyhr
German Public Auditor
(Wirtschaftsprüfer)

Report of the Supervisory Board

Composition of the Supervisory Board and committee work

In accordance with the Articles of Association, dwpbank's Supervisory Board consisted of a total of fifteen members in financial year 2024: ten shareholder representatives and five employee representatives.

The Chairman of the Supervisory Board in financial year 2024 was Dr. Christian Brauckmann, Member of the Board of Management of DZ Bank; the Deputy Chairman of the Supervisory Board was Jürgen Wannhoff, Vice President and Member of the Board of Management of Sparkassen-verband Westfalen-Lippe.

In accordance with the statutory provisions and section 9 of its Rules of Procedure, in 2024, the Supervisory Board was advised and assisted by committees formed from amongst its ranks. Based on a resolution of the Supervisory Board adopted in 2014 in accordance with section 25d (10) of the German Banking Act (Kreditwesengesetz, "KWG"), these comprise a joint Risk and Audit Committee, a joint Nominating and Executive Committee, a Remuneration Control Committee and a Strategy Committee. The Nominating and Executive Committee and the Remuneration Control Committee each consist of two shareholder representatives and one employee representative. The Risk and Audit Committee consists of four shareholder representatives and two employee representatives. The Strategy Committee consists of four shareholder representatives.

At their meetings, the committees performed the tasks allocated to them in accordance with section 25d KWG and the by-laws of the Supervisory Board.

The Nominating and Executive Committee is responsible for tasks including preparing the financial statements and amending and terminating contracts of service with the members of the Board of Management. Furthermore, it regularly assesses the structure, size, composition and performance of management and of the Supervisory Board, which must be carried out at least once per year, and regularly assesses the knowledge, skills and experience of both the individual managing directors and the members of the Supervisory Board, as well as those of the respective bodies in their entirety, which must likewise be carried out at least once per year. In particular, the Nominating and Executive Committee addressed recruitment to the Board of Management for the CFO/CRO position, the new composition of the Risk and Audit Committee (rising from three to six committee members), determination of the training and development content for the Supervisory

Board and the further development of the suitability test and processes, which also include ESG topics. It met a total of four times in 2024.

The particular focus of the Remuneration Control Committee in 2024 was on performing the tasks assigned to it in accordance with the Regulation Governing Remuneration at Institutions (Instituts-Vergütungsverordnung, "InstitutsVergV"), including monitoring the appropriate design of the remuneration system for the Board of Management and employees, assessing the achievement of targets by Board of Management members, and identifying risk-takers. Among other things, it ensured that implementation of the ESG strategy is appropriately reflected. It met a total of five times in 2024.

The Risk and Audit Committee in 2024 carried out the preliminary review of the documents relating to the 2023 annual financial statements, the evaluation of the findings of the audit in accordance with section 89 of the German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG") and the audit of securities accounts, and advised the Board of Management on issues relating to risk management and its further development, and the appropriateness and effectiveness of the internal control system, the internal control functions and the risk culture. The Risk and Audit Committee also addressed the ESG requirements applicable to the Bank and the Supervisory Board. The Risk and Audit Committee met a total of four times in 2024.

The Strategy Committee advises the Board of Management in particular on reviewing and refining the business strategy. The Strategy Committee met once in 2024.

Supervising the Bank's management and advising the Board of Management

During the financial year ended, the Supervisory Board again continuously supervised the activities of the Board of Management and advised it on the management of the bank. In accordance with its statutory obligations and the provisions set out in the Articles of Association, the Supervisory Board held five meetings during the financial year and regularly received detailed written and oral reports from the Board of Management concerning the position and performance of the Bank.

One focus area in the past year was that dwpbank had successfully implemented its "dwpbank 2024" strategy programme. dwpbank has refined its strategic orientation and developed "3-2-1, go!", a vision and strategy for the period 2025 to 2028 that it discussed with the Supervisory Board.

As far as the general course of business was concerned, the Chairman and Deputy Chairman of the Supervisory Board ensured that they were kept apprised of the Bank's current development and strategic focus throughout the year under review by way of regular, comprehensive and timely briefings by the Board of Management team. The Supervisory Board was directly involved in all decisions of fundamental importance to the Bank at an early stage. The Board of Management regularly reported to the Supervisory Board at its meetings on the Bank's position, business development, financial and other KPIs, and the risk situation.

Another topic was the programme to implement the MoveWP3 target IT landscape. The Supervisory Board also oversaw efforts to secure internal capital adequacy in the normative and economic perspectives, as well as capital planning, in particular the raising of a promissory note loan. The Supervisory Board also dealt extensively with ESG-related topics at each of its meetings in 2024, including at the beginning of the year with the assessment of the non-financial statement and CSRD implementation, mid-way through the year with the obligations under the CSRD, and at the end of the year with approval of the ESG materiality analysis. The Supervisory Board discussed the further development of the internal control system at each of its meetings. In this context, the Supervisory Board modified its Rules of Procedure and specified in greater detail the tasks of the Risk and Audit Committee to reflect the appropriate consideration of ESG aspects.

The annual strategy workshop involved a close dialogue between the Supervisory Board and the Board of Management on dwpbank's strategic development, including with respect to dwpbank's strategic environment and economic guardrails.

dwpbank organised two training and development events in 2024. The first was a training and development event for the members of the Supervisory Board to deepen their understanding of the business model, with a focus on transaction services and securities account and tax services, the second was an event for the Board of Management and the Supervisory Board on ESG regulations.

Annual financial statements for the year ended 31 December 2024

KPMG AG Wirtschaftsprüfungsgesellschaft, which was elected auditor by the Annual General Meeting, audited dwpbank's annual financial statements for 2024, as prepared by the Board of Management, comprising the balance sheet as at 31 December 2024, the income statement for the 2024 financial year, the notes to the financial statements, including the accounting policies presented in them, and dwpbank's management report for 2024. In accordance with German legal requirements, the corporate governance declaration pursuant to section 289f (4) of the German Commercial Code (Handesgesetzbuch, "HGB") (disclosures on the proportion of women in management positions), as contained in section 3 of the management report, was not subject to a substantive audit. In its unqualified audit opinion on the annual financial statements, KPMG AG Wirtschaftsprüfungsgesellschaft stated that its audit did not lead to any reservations. In the opinion of KPMG AG, the annual financial statements comply with the statutory provisions and give a true and fair view of the net assets, financial position and results of operations of dwpbank in accordance with German principles of proper accounting. The auditors believe that the management report is consistent with the annual financial statements and, as a whole, provides a suitable view of the Bank's position and accurately presents the opportunities and risks of future development.

The meeting of the Supervisory Board on 7 April 2025 to review the annual financial statements was attended by the auditors of KPMG AG, Wirtschaftsprüfungsgesellschaft, who signed the audit report. In addition, the auditors attended the meeting of the Risk and Audit Committee on 17 March 2025, at which the preliminary review of the documents relating to the annual financial statements took place. They reported in detail on the audit of the annual financial statements and answered questions from the members of the Supervisory Board. dwpbank's annual financial statements, the management report, the proposal by the Board of Management for the appropriation of net retained profits and the auditors' reports were made available to all members of the Supervisory Board.

The Supervisory Board reviewed the annual financial statements and the management report in detail and received the corresponding report by the Risk and Audit Committee. There were no objections. Accordingly, the Supervisory Board approved the annual financial statements of dwpbank for the year ended 31 December 2024, which have therefore been adopted.

In addition, the Supervisory Board reviewed the Board of Management's proposal for the appropriation of net retained profits for the 2024 financial year. It supports the proposal by the Board of Management, which will therefore be submitted for resolution by the Annual General Meeting as a joint proposal by the Supervisory Board and the Board of Management.

Sustainability Report as at 31 December 2024

Furthermore, meetings of the Risk and Audit Committee (17 March 2025) and the Supervisory Board (7 April 2025) discussed dwpbank's Sustainability Report as at 31 December 2024, as prepared by the Board of Management. Although the EU Corporate Sustainability Reporting Directive (CSRD) has not yet been transposed into German law, dwpbank has applied its provisions on a voluntary basis and made them part of the statutory audit. KPMG AG Wirtschaftsprüfungsgesellschaft performed a limited assurance engagement on the Sustainability Report and expressed an unqualified conclusion. The Supervisory Board's review did not give rise to any objections.

The Supervisory Board would like to express its thanks and its gratitude to the members of the Board of Management and all employees and employee representatives for their hard work and commitment in 2024 and their excellent performance.

Frankfurt am Main, 7 April 2025

Deutsche WertpapierService Bank AG
The Supervisory Board



Dr Christian Brauckmann
Chairman

6 Sustainability report

6.1 General basis for preparation of the sustainability statements

6.1.1 Overview

At dwpbank, our focus on ensuring that our business model is sustainable lies at the heart of our culture. Sustainability is not simply about taking responsibility for the environment and society, it also means tending to all of the elements that safeguard dwpbank's future viability. This also impacts profitability in the long run as well as dwpbank's continued development. As these aspects are already addressed in the annual financial statements and the rest of the management report, the sustainability report primarily covers the ESG aspects. "E" stands for Environmental (climate and habitat), "S" for Social (employees and society) and "G" for Governance (corporate management and business practices).

ESG aspects are manifold. Based on the materiality analysis described in section 6.8, dwpbank has identified climate change, its own workforce and governance as material ESG aspects.

The following sections describe the material impacts, risks and opportunities associated with these ESG aspects; the strategies, measures and concepts dwpbank implements to address them; and the metrics by which it monitors them.

The report is structured in accordance with the requirements of the European Sustainability Reporting Standards (ESRS), which were published by the European Commission as Delegated Regulation 2023/2772.

The ESRS flesh out the EU Corporate Sustainability Reporting Directive (CSRD) (EU/2022/2464), which was not transposed into German law on time.

The sustainability report was prepared to meet the requirements of section 340a (1a) of the German Commercial Code (Handelsgesetzbuch, "HGB") in conjunction with sections 289b to 289e HGB for a non-financial statement. dwpbank has exercised the option under section 289d HGB to apply the ESRS in full on a voluntary basis and has asked its auditor to confirm implementation in its report (see report).

As the EU may yet adjust the CSRD's scope of application, the presentation may change next year.

6.1.2 Value chain and consolidation

dwpbank identifies the impacts, risks and opportunities associated with its own business activities and the Bank's value chain. The term "value chain" generally covers all companies and persons involved in a product or service, from production to the company's own activities to the end customer.

dwpbank is a securities services provider (see description of the business model in section 1.1 of the management report). It provides services in the form of financial brokerage and securities custody business, i.e. safekeeping and management of securities, as well as corresponding services for cryptocurrencies, and provides IT services relating to the settlement of securities and crypto transactions.

Its own business consists of Deutsche WertpapierService Bank AG, including its wholly owned subsidiaries, dwp Software kft. (Budapest) and dwp Service GmbH (Halle). As they are of minor significance for dwpbank's financial position, dwpbank does not prepare consolidated financial statements and consequently does not prepare a Group management report that includes a Group sustainability report. dwpbank's subsidiaries are integrated into its operational processes and have an impact on the ESG aspects that are also material for dwpbank. They are therefore attributed to the Company's own business activities. As the ESRS requirements stipulate that the basis of consolidation for subsidiaries may not differ between the annual financial statements, management report and sustainability report, the subsidiaries are presented as part of the value chain in this sustainability report, even though they are part of the Company's own business activities and are managed as such.

In addition to the services of the subsidiaries, dwpbank primarily requires upstream computing services (e.g. Finanz Informatik GmbH & Co. KG, Amazon Web Services EMEA SARL) and information on securities, either from corresponding information services (e.g. WM Group, SIX Financial Information) or the custodians and depositories (e.g. Clearstream Banking), in order to provide these services.

It provides these services to its downstream credit institutions (including savings banks, cooperative banks and private banks, see the customer structure in section 2.1.1 of the management report) and only enters into direct contractual relationships with these. The customer banks in turn provide their services to the end customer or custody account customer, sometimes with an additional intermediary bank.

The material impacts, risks and opportunities for dwpbank in connection with the provision of securities services in the form of financial brokerage, custody and settlement arise equally for companies in the upstream and downstream value chain which have a direct contractual relationship with dwpbank.

6.1.3 Scope of the sustainability report and periods covered

Part of good and sustainable governance is transparent reporting, which dwpbank only restricts if required by competition law, e.g. to protect company secrets. For example, dwpbank will offer only limited commentary on product ideas and developments that have not yet been made public.

In this sustainability report, dwpbank addresses short, medium and long-term time horizons, deviating from the ESRS definition of "medium term". "Short-term" corresponds to a horizon of 12 months, both for internal management purposes and according to the ESRS. "Medium-term" is defined analogously to the planning used in controlling and risk management, with a perspective of up to three years in order to facilitate uniform management within dwpbank. "Long-term" goes beyond this and covers a period of up to 10 years at least. Analyses of climatic and demographic changes also rely on assumptions for the periods up to 2050 and 2100. This is discussed in particular in the notes to E1 in the section entitled "Environmental information". That section also provides more detailed information on the estimation methods used within the value chain.

6.1.4 Base year and comparison with previous reporting

In addition to transparent reporting, sustainability reporting should reveal progress and facilitate prior-year comparability. Because this sustainability report is being prepared for the first time in accordance with the new requirements of EU Directive 2022/2464, with 2024 serving as the base year for calculating the various quantitative data, comparisons with previous years are not possible for this year's report.

6.2 ESG in strategy and business model

6.2.1 Integration of ESG into the general strategy process

dwpbank's various strategies (corporate, risk, IT, HR, remuneration and ESG strategies) are updated annually in the strategy control process and begin with the strategic environment analysis, which identifies strengths, challenges, opportunities and risks for dwpbank in the form of a SWOT analysis. Based on the strategic environment analysis, the strategies are further developed in an initial draft and then harmonised with the business, financial and capital planning.

ESG is part of the strategic environment analysis, i.e. regulatory innovations as well as technological or social trends, stakeholder needs and other requirements in connection with ESG are analysed as part of the environment analysis. By analysing regulatory, competitive and social trends, significant effects on dwpbank are identified and taken into account in the materiality analysis. The materiality analysis forms the basis of the ESG elements in the corporate and risk strategy, from which the independent ESG strategy is derived. The main contents of the corporate and risk strategies are presented in detail in the management report (see section 1.2 and section 4 of the management report).

6.2.2 Integration of ESG into the business model

Based on the materiality analysis, dwpbank identified the ESG aspects E1 (climate change), S1 (own workforce) and G1 (governance) as material. The measures to reduce the resulting risks and impacts and the measures to increase the opportunities and positive impacts are summarised in the ESG strategy, to which the corporate strategy refers.

The ESG strategy was drawn up for the first time in 2023, is set to run until the end of 2026 and is updated annually. The independent decarbonisation strategy, which is to be devised and adopted in 2025, will extend beyond that horizon.

In contrast to other banks, dwpbank's business model does not revolve around lending. Its main impact is therefore not through its lending portfolio, but in the provision of its services in banking operations. The material opportunities and risks therefore also lie in its banking operations.

Overall, dwpbank's ESG strategy aims to reduce its carbon emissions, which are caused primarily by the use of IT, to promote equal opportunities for all employees and to further develop its governance in order to consolidate the trust placed in it by its clients.

Under the ESG strategy, actions and targets are formulated for each of these ESG aspects in specific time periods. In the fourth category, dwpbank pursues strategic communication objectives that are intended to increase knowledge of ESG-related topics among employees, clients and service providers and motivate them to support dwpbank's activities in that area. These activities include information, training and participation programmes, for example in the form of regular "ESG Challenges". dwpbank dedicated the week from 25 to 29 November 2024 to sustainability as part of the Future Week and explained the individual ESG aspects in various presentations.

A detailed description of the strategies, concepts and measures pursued for each material ESG aspect can be found in the respective sections on environmental, social and governance information.

6.3 The role of the administrative, management and supervisory bodies

6.3.1 Composition of the Board of Management and Supervisory Board

dwpbank is managed by the Board of Management team, which consists of the two members of the Board of Management appointed under company law, Markus Neukirch and Dr Thorsten Warnt, together with Kristina Lindenbaum as Chief Digital Officer and authorised representative (Generalbevollmächtigte).

The Board of Management team performs the tasks of the Board of Management jointly, with the authorised representative participating in all decisions to be made. The duties of the Board of Management are defined by law, the Articles of Association and the rules of procedure for the Board of Management and include, in particular, the adoption of business and risk strategies (and any strategies derived from these, including the ESG strategy); the organisation of governance including risk management, the compliance management system, the internal control system and the control functions; the preparation of the annual financial statements including the management and sustainability reports; and the selection and monitoring of dwpbank's key function holders.

The Supervisory Board consists of 15 members, two of whom (13.3%) are women. Its seats are divided equally between employee representatives as well as representatives from the German Savings Banks Finance Group and DZ Bank. 100% of the members are independent. The duties of the Supervisory Board are defined by law, the Articles of Association and the rules of procedure for the Supervisory Board and include, in particular, the appointment and, if necessary, the revocation of the appointment as well as the remuneration of the members of the Board

of Management; the monitoring of the Board of Management; the discussion of the business and risk strategies and the sub-strategies derived from these (such as the ESG strategy); as well as the approval of the annual financial statements including the management and sustainability reports.

The Supervisory Board is supported by four committees in preparing its resolutions and performing its supervisory duties: the Nominating and Executive Committee, the Remuneration Control Committee, the Risk and Audit Committee and the Strategy Committee.

6.3.2 Expertise in the Board of Management and Supervisory Board, incl. ESG

The Supervisory Board defines the professional requirements for all board members and special functions in the Suitability Guidelines for Members of the Board of Management and Supervisory Board. According to these guidelines, all members of the Board of Management and Supervisory Board must have appropriate knowledge of dwpbank's business model, strategy and competitive environment, the financial and capital markets, risk management and control systems, IT, the legal and regulatory environment, accounting, reporting and ESG.

The members of the Board of Management and the Chairmen of the Supervisory Board and its committees should also have specific knowledge of the tasks in their respective areas of responsibility.

This knowledge is assessed on an ad hoc basis, in particular prior to appointment or nomination, and regularly once a year as part of the evaluation process.

Both the Board of Management and the Supervisory Board have a broad base of ESG expertise. This knowledge includes at a minimum the ESG aspects of material significance to dwpbank (climate change, own workforce and workforce of dwpbank's subsidiaries).

The members of the Board of Management and the Supervisory Board have received training in this area in a series of meetings and events over recent years, and have attended relevant training sessions presented by the auditor. The impacts of climate change were specifically communicated by an external weather and climate expert.

The members of the Supervisory Board received further training in this area through the joint training programme and in various meetings, and some of them are responsible for ESG in their main functions. Dr Imke Jacob, for example, is responsible for Strategy & Group Development at DZ Bank, which includes ESG. The members of the Supervisory Board, whose primary roles are those of directors, are responsible for the integration of ESG and sustainability reporting at a minimum as part of their overall responsibility.

6.4 ESG governance

At dwpbank, a central ESG function has been established within the Board of Management staff department. It monitors both the creation and implementation of the independent ESG strategy as well as the implementation of the regulatory ESG requirements from the Corporate Sustainability Reporting Directive (CSRD), the German Supply Due Diligence Chain Act (Lieferkettensorgfaltspflichtengesetz, "LkSG"), the banking supervisory ESG requirements from MaRisk, the EU Taxonomy Regulation, CRR III and CRD IV as well as MiCAR and the integration of ESG into all relevant banking processes.

The ESG function includes an ESG officer who also serves as the human rights officer within the meaning of the LkSG and performs this role as a control function of the second line of defence under the three lines of defence model. She is assisted by two deputies.

dwpbank has established an ESG Board, which develops the ESG strategy and coordinates its implementation. Among other things, the ESG Board discusses and deals with various measures to reduce carbon emissions and further entrench equal opportunities for all. The Board comprises all three members of the Board of Management and 14 employees from dwpbank and is diverse in terms of gender, geographical background, religion, age and sexual orientation.

The three members of the Board of Management team have also integrated various ESG aspects into their areas of responsibility. Markus Neukirch and Kristina Lindenbaum address climate impacts, for example by further reducing carbon emissions through digitalisation and energy-saving measures. Kristina Lindenbaum and Dr Thorsten Warmt work on measures to increase diversity, employee retention and employer attractiveness through their respective responsibilities for transformation and human resources. Dr Thorsten Warmt and Markus Neukirch are responsible for measures to further develop governance in their respective areas. The management and monitoring of financial risks and opportunities arising from ESG are the responsibility of Risk Management and Controlling, and thus Dr Thorsten Warmt.

Through their integration into the three lines of defence model, different functions take on additional ESG roles. The first line of defence is responsible for identifying, managing and reporting ESG risks. It represents all those who have to manage ESG risks in their work, such as employees in Purchasing, IT and Facility Management. Employees in the first line of defence have been trained in risk identification processes and are supported by risk management employees who have undergone similar training. In its regular risk reports, Risk Management summarises the risk data collected and presents dwpbank's ESG situation. ESG is another element of the risk management

stress tests, which determine the extent to which dwpbank's financial position, financial performance, assets and liabilities might be jeopardised by a combination of drastic shifts in economic factors, simulating, among other things, significant physical changes caused by climate change and significantly stricter regulatory requirements (transition risks). As part of its duties, the Compliance function monitors whether ESG requirements have been adhered to in addition to the other requirements. Internal Audit examines whether ESG requirements are taken into account and whether the control functions give appropriate consideration to these aspects.

The ESG function reports to the Board of Management at least once a year on whether the risk management and control systems as well as the control functions appropriately and effectively accommodate ESG risks, and summarises the findings and information from the other control functions for this purpose. In addition to the report by the ESG function, dwpbank's various control functions, Risk Management, Compliance and Internal Audit, report to the Board of Management at least quarterly and also address ESG aspects. The Board of Management team decides on the results of the annual double materiality analysis as well as the ESG strategy and the consideration of ESG in the business and risk strategy.

The Supervisory Board and its committees are also involved. They also receive the quarterly reports from the control functions, as well as the report from the ESG function at least once a year. It discusses the ESG strategy presented by the Board of Management team alongside the business and risk strategy, each of which includes ESG and forms the basis for the ESG strategy. The sustainability report, together with the annual financial statements, the notes and the management report, is first submitted by the Board of Management team to the Risk and Audit Committee and then to the Supervisory Board. The Risk and Audit Committee monitors the effective management of impacts, risks and opportunities (IROs) in support of the Supervisory Board and receives reports on this at least once a year in connection with the sustainability report. The Nominating and Executive Committee monitors the suitability of the Board of Management and Supervisory Board and whether these bodies have sufficient knowledge of ESG. It assesses at least once a year as part of the evaluation process, as well as on an ad hoc basis, whether the Supervisory Board and the Board of Management of dwpbank possess the knowledge and qualifications required for dwpbank, which also includes ESG in accordance with the Suitability Guidelines applicable to dwpbank. In turn, the Remuneration Control Committee ensures that the strategic objectives relating to ESG are appropriately taken into account in dwpbank's remuneration systems (see section 6.5).

The Board of Management and Supervisory Board are kept apprised of the impacts, risks and opportunities associated with ESG through the reports of the control functions and the ESG function as well as through the presentation of the annual materiality analysis. Based on the ESG strategy presented, the Board of Management and Supervisory Board can assess whether the identified material impacts, risks and opportunities have been addressed through appropriate measures. The ESG strategy resolution also enables them to influence the actions taken.

As the responsibilities and competences differ between the ESG aspects, the specific organisation of responsibilities and risk management is specified in the respective section (environmental, social and governance information).

6.5 ESG in the remuneration system

At dwpbank, a distinction is drawn between different groups in terms of remuneration. The remuneration of the Board of Management, including its annual remuneration targets, is determined by the Supervisory Board on the recommendation of the Remuneration Control Committee and the appropriateness of the Board of Management remuneration system is assessed at least once a year.

The Board of Management is responsible for structuring employee remuneration, whereby a distinction must be made between the remuneration of pay scale and non-pay scale employees.

The members of the Board of Management team, risk takers and non-pay scale employees receive variable remuneration. Employees bound by collective bargaining agreements (pay scale employees) receive a fixed salary. In accordance with section 25d (5) of the German Banking Act (Kreditwesengesetz, "KWG"), the Supervisory Board of a credit institution may only receive fixed remuneration. The remuneration systems for the members of the Board of Management and various employee groups are set out in corresponding guidelines and promote the objectives of the remuneration strategy pursued by the Bank.

A target achievement rate of 100% results in variable remuneration, the amount of which is determined individually in the respective service and employment agreements. Remuneration targets are set at the beginning of the financial year and their achievement is measured at the end of the financial year.

Company targets account for 70% of the target achievement for members of the Board of Management and 50% for employees who receive variable remuneration.

Individual targets make up the remaining portion of the target achievement. The company targets are divided into four groups, one of which comprises risk management objectives and thus has an impact on the ESG sub-topic G1 – Internal control system. These include compliance with certain risk ratios such as equity and the MREL ratio and, beginning in financial year 2025, the achievement of the OpRisk Index. This is used to determine whether the findings from internal and external audits have been resolved by the given deadline. The Group risk management targets in the "company targets" category account for 20% of target achievement for members of the Board of Management and 15% for employees who receive variable remuneration.

In addition, there is a "strategic correction factor" that can adjust the overall rate of company target achievement by 5% or 10% upwards or downwards. The implementation status of the ESG strategy is taken into account. Part of the ESG strategy involves the reduction of carbon emissions, ensuring that climate-related aspects are taken into account in determining remuneration.

General information on the remuneration systems can be found in the "Disclosure reports on remuneration policy" at www.dwpbank.de/regulatorische-offenlegung/.

6.6 Sustainability reporting-related internal control system (sICS)

To ensure the integrity and completeness of the data in this sustainability report, dwpbank has defined an internal control system for sustainability data (sICS) in its ESG framework. The first step was to determine which organisational unit would provide the relevant information. The reliability, meaningfulness, completeness and integrity of this data must be ensured and checked. For quality assurance purposes, a strict segregation of functions is ensured and another unit is entrusted with this task, which is described in detail in the individual descriptions of the ESG aspects (see environmental, social and governance information).

The ESG function primarily assumes the role of quality assurance by checking the plausibility of the information and monitoring its integrity and completeness through random checks. If data is collected using electronic systems, the function with access to this data is responsible for quality assurance (for instance, the HR department when it analyses employee data). When quantitative data is calculated, the calculation methodology used is presented to the ESG function for plausibility checking. Assumptions must be disclosed as such. Estimated values must be labelled as such. Internal Audit regularly checks the reliability, authenticity and integrity of the data used in sustainability reporting.

The data collected and submitted in this way is summarised in the draft sustainability report and reviewed by the auditor. This audited draft is submitted to the Board of Management and then to the Risk and Audit Committee and the Supervisory Board for preparation and approval.

6.7 Statement on due diligence

Application of the key aspects and steps of the due diligence process in the sustainability statement:

Core elements of due diligence	Paragraphs in the sustainability statement	
a) Integration of due diligence into governance, strategy and business model	ESRS 2-GOV 2 ESRS 2-GOV 3 ESRS 2-SBM 3	6.4 6.5 6.9
b) Involvement of relevant stakeholders in all key due diligence steps	ESRS 2-SBM 2 ESRS 2-IRO 1 ESRS E1 ESRS S1 ESRS G1	6.8.1.2 6.8 6.11.3 6.18 6.32.1.3
c) Identification and assessment of negative impacts	ESRS 2-IRO 1 ESRS 2-SBM 3	6.8 6.9
d) Measures to counter these negative impacts	ESRS E1 ESRS S1 ESRS G1	6.11.3 6.17 6.32.1.4 6.32.2.4
e) Tracking the effectiveness of these efforts and communication	ESRS E1 ESRS S1 ESRS G1	6.11.3 6.17.2.6 6.32.2.5

6.8 Description of the processes to identify and assess material impacts, risks and opportunities

dwpbank has developed its methodology for identifying material sustainability matters with reference to the principles of the ESRS and refined it on the basis of various internal and external stakeholder dialogues.

6.8.1 Identification of material sustainability matters

A long-list of topics was first drawn up to determine the potentially relevant material sustainability matters. For this purpose, as part of an analysis, all aspects whose materiality for the value chain of dwpbank and its subsidiaries is deemed minor were excluded.

To analyse the environmental aspects, all locations and their geographical particularities were considered. dwpbank's CO₂e emissions were of central importance in this regard. These include the measurement of greenhouse gas emissions resulting from banking operations, commuting and business travel and services provided along the supply chain.

dwpbank also identifies climate-related risks, particularly from extreme weather events such as flooding. The vulnerability of its assets is regularly assessed and measures have been implemented to strengthen resilience, such as protecting sites against flooding and promoting remote working options to ensure business continuity. Transition risks and opportunities arising from regulatory requirements and social expectations were also analysed. This analysis is based on scenarios from the Paris Agreement, with business potential being identified in the optimisation of data centres and adaptation to sustainable financial products.

dwpbank uses a climate-related scenario analysis, which comprises the best-, base- and worst-case scenarios, to forecast financial risks that may arise from physical hazards and rising energy costs.

By contrast, other environmental aspects reveal that the direct influence on or dependencies on pollution (E2) and biodiversity and ecosystems (E4) are relatively low due to the IT-orientated business model. The analysis of water and marine resources (E3) also revealed that water is used primarily for employee catering and hygiene purposes.

The direct use of resources is also low compared to other industries. dwpbank's primary resources include energy, electricity and data. Energy consumption analyses, waste stream assessments and the collaboration with external suppliers of hardware components were included in the review. These assumptions are based on the specific requirements of the industry and the applicable legal framework, particularly with regard to the circular economy and recycling obligations.

The social aspects were also analysed, particularly in relation to the business activities and the parties involved. Due to the locations of dwpbank, there were no recognisable impacts on affected communities (S3). An impact on consumers and end-users (S4) could also be ruled out due to the lack of contact with end-users. However, the Bank's own workforce (S1) was identified as material.

Finally, extensive consideration was also given to governance aspects. In addition to the general risk management approaches, which were primarily used to determine financial materiality in the materiality analysis, the risk analyses of the Compliance function and Internal Audit as well as the results of an external governance review were also used. These analyse the risks relevant to dwpbank due to its locations in Frankfurt am Main, Düsseldorf and Munich, its Group structure as a German stock corporation with two subsidiaries, the material outsourced activities and processes and third-party services, such as the data centre operators, the customer structure consisting of over 1,000 banks and the securities services offered and the fact that these securities services are provided in over 70 countries.

On this basis, dwpbank identifies financial risks and has established functions and monitoring and control systems to identify, monitor and manage those risks. This is summarised under the term "internal control system", which is designed by dwpbank independently and under its own responsibility.

The ESG aspects identified as relevant after the analyses were summarised in a list and supplemented by positive and negative impacts, risks and opportunities in order to enable a basic classification of their relevance.

The result was subsequently plausibility-checked in two stages: the impact analysis and the determination of financial materiality.

6.8.2 Impact analysis

The aim of the impact analysis is to determine what negative and positive impacts a company has or could have on people or the environment through its own business activities and its upstream and downstream value chain (inside-out).

dwpbank uses the impact analysis to determine the materiality of the impact of ESG aspects at the sub-topic level. The impact analysis consists of two parts, the stakeholder dialogue and the internal validation process.

Stakeholder dialogue

By including the interests of stakeholders, dwpbank aims to familiarise itself with their needs in relation to sustainability issues. These findings are used to adapt dwpbank's sustainability activities and services to the current needs of stakeholders in a more needs-driven manner and thus, for example, to increase customer and employee satisfaction.

Key stakeholders

dwpbank's stakeholders include employees, the Board of Management, clients and service providers, the Supervisory Board and the general public interested in dwpbank's sustainability-driven activities. As part of the analysis of the key stakeholders, the requirements, interests and expectations of the individual stakeholders, including the background and reasons for their expectations, were determined. The respective stakeholder groups were defined with the involvement of the relevant internal departments.

Involvement and categorisation of stakeholders

Each of these identified groups has its own expectations and requirements of dwpbank, which is why the surveys were conducted in separate rounds and different survey methods were used. Information was gathered as part of the stakeholder analysis in workshops and surveys as well as in bilateral discussions.

Employees, the Board of Management and the Supervisory Board were informed about the process and background of the planned analysis in workshops or interviews and the impacts, risks and opportunities were analysed and evaluated together with them.

Customers, service providers and supervisory bodies were involved either through bilateral discussions or surveys and asked for their assessment of the impact, opportunities, risks or the respective ESG aspect.

These established channels for integrating stakeholder perspectives are now utilised in the annual cycle to ensure a detailed examination of sustainability matters.

Valuation methodology

In the following, dwpbank's interest/stakeholder groups (stakeholders) were identified and categorised according to their position within the value chain (downstream, own business, upstream) and prioritised according to the scope of their influence on dwpbank in order to be able to use target group-specific tools for the survey in the next step.

In order to give the stakeholders the opportunity to make a well-founded assessment, the internally defined IROs were made available to them. This makes it possible to validate the potentially relevant sustainability topics, which can be adapted or supplemented as required.

Internal validation process

In the second phase of the impact analysis, the sustainability matters with a material impact were finalised on the basis of the internal validation. The ESRS methodology was used to assess the severity of the impact in terms of its scale, scope and irremediable character.

Scale assesses the severity of the negative or positive impact on people and the environment. Scope describes how far-reaching these impacts are. Irremediable character indicates whether and to what extent negative effects can be remedied if the environment or the people affected are returned to their original state. In addition, the "probability" parameter was taken into account for potential impacts.

Materiality was determined on a scale of 1 to 5, with an average value of 3 being sufficient to classify a sustainability aspect as material.

6.8.3 Financial materiality

The financial materiality analysis analysed whether ESG aspects have or could have both positive and negative effects on dwpbank's assets, liabilities, financial position or financial performance in the short, medium and long term.

In order to ensure standardised management of ESG risk drivers in opportunity and risk management, existing thresholds used at dwpbank were used to assess materiality.

The risk analysis was based on the assessment performed by Risk Management. Material risks are systematically recorded in the risk inventory, the OpRisk assessments, the emerging risk process and the stress tests.

The risk inventory and OpRisk assessments cover a 12-month period, which corresponds to the short-term perspective in accordance with ESRS. Emerging risks extend over a period of up to 10 years, while stress tests can also cover longer periods. Results from key sub-topics of these processes are included in the financial materiality analysis in accordance with ESRS. ESG topics from the ESRS were assigned to the identified risks in risk management.

Financial materiality is assessed on the basis of dwpbank's materiality criteria, which include financial as well as non-financial influences. Non-financial influences include legal and regulatory aspects, such as fines and capital surcharges, which also have a financial impact. The financial materiality analysis integrates these criteria as well as the legal and regulatory implications.

6.8.4 Result

Material are those impacts, risks and/or opportunities that have been identified as such by either the impact analysis and/or the financial materiality analysis.

The sustainability matters **E1 Climate change, S1 Own workforce and G1 Business conduct** and their impacts, risks and opportunities were identified as material in terms of both impact and financial materiality. (Table below)

6.9 Material impacts, risks and opportunities and their interaction with strategy and business model

The following tables list the sustainability-related impacts, risks and opportunities that dwpbank, with the support of its stakeholders, has identified and assessed as material as part of the double materiality assessment.

The description of the material impacts and risks is included in the tables. Further information on how dwpbank is responding to the impacts and risks can be found in the following sections. (Tables on the right)

Materiality of the impact	Financial materiality
E1 Climate change S1 Own workforce G1 Business conduct	E1 Climate change S1 Own workforce G1 Business conduct
Non-material aspects	Double materiality
E2 Pollution E3 Water and marine resources E4 Biodiversity and ecosystems E5 Circular economy S2 Workers in the value chain S3 Affected communities S4 Consumers and end-users	E1 Climate change S1 Own workforce G1 Business conduct

E1 – Climate change

Material impact, risk or opportunity

Climate change adaptation	
Actual negative impact	All business models use a considerable amount of energy for the supply and heating of buildings and for the use of IT. CO ₂ emissions are generated when producing heating energy and electricity, which dwpbank must be held accountable for as they were caused by dwpbank's business operations.
Potential negative impact	dwpbank's potentially negative impact on the climate lies in higher emissions, e.g. through further digitalisation, in particular through the increasing use of solutions supported by artificial intelligence. This can result in twice as much electricity consumption, in particular at data centres.
Climate change mitigation	
Risk	The financial climate risks lie in physical risks that already exist today and will increase in the future, as well as "transition risks". At dwpbank, the physical effects of climate change could cause extreme weather events resulting in buildings being flooded and services potentially not being provided.
Opportunity	The opportunity for dwpbank is that its client institutions are also increasingly affected by ESG requirements, some of which also have an impact on the securities business, such as increasing transparency obligations and the growing demand for sustainable financial products. There is business potential for dwpbank in being able to support its client institutions in fulfilling these obligations, for example by providing advisory services, data analytics and ESG-related products and services.
Energy	
Risk	One risk lies in the rise in energy costs due to increasing carbon pricing and higher electricity costs due to greater consumption and digitalisation.

S1 – Own workforce

Material impact, risk or opportunity

Working conditions	
Risk	Due to the increasing "employee-friendly labour market", there is a risk of a constantly changing workforce that has to be continuously retrained, as well as an increased sickness rate, which could lead to a situation in the medium term in which dwpbank would only be operational with a limited number of employees.
Actual positive impact	Efforts are taken to ensure that dwpbank employees are part of a safe and fair working environment and are offered transparent and compliant working conditions and benefits.
Actual positive impact	dwpbank's working hours are ideally suited to the workload and at the same time to the well-being of employees. To this end, dwpbank utilises various needs-based measures for its employees' working conditions, including flexible working hours, flexitime compensation, working from home.
Actual positive impact	dwpbank ensures that its employees receive fair pay.
Actual positive impact	dwpbank attaches great importance to open communication, a high-quality exchange of information and transparency in dialogue with the workforce, thereby promoting social dialogue.
Actual positive impact	Various dialogue channels give employees the opportunity to share their suggestions and changes they would like to see and thus contribute to the improvement of structures, processes or other aspects.

S1 – Own workforce

Material impact, risk or opportunity

Actual positive impact	dwpbank guarantees the right to freedom of association, has established works councils and safeguards the rights of employees to information, consultation and co-determination.
Actual positive impact	dwpbank ensures that its employees receive appropriate and comparable remuneration in the banking sector through favourable collective bargaining agreements.
Potential positive impact	The well-being and health of employees can be improved by improving working conditions.
Potential negative impact	Inadequate health and safety measures can lead to physical and mental stress, which can result in injury or health problems.
Equal treatment and equal opportunities	
Risk	One risk of a lack of equal treatment and equal opportunities, which has an impact on employer attractiveness, is the failure to leverage potential in the long term.
Opportunity	Conversely, the opportunity lies in increasing innovative capacity and productivity.
Actual positive impact	dwpbank promotes an appropriate work-life balance through needs-based measures and benefits for its employees.
Potential positive impact	dwpbank has bundled a variety of measures to promote female employees under the power.women.dwpbank initiative. Among other things, it specifically recruits women, promotes their further development and undertakes efforts to progressively reduce the pay gap.
Actual positive impact	By offering a comprehensive range of training courses, dwpbank prevents the shortage of skilled labour, knowledge silos and frequent employee turnover. It offers a wide range of training programmes and regular performance and development reviews.
Actual positive impact	dwpbank attaches great importance to inclusion and has already taken action to ensure the employment of people with disabilities.
Actual positive impact	The action taken to combat violence and harassment, such as complaints mechanisms under the German Whistleblower Protection Act (Hinweisgeberschutzgesetz) and the complaints unit established in accordance with the German General Act on Equal Treatment (Allgemeines Gleichbehandlungsgesetz), improves the protection and well-being of employees.
Other work-related rights	
Potential negative impact	Comprehensive data protection measures help dwpbank to protect its employees' data and ensure a trusting and secure working environment. The implementation of security measures and the regular review of the security situation serve to identify and eliminate potential weaknesses and thus negative impacts.

G1 – Business conduct

Material impact, risk or opportunity

Corporate culture	
Actual positive impact	dwpbank and, in particular, the management of dwpbank influence the risk-conscious corporate culture. In the 2024 employee survey, corporate culture was ranked at a high level of importance. dwpbank has formulated requirements and objectives, including the Code of Conduct, the management principles and the risk culture concept, to enable it to leverage this influence to positive ends and thereby to ensure that the good results to achieved thus far can continue to be realised in the future as well.
Risk	A weak corporate culture poses the fundamental risk of failing to utilise the potential of employees and causing high staff rotation, which would manifest itself in reduced productivity, capacity for innovation, appeal as an employer and employee loyalty, and in the long term at least may result in considerable financial losses.
Opportunity	A healthy corporate culture creates the opportunity to boost productivity and innovative strength, thereby improving earnings at dwpbank and, going hand-in-hand with a good risk culture, being subject to little or no capital surcharges.
Opportunity	dwpbank has the opportunity to reduce its capital requirements through measurable enhancements in its risk culture, thereby freeing up capital for other investments.
The protection of whistleblowers (presented in the rest of the report as an element of corporate culture)	
Actual positive impact	dwpbank has effective systems in place to protect open and anonymous reports and whistleblowers.
Entity-specific topic: internal control system	
Actual positive impact	dwpbank has a fundamentally appropriate and effective internal control system, including effective control functions with appropriate resources that monitor compliance with rules and processes.
Risk	The financial risk of deficiencies in the internal control system lies in significant losses, which could manifest themselves, for example, in operational losses, cases of fraud and/or regulatory sanctions such as fines and/or capital surcharges.
Opportunity	The opportunity of a strong internal control system lies in the increased confidence in dwpbank on the part of the supervisory authority and the client, which could be expressed in lower capital surcharges or in higher earnings.
Corruption and bribery (presented in the rest of the report as part of the internal control system and compliance)	
Actual positive impact	dwpbank has effective systems in place to prevent corruption and bribery.

With regard to environmental information, in particular E1, impacts, risks and opportunities are material both in dwpbank's own business activities and in the upstream and downstream value chain. The identified risks and opportunities are closely linked to the need to significantly reduce emissions and encourage its service providers, client institutions and employees to adopt climate-friendly behaviour.

By contrast, S1 and G1 demonstrate that only the Bank's own business activities are affected by the impact.

An impact on the value chain under S2 was only considered due to the financially immaterial subsidiaries belonging to the Bank's own business activities.

The above effects, risks and opportunities apply equally to dwpbank's subsidiaries (dwp Service GmbH and dwp Software Kft). Both are part of dwpbank's own business activities ("own control") and are material for dwpbank and its impact on people and the environment from an ESG perspective. In accordance with the ESRS, the sustainability report and the management report must be based on the same group of consolidated companies. As the subsidiaries are not material to dwpbank's assets, liabilities, financial position or financial performance, they are not presented in the management report and thus cannot be presented in the sustainability report under S1 as the Company's workforce, even though they are treated as such at dwpbank.

The impacts, risks and opportunities were analysed for the first time in the 2024 financial year. No new topics or financial effects were identified that would require an adjustment to the business model, the value chain or the strategy in the near term. Going forward, the impacts, risks and opportunities will be continuously monitored and evaluated so that dwpbank can react appropriately to new findings that could potentially or actually have an impact.

In addition, the resilience of dwpbank's strategy and business model in terms of its ability to manage material impacts and risks and to capitalise on material opportunities is taken into account. This type of analysis has so far only been carried out for the aspect of climate change. dwpbank uses a climate-related scenario analysis, which comprises the best-, base- and worst-case scenarios, to forecast financial risks that may arise from physical hazards and rising energy costs. Further topics will be analysed in the future to ensure resilience.

6.10 Disclosure requirements in ESRS covered by the undertaking's sustainability statement

List of disclosure requirements complied with

Datapoint resulting from EU legislation		Section no.
ESRS BP-1	General basis for preparation of sustainability statements	6.1
ESRS BP-2	Disclosures in relation to specific circumstances	6.2.2
ESRS GOV-1	The role of the administrative, management and supervisory bodies	6.3
ESRS GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	6.4
ESRS GOV-3	Integration of sustainability-related performance in incentive schemes	6.5
ESRS GOV-4	Statement on due diligence	6.7
ESRS GOV-5	Risk management and internal controls over sustainability reporting	6.4; 6.6
ESRS SBM-1	Strategy, business model and value chain	6.2
ESRS SBM-2	Interests and views of stakeholders	6.8.1.2
ESRS SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	6.9

ESRS IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	6.8
ESRS IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	6.10
ESRS E1-1	Transition plan to reach climate neutrality by 2050	6.11.3.6
ESRS E1-2	Policies related to climate change mitigation and adaptation	6.11.3.7
ESRS E1-3	Actions and resources in relation to climate change policies	6.11.3
ESRS E1-4	Targets related to climate change mitigation and adaptation	6.11.3
ESRS E1-5	Energy consumption and mix	6.12.3.1
ESRS E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	6.12.5
ESRS E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	6.11.1.2
ESRS S1-1	Policies related to own workforce	6.15
ESRS S1-2	Processes for engaging with own workforce and workers' representatives about impacts	6.18
ESRS S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	6.19
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	6.17
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	6.17
ESRS S1-6	Characteristics of the undertaking's employees	6.20
ESRS S1-8	Collective bargaining coverage and social dialogue	6.28
ESRS S1-9	Diversity metrics	6.21
ESRS S1-10	Adequate wages	6.22
ESRS S1-11	Social protection	6.23
ESRS S1-12	Persons with disabilities	6.24
ESRS S1-13	Training and skills development metrics	6.25
ESRS S1-14	Health and safety metrics	6.26
ESRS S1-15	Work-life balance metrics	6.27
ESRS S1-16	Remuneration metrics (pay gap and total remuneration)	6.28
ESRS S1-17	Incidents, complaints and severe human rights impacts	6.29
ESRS G1-1	Business conduct policies and corporate culture	6.32.1.3
ESRS G1-3	Prevention and detection of corruption and bribery	6.32.2.6
ESRS G1-4	Combating corruption or bribery	6.32.2.6
Company-specific information	Internal control system	6.32.2

Environmental information

6.11 Climate change

Climate change and the climate crisis that has already begun are one of the major challenges of our time. dwpbank is committed to helping reduce emissions of carbon dioxide equivalents (CO₂e – a collective term for all greenhouse gases) and thus to decarbonisation.

dwpbank pursues the goal of primarily avoiding, reducing or otherwise offsetting CO₂e emissions. Where its own direct emissions are concerned, the goal is to achieve climate neutrality as soon as possible. On the one hand, this relates to banking operations and therefore includes direct CO₂e emissions and those released in generating energy for banking operations (in particular heating and electricity).

It also wants to make a significant contribution to reducing emissions in its value chain and encourage its service providers, client institutions and employees to adopt climate-friendly behaviour. The extent to which climate-related considerations are included in the remuneration of members of the administrative, management and supervisory bodies is set out in the ESG strategy and is specified in the "General information" section of the report under section 6.5 "ESG in the remuneration system".

Action is also being taken for dwpbank and its employees to mitigate the impacts of climate change on its locations and employees.

6.11.1 Material impacts, risks and opportunities in relation to E1

There are material impacts on climate change as well as material risks and opportunities for dwpbank that arise as a result of or in connection with the CO₂e emissions generated by its own business activities. These are explained below.

6.11.1.1 Actual, current impacts

dwpbank's approximately 25 company cars generate direct emissions. The buildings in which dwpbank employees work must be heated and supplied with electricity. The latter also applies to the hardware used by employees, such as laptops and screens. The buildings also have an emergency power generator with a diesel engine, and some floors of the buildings are cooled. CO₂e emissions are generated when producing heating energy and electricity, which dwpbank must be held accountable for as they were caused by dwpbank's business operations. The production of diesel for the emergency power generator also causes CO₂e emissions. The use of

refrigerants R410A, R134a, R404A and R32 also releases hydrofluorocarbons (HFCs) – greenhouse gases that contribute to global warming.

These emissions caused by dwpbank occur in a similar form in the value chain. dwpbank's client institutions also generate CO₂e emissions through the continued use of dwpbank services for their securities account customers. dwpbank's suppliers, such as information and software providers, also generate CO₂e, primarily through the use of electricity and heating. dwpbank's supply chain also includes various data centre operators, such as FI-TS in Germany, and cloud providers, such as aws in the US. The CO₂e emissions of data centres are many times higher than those of IT providers in general. dwpbank recognises those emissions that are used through the services it offers.

dwpbank only powers its buildings using green electricity, which is an initial contribution to reducing its CO₂e emissions.

6.11.1.2 Risks, opportunities and potential impacts

dwpbank's potentially adverse impact on the climate lies in higher emissions, e.g. through further digitalisation, in particular through the increasing use of solutions supported by artificial intelligence. This can result in twice as much electricity consumption, in particular at data centres.

The financial climate risks lie in physical risks that already exist today and will increase in the future, as well as "transition risks". In order to assess these risks, dwpbank has forecast the changes caused by climate change in the short, medium and long term. To this end it has used three scenarios, each based on the scenarios developed by the Intergovernmental Panel on Climate Change (IPCC). It used data from the European Network of Central Banks (NGFS) to calculate the impact. As the target of 1.5 degrees will be exceeded – at least for Europe – as early as 2024, dwpbank assumes in the "best case" that at least the goal of keeping global warming below 2 degrees by the end of the century would be achieved. The base-case scenario assumes implementation of the nationally determined contributions (NDCs) already formulated by the parties to the Paris Agreement, and thus warming of 2.3 degrees. The worst-case scenario assumes that only the measures already agreed by the participating countries are implemented and that global warming would thus rise to 3 degrees.

At dwpbank, the physical effects of climate change could cause extreme weather events resulting in buildings being flooded and services potentially not being provided. Increasing heat stress would have an impact on dwpbank employees and could significantly affect their productivity due to the physical strain of the heat. In financial terms, reduced productivity would have an impact on dwpbank's results of operations. If a smaller number of people were available to carry out operational activities at dwpbank, it would only be possible for services to be provided to a limited extent. The probabilities increase depending on the intensity of climate change. The mitigation measures taken by dwpbank to strengthen resilience are presented in section 6.11.3.7. These risks apply both in the short term to companies in dwpbank's supply chain (upstream value chain) and in the long term to its client institutions (downstream value chain). There are no opportunities for dwpbank in the face of increasing climate change.

There are also "transition risks", which relate to changes in regulatory requirements, social expectations, trends and technology. Depending on what shape they take, particularly if they include strict action to reduce CO₂e emissions, they could limit the further increase in global warming. For example, optimising data centres, such as switching to green energy systems or reducing processor utilisation, could be an opportunity to reduce CO₂e emissions in the long term. This would also have an indirect positive effect on dwpbank's CO₂e emissions. Changing social expectations and trends can lead to an adjustment in end customer behaviour with regard to the demand for sustainable investments, which can impact dwpbank via its client institutions. This gives dwpbank an opportunity to realise new potential on the product side, which would go hand in hand with an increased need for adaptation and implementation costs.

Two material transition risks affect dwpbank in its own business and in the value chain, with some opportunities also present. On the one hand are increasing regulatory ESG obligations, both as a bank and as a commercial enterprise, such as the German Supply Chain Due Diligence Act (LkSG) and the EU Corporate Sustainability Reporting Directive (CSRD). These are already in force or will come into force in the short to medium term. Violations of these requirements could result in millions of euros in fines or lead to capital surcharges. The risk of failing to implement ESG regulatory requirements is therefore already material in the short to medium term. The opportunity for dwpbank is that its client institutions are also increasingly affected by ESG requirements, some of which also have an impact on the securities business, such as increasing transparency obligations and the growing demand for sustainable financial products. There is business potential for dwpbank in being able to support its client institutions in fulfilling these obligations, for example by providing advisory services, data analytics and ESG-related products and services.

A further transition risk lies in the rise in energy costs due to increasing carbon pricing and higher electricity costs due to greater consumption and digitalisation. This applies to dwpbank's own business activities as well as to its value chain, particularly for data centre operators. The carbon price in Germany is currently EUR 55 per tonne of CO₂. It is set to rise to EUR 65 in the medium term and could rise to EUR 300 in the long term. The latter is based in particular on the best-case scenario, as it would be virtually impossible to limit global warming to below 2 degrees otherwise. In the long term, the increase in energy prices would lead to a seven-digit euro increase in dwpbank's operating expenses. Added to this are the impacts on securities account customers. In particular, the impact of higher energy prices on inflation could cause transaction volumes to decline, also in the seven-digit euro range. All of dwpbank's income could therefore be affected by this transition risk of rising energy prices.

6.11.2 Responsibilities

CO₂e accounting is central to the ESG function. The CO₂e accounting function receives the necessary information and deliveries from facility management or dwpbank's facility management service provider, which as an operational business unit therefore forms the first line of defence for climate risks. The data is fed into the ESG database. The second line of defence includes business continuity and contingency management, which are responsible in particular for building security and for monitoring failure protection. The ESG function is also part of the second line of defence and is responsible for calculating the carbon footprint. This is done on the basis of the ESG database and is explained in detail in section 6.12. The first two lines of defence jointly assess the climate risks and identify appropriate measures. Internal Audit is responsible for the final and third line of defence.

6.11.3 Strategies, policies and transition plan for climate change mitigation

By becoming carbon neutral as early as possible, dwpbank is aligning its business activities with the goal of the Paris Agreement to limit global warming to 1.5 degrees. dwpbank is not exempt from the EU Paris-aligned Benchmarks.

dwpbank's main CO₂e emissions result from its operating activities, particularly in the form of CO₂e emissions from company cars, purchased energy, employee commuting and business travel, and services provided along the supply chain.

In addition, the CO₂e emissions of its directly held securities in custody account A, which dwpbank uses as collateral in securities settlement and to invest non-operating liquidity, are attributable to it.

dwpbank's Board of Management has defined targets and measures to reduce CO₂e emissions in the ESG strategy, which is also anchored in the corporate strategy. The ESG strategy was drawn up for the first time in 2023, is set to run until the end of 2026 and is updated annually. Deviations from original targets are reported and discussed as a whole with the Supervisory Board prior to publication. The measures and targets explained below are derived from the ESG strategy.

6.11.3.1 Reduction of CO₂ emissions caused directly by company cars

In 2024, dwpbank generated CO₂e emissions of around 39 tonnes from the company cars provided to the members of the Board of Management and divisional heads (in line with the "well-to-wheel" standard market calculation method, excluding manufacturing emissions). Previously, beneficiaries were free to choose the company car that suited them within a defined budget. In November 2023, dwpbank resolved to switch all of its company cars to (purely) electric vehicles. The decision will come into force in 2025. It has also resolved to increase its incentives for not using an electric vehicle and thus promote the use of public transport.

6.11.3.2 Reduction in CO₂ emissions caused by purchased energy

dwpbank's buildings are supplied with energy, primarily in the form of heating energy and electricity. dwpbank's buildings are already supplied entirely with green electricity. However, heating energy accounted for some 679 tonnes of CO₂e in 2024. As dwpbank does not own the buildings, it cannot retrofit the heating systems on its own. However, it will take measures to reduce consumption, for example by reducing the heating of building areas that are not used, only used to a limited extent or only used on certain days. A move to a more energy-efficient building is planned for our Frankfurt offices in 2026.

6.11.3.3 Commuting and business travel

A considerable amount of CO₂e emissions are generated by commuting and business travel. In 2024, commuting accounted for around 1,165 tonnes of CO₂e. Business travel accounted for some 281 tonnes of CO₂e. dwpbank creates incentives to use local public transport by offering the "Deutschlandticket" travel pass free of charge. The air travel undertaken by dwpbank employees was compensated retroactively for 2024 by dwpbank paying compensation costs to the air travel agent. These compensation costs are charged to the budget of the respective organisational unit in order to encourage them to not choose air travel, especially within Germany.

6.11.3.4 Electricity consumption in the supply chain

dwpbank's services are provided electronically and rely extensively on data centre capacities: In 2024, data centres and the procured IT services alone accounted for 8,786 tonnes of CO₂e.

On the one hand, dwpbank will try to encourage service providers to use renewable energy for their business operations wherever possible. On the other hand, dwpbank is promoting "green IT" measures to reduce power consumption, such as through lower processor use. Other conceivable "green IT" measures include greater use of cloud solutions to reduce server capacities and utilise them efficiently.

6.11.3.5 Compensation concept

To achieve CO₂e neutrality, the emissions that dwpbank can neither avoid nor reduce will be offset by appropriate measures, for example through certificates. It will do so by 2030 at the latest for banking operations and by 2035 at the latest for the other emissions in the value chain.

6.11.3.6 Transition plan

dwpbank does not yet have a transition plan for the 2024 reporting year. In 2025, dwpbank will translate its ambition into specific transition paths so that it can report a complete transition plan.

6.11.3.7 Climate change adaptation | Resilience strategy

dwpbank has already taken action with regard to the physical risks posed by extreme weather events. The majority of dwpbank's sites are not located near rivers or in areas identified as being at increased risk of flooding for other reasons. This only applies to the building used by dwp Service GmbH, which will soon be vacating the offices and moving elsewhere. The sites are also protected against flooding. dwpbank's options for working from home mean employees can continue working off-site at any time, a concept that was tried and tested during the pandemic. This can be leveraged to maintain business operations in the event of a possible physical risk of extreme weather events.

The data centres in the supply chain are also protected against flooding, and dwpbank regularly checks if they are protected against extreme weather events.

This also mitigates the financial risk of higher energy prices.

6.12 Calculating CO₂e

6.12.1 General information

dwpbank uses the Greenhouse Gas Protocol (GHG Protocol) to measure its emissions, which it therefore divides into three categories: Scope 1, Scope 2 and Scope 3. As part of Scope 3, dwpbank also uses the PCAF standards to estimate the emissions it finances.

The base year for calculating emissions is the 2024 reporting year, which is why no comparative figures are provided for previous years. There are therefore no amendments to any definitions, thresholds or material changes compared to the previous year to report.

dwpbank uses CO₂e emissions data that is as specific as possible. If this is not possible, it either uses publicly recognised databases, such as those of the PCAF, or estimates. In the latter case, it discloses the assumptions and calculation methodology behind the estimates, including any inaccuracies. The data for Scope 1, Scope 2 emissions and the emissions of dwpbank's direct investments is based on specific CO₂e values. dwpbank receives this data from internal departments. The calculation of Scope 3 emissions is largely based on estimated values. CO₂e emissions data are determined using the VfU tool, which is widely used in the financial sector in particular. Its advantage is that it already includes CO₂ equivalents. In a departure from convention, where possible, the CO₂ equivalents in the VfU tool take into account all preliminary stages in the given process. The aim is to cover the entire life cycle as far as possible. As a result, the quantity of CO₂ equivalents is often higher than in other sources. This gives dwpbank the opportunity to calculate its GHG emissions as accurately as possible and avoids the need to "tweak the figures". dwpbank is a member of the Partnership for Carbon Accounting Financials (PCAF). dwpbank uses the PCAF Global GHG Accounting and Reporting Standard, Part "A", and the PCAF databases to calculate the Scope 3 CO₂e emissions associated with dwpbank's own securities investments.

dwpbank uses the operational control approach for its subsidiaries dwp Service GmbH in Halle and dwp Software Kft. in Budapest, even though they are not consolidated (for a more detailed presentation of the basis of consolidation, see section "6.1.2 Value chain and consolidation" in the "General information" section of the report). Accordingly, these CO₂e emissions are included in dwpbank's emissions under Scope 3.15.

Cross-departmental validations are primarily carried out for quality assurance purposes. If the necessary expertise is only available within one department, quality assurance is carried out by different people. No validations are carried out by any additional external bodies.

6.12.2 Scope 1 (dwpbank's own emissions)

dwpbank's own emissions are summarised under Scope 1, in particular the CO₂e emissions resulting from company cars, the use of natural gas for heating and diesel for the emergency power generator, and the emissions associated with the use of refrigerants. In line with standard practice as per the GHG Protocol, the Scope 1 emissions for transportation do not take into account the entire life cycle (including vehicle production). This helps to improve the comparability of CO₂e emissions.

Category	Scope 1 emissions (tonnes)
Heat	568
Transport	39
Refrigerants	109
Total	716

6.12.3 Scope 2 (emissions from energy generation)

Scope 2 covers the emissions caused by dwpbank's use of electricity (green electricity at all three dwpbank locations) and heating energy (air heat pump using green electricity at the Düsseldorf location). The calculation is based on consumption, which is multiplied by certain emission factors depending on the electricity and heat generation used. In accordance with the ESRS, dwpbank calculates Scope 2 emissions using the location-based method and the market-based method and thus conducts dual reporting. The location-based method reflects the average emissions intensity of the grids in which the energy consumption takes place. To determine the location-based CO₂e emissions, the electricity mix for Germany is used as the CO₂ equivalent because the three dwpbank locations in Frankfurt, Düsseldorf and Munich are in Germany. By contrast, the market-based method reflects the emissions from electricity that dwpbank has actually purchased from the electricity provider. As dwpbank purchases green electricity at its locations, the CO₂ equivalent for green electricity is used to calculate the CO₂e emissions. The aim of this dual reporting is to present CO₂e emissions as realistically as possible. If the consumption figures for the previous financial year are not yet available at the time of reporting, the consumption figures for the financial year before that are used as a basis and analysed to determine whether there are any indications that consumption in the reporting period differs materially from those prior-period figures.

Category	Scope 2 – market-based method (tonnes)	Scope 2 – location-based method (tonnes)
Electricity	4.7	678
Transport	0.1	0.1
Total	4.8	678.1

6.12.4 Energy consumption and mix

Energy consumption and mix ¹	Comparative	Year N
(2) Fuel consumption from crude oil and petroleum products (MWh)	–	212
(3) Fuel consumption from natural gas (MWh)	–	2,768
(5) Consumption of purchased or acquired electricity, heat, steam and cooling and from fossil sources (MWh)	–	150
(6) Total fossil energy consumption (MWh) (sum of lines 1 to 5)	–	3,129
Share of fossil sources in total energy consumption (%)	–	49
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biological origin), biofuels, biogas, renewable hydrogen, etc. (MWh)	–	1,408
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	–	1,785
(11) Total renewable energy consumption (MWh) (sum of lines 8 to 10)	–	3,193
Share of renewable sources in total energy consumption (%)	–	51
Total energy consumption (MWh)	–	6,322

¹The table presents the information on energy consumption and mix that is material for dwpbank.

6.12.5 Scope 3 (emissions from the value chain)

Scope 3 summarises the emissions for which dwpbank is not directly responsible but which are attributed to its business activities to capture the total emissions for services provided to end customers. Scope 3 emissions are mainly based on estimates and assumptions, as the companies in the value chain only provide limited specific CO₂e data or their emissions cannot be broken down to the services provided by dwpbank.

In its upstream value chain, the supply chain, dwpbank purchases a considerable amount of IT services, including from data centre operators. The IT costs in euros are multiplied by scientifically recognised average emission factors in order to estimate the resulting CO₂e emissions.

Employee commuting is also based on recognised estimation methods, taking into account the average amount of time that dwpbank employees work from home. For business travel, dwpbank's travel agent provides specific CO₂e emissions for train and air travel, hotel accommodation and car hire.

dwpbank also estimates the emissions in its downstream value chain, i.e. its client institutions, on the basis of its services. For this purpose, the CO₂e emissions of representative client institutions are calculated pro rata based on the securities business per securities account, and this is then used to estimate the emissions for all securities accounts managed by dwpbank. Given that this is a "rough" estimate, we add a 15% risk premium to the calculated value and report that figure.

To calculate the Scope 3 emissions of financed emissions, dwpbank uses the securities it holds directly, in line with the EU taxonomy requirements and includes the CO₂e emissions of its subsidiaries. The securities portfolio consists exclusively of government bonds, bonds from government-related institutions, banks and corporates. Specific CO₂e emissions are predominantly available for bank and corporate bonds, which dwpbank allocates to itself on a pro rata basis in accordance with the bond volume it holds. Where no specific CO₂e emission values are available – at least for government bonds – dwpbank uses the PCAF database to estimate them. The database includes both CO₂e emissions and adjusted gross domestic product figures, which are applied in relation to dwpbank's outstanding bond volume. In the financial year, dwpbank reports the consumption-based emissions of the individual states, i.e. those emissions that also occur in other states but could be attributed to the state whose bond dwpbank holds.

The table below presents the Scope 3 categories that were identified as material for dwpbank on the basis of the materiality analysis.

Category	Scope 3 (tonnes)
3.1 Goods and services	25,315
IT maintenance/EDP service providers	8,786
Paper	4
Water	5
Refrigerants	1
All other purchased products and services	16,520
3.3 Fuel and energy-related activities	376
Electricity	125
Fossil and renewable fuels (for heating, emergency power)	216
Fossil fuels (business travel)	35
3.6 Business travel	281
Rail travel and public transportation	43
Air travel + car hire + hotel	239
3.7 Employee commuting/work from home	1,065
Commuting	998
Work from home	67
3.10 Processing of sold products	19,699
Scope 1 and Scope -2 emissions of client institutions	19,699
3.15 Investments	34,102.5
Total	80,839

6.12.6 Total emissions

The table below presents the Bank's total emissions in financial year 2024. The 2024 financial year is also the base year, which is why no changes to any previous year can be shown. Once the decarbonisation strategy has been defined, milestones for the following years will also be identified.

	Retrospective			
	Base year	Comparative	N	% N/N-1
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions (t CO ₂ e)	716		716	
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0		0	
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (t CO ₂ e)	678.1		678.1	
Gross market-based Scope 2 GHG emissions (t CO ₂ e)	4.8		4.8	
Significant Scope 3 GHG emissions				
Total gross indirect (Scope 3) GHG emissions (t CO ₂ e)	80,839		80,839	
1 Purchased goods and services	25,315		25,315	
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	376		376	
6 Business travel	281		281	
7 Employee commuting	1,065		1,065	
10 Processing of sold products	19,699		19,699	
15 Investments	34,102		34,102	
Total GHG emissions				
Total GHG emissions (location-based) (t CO ₂ e)	82,233		82,233	
Total GHG emissions (market-based) (t CO ₂ e)	81,560		81,560	

6.12.7 GHG intensity per net revenue

The CO₂e emissions calculated above result in the following values for tonnes of CO₂e per EUR of net revenue (for credit institutions such as dwpbank, "revenue" as per section 2.2.1).

	2024
Total GHG emissions (location-based) per net revenue (tonnes of CO ₂ e/euro)	0.00016
Total GHG emissions (market-based) per net revenue (tonnes of CO ₂ e/euro)	0.00016

6.13 Information in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

dwpbank is a CRR credit institution and as such is required to make disclosures in accordance with the EU Taxonomy. The EU Taxonomy is divided into qualitative disclosures within the meaning of Annex XI of EU Regulation 2021/2178 and quantitative disclosures in the form of templates in accordance with Annexes V and VI to that Regulation. Due to their scope, the quantitative disclosures are printed in the annex to this management report.

6.14 Qualitative disclosures

6.14.1 Scope of application

Reporting for the EU Taxonomy is based on the financial information that is regularly collected and reported for regulatory reporting in accordance with Regulation (EU) 575/2013 (CRR) and the associated Commission Implementing Regulation (EU) 2021/451 (FINREP).

The EU Taxonomy only relates to interest rate transactions until reporting on the 2026 financial year. As a securities services provider, dwpbank's revenue is primarily generated from commissions on financial brokerage and safe custody. Loans are only granted to a limited extent and are reported as on-demand interbank loans. The interest rate transactions to be reported in accordance with the EU Taxonomy are limited to dwpbank's own investments in securities account A where it holds only bonds, primarily government bonds but also bank and corporate bonds.

The green asset ratio is the share of taxonomy-aligned risk exposures in the total risk exposures recognised for the green asset ratio. These correspond to total assets less sovereign exposures, exposures to central banks and supranational issuers, and the trading book. In addition, only exposures to counterparties subject to the NFRD or CSRD or subsidiaries of groups subject to the NFRD or CSRD are relevant for the numerator of the green asset ratio, as well as certain exposures to private households and local and regional authorities. In accordance with the requirements of the EU Taxonomy Regulation, reporting is based on the gross carrying amount of the assets.

However, only specific assets are included in the calculations of the two key indicators: CapEx-based green asset ratio and turnover-based green asset ratio. Government bonds are excluded from this. The calculations for the bank and corporate bonds to be included are based on their recently published taxonomy disclosures, mainly for the 2023 financial year.

Because this was the first year in which taxonomy alignment was published (for the end of the 2024 financial year), no comparative figures can be published. Furthermore, dwpbank does not have a trading book and is not obliged to disclose its trading portfolios.

6.14.2 Taxonomy alignment and eligibility

Article 8 of the EU Taxonomy requires information on six different environmental objectives and distinguishes between taxonomy alignment and taxonomy eligibility. To date, dwpbank's taxonomy alignment in the form of the green asset ratio has only been reported as a KPI for environmental objectives 1 and 2 (climate change mitigation and climate change adaptation).

For the remaining four environmental objectives 3 to 6 (protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems), only taxonomy eligibility must be reported until the reporting for financial year 2025.

Taxonomy eligibility indicates the proportion of assets that are capable of being included in the calculation of taxonomy alignment. Taxonomy alignment is the next stage. As a credit institution, dwpbank must use the taxonomy-aligned quantitative indicators of the financed issuers as a basis to determine its own KPI, the green asset ratio.

dwpbank's taxonomy-aligned risk positions result primarily from debt securities issued to financial and non-financial companies, which were weighted using the issuers' taxonomy KPIs. The taxonomy-aligned risk positions can also essentially be allocated to the environmental objective of climate change mitigation.

6.14.3 Explanation of the nature and objectives of taxonomy-aligned economic activities

An explanation of the nature and objectives of taxonomy-aligned economic activities and their development over time will begin with the second year of implementation (2025 reporting period).

Social information

6.15 Own workforce (S1)

dwpbank regards human rights as fundamental principles that protect the dignity of the individual and guarantee freedom and respect, both within dwpbank and in its dealings with its clients and service providers. dwpbank's commitment to respecting human rights, including labour rights, is firmly anchored in its corporate, HR, remuneration and ESG strategies, the human rights strategy as part of our Code of Conduct and in the guidelines on stakeholder engagement.

All sustainability-related guidelines and work instructions have been approved by the Board of Management and are monitored by control functions. They apply to the Board of Management, all employees, service providers and our customers. They are made available to employees via internal databases and portals. The main regulations affecting customers and service providers relate to the agreements entered into with them.

dwpbank respects the international standards for human and labour rights in accordance with European and national requirements as set out in the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. dwpbank guarantees good working conditions, the right to freedom of association and collective bargaining and a safe working environment.

The ESG strategy is primarily aimed at strengthening equal opportunities and equal treatment. It includes measures to create an environment that is as free from discrimination and conducive to diversity as possible and to ensure the continuous development of our employees.

dwpbank has established mechanisms to identify, prevent, mitigate and remedy potential negative impacts on human rights in our workforce. If potential negative impacts on human rights are identified, dwpbank is committed to taking immediate and effective remedial action.

6.16 Material impacts, risks and opportunities for S1

In its endeavours to optimise securities services for German client institutions, dwpbank relies on a business model based on stable operating processes, economies of scale and the continuous development of its products for existing clients. The dedicated employees who provide these services are a key pillar of dwpbank's success.

To further improve the quality and efficiency of its services, dwpbank attaches great importance on promoting the development of its employees. The ESG strategy is designed to accelerate this professional development. A key advantage of this strategy is the positive impact on the workforce, which is attributable largely to initiatives that promote diversity and equal opportunities.

Creating an inclusive working environment not only raises employee satisfaction, but also boosts productivity. Diverse teams contribute different perspectives and ideas, leading to innovative solutions and thereby sustainably strengthening the business model.

Strategies aimed at promoting equal opportunities also strengthen talent development and retention. By implementing specific programmes designed to provide all employees with a level playing field, dwpbank both promotes individual careers and strengthens the overall stability of its workforce.

The interaction between dwpbank and its employees gives rise to material impacts, risks and opportunities, which are explained below.

6.16.1 Working conditions

dwpbank has created working conditions that protect employees' health and monitor their stress levels, thereby promoting their well-being and productivity. These include the systematic recording of working hours and the company healthcare system. Nevertheless, it counters the potentially negative health impacts on the body and mind with appropriate health promotion and testing measures.

dwpbank guarantees appropriate remuneration and favourable employment and collective agreements that provide security and stability.

Open communication and social dialogue are important in order to involve employees and encourage suggestions for improving structures and processes. To this end, dwpbank guarantees the right to freedom of association, has established works councils and safeguards the rights of employees to information, consultation and co-determination.

In view of the increasing competition on the labour market, there is also the risk of a constantly changing workforce that has to be continuously retrained. In addition, a higher sickness rate could lead to dwpbank only operating with a limited number of employees in the medium term.

To counteract the shortage of skilled labour, dwpbank has implemented employee development and training measures. In addition, a comprehensive health management system has been introduced to minimise the risk of employee absences.

6.16.2 Equal treatment and equal opportunities

Various measures (flexible working hours, flexitime compensation and work-from-home options) create equal opportunities for all employees. Work-life balance is a decisive factor for employee satisfaction, which is why needs-orientated measures are promoted.

dwpbank attaches great importance to inclusion and has taken action to employ people with disabilities. The additional actions taken to combat violence and harassment, such as complaints mechanisms under the German Whistleblower Protection Act (Hinweisgeberschutzgesetz) and the complaints unit established in accordance with the German General Act on Equal Treatment (Allgemeines Gleichbehandlungsgesetz), improves the protection and well-being of employees.

dwpbank aims to maximise the potential of its employees and create an environment which celebrates diversity in order to counter the risk of staff shortages on the one hand and to seize the opportunity to position itself even more strongly as an attractive employer on the other.

It is therefore committed to equality by specifically recruiting and promoting women and reducing the gender pay gap.

dwpbank also focusses on the continued professional development of its employees. A comprehensive training programme and regular performance reviews promote transparency and involvement, which contributes to a diverse working environment and counteracts the shortage of skilled workers.

dwpbank sees both maintaining and improving its appeal as an employer as a valuable opportunity to ensure a competitive personnel structure in the long term. This enables dwpbank to react flexibly to changing customer needs and market conditions and to set itself apart from the competition.

6.16.3 Employee data protection

Data breaches can also have a negative impact on employees and can harm their trust in dwpbank. Comprehensive data protection measures help dwpbank to protect its employees' data and ensure a trusting and secure working environment. The implementation of security measures and the regular review of the security situation serve to identify and eliminate potential weaknesses and thus negative impacts.

6.17 Policies related to own workforce

As part of its ESG strategy, dwpbank has developed a comprehensive action plan for its employees, initially for a period of three years (2024–2026), which focuses on promoting diversity and a non-discriminatory corporate culture as well as supporting potential, particularly for women and parents within dwpbank (see section 6.16.2).

On the one hand, the introduction of a training course on unconscious bias that will be mandatory for all employees once a year will be used to raise awareness of this issue, sensitise people and promote respectful interaction. In addition, dwpbank plans to prepare regular internal reports on the gender pay gap in order to increase the transparency of salary structures and make any necessary adjustments. Another key element is improving transparency in the processes for dealing with and consistently managing cases of discrimination to ensure that such incidents are treated seriously and efficient solutions are found together.

The other focus is on promoting individual potential. In 2024, dwpbank launched an initiative to support women in order to specifically accompany female employees in their professional development. It is also introducing a TOP sharing model in 2025 that will enable employees to fill management positions together and thus achieve a better work-life balance.

dwpbank encourages work shadowing within the Company to facilitate the exchange of experience and knowledge, and offers the opportunity to temporarily take on management responsibilities in a protected environment.

To support parents on parental leave, a programme will be implemented in 2025 that will provide new parents with a contact person at dwpbank to stay in touch with dwpbank and their colleagues. In addition, financial assistance for childcare will be extended. Employee loyalty is also to be strengthened through joint social commitment, the Social Days.

In addition to the ESG strategy, the "own workforce" aspect is reflected in the corporate and HR strategy. The primary objective of the HR strategy is to further develop a corporate and work culture based on a spirit of partnership that enables executives and employees to work

independently, and develop and grow effectively, thereby making the best possible contribution to the Company's success. One focus is the professional development of junior staff and young professionals with a view to fulfilling future staffing requirements and grappling with demographic trends.

In order to maintain its competitive edge for the future, dwpbank seeks to continuously raise the level of quality of its people and their skillsets. Another focus is the holistic health management programme to promote and maintain employee health and well-being (see section 6.16.1).

Important drivers and trends such as digitalisation, demographics, sustainability, diversity, individualisation and new learning are also implemented through measures and methods anchored in the HR strategy.

As part of dwpbank's HR strategy, the remuneration strategy aims to support the Bank's long-term and sustainable performance through task- and performance-oriented remuneration models that are aligned with the Bank's economic situation, the retention and recruitment of highly qualified employees as a key success factor for stable, secure, innovative and highly automated settlement services, compliance with regulatory requirements to support dwpbank's position as a reliable and sustainable partner with proven regulatory expertise and the establishment of transparent, standardised and efficient processes, including in the area of remuneration.

Every strategy is reviewed at least once a year as part of the strategy control process or on an ad hoc basis and adopted as part of the corporate strategy resolution. The HR department and the ESG function also monitor compliance with the HR strategy and sustainability targets as well as the effectiveness of procedures and measures as part of regular checks.

Every strategy is applicable to every employee and can be viewed at any time on dwpbank's intranet.

6.18 Respect for human rights, including labour rights in our own workforce

In keeping with dwpbank's strategies, the Code of Conduct provides employees with a framework for conduct that respects the relevant rules and aligns with the Bank's values. dwpbank's Code of Conduct, which is publicly available, applies to employees as well as its service providers and clients, and is set out in corresponding contractual agreements.

The individual sections bundle the most important rules and standards of conduct. Topics include, in particular, compliance with legal and regulatory requirements as well as proper conduct towards customers, service providers and colleagues. It also covers the following:

- Equal treatment, promotion of diversity and equal opportunities, inclusion, prohibition of discriminatory behaviour
- Combating bribery, corruption and money laundering
- Managing conflicts of interest
- Compliance with data protection regulations
- Ensuring proper/compliant working conditions (labour law)
- Whistleblower system

We believe that clear principles of conduct reduce the risk of discriminatory and unethical behaviour and promote behaviour among the entire workforce that has a positive impact on working conditions. The Code of Conduct also sets out consequences for any misconduct.

Compliance with the Code of Conduct is subject to a process of regular monitoring, in particular by the department heads (first line of defence), the Human Resources department and the Compliance function (second line of defence) and the Internal Audit department (third line of defence).

In order to prevent human rights violations, dwpbank relies on strong, transparent communication with the workforce and anchoring its values through training.

Possible violations of human rights can be reported internally at any time to the respective responsible lines. The dwpbank's whistleblower system also provides a confidential and secure reporting channel through which stakeholders can submit information and report suspicions or complaints concerning human rights violations. In accordance with dwpbank's complaints policy, information is investigated by special units in the Compliance department.

Although human trafficking does not constitute a material topic within dwpbank's value chain, dwpbank is unequivocally opposed to all forms of human trafficking and child and forced labour. However, if there are any indications that this is a relevant issue for dwpbank, it will take immediate action to remedy any human rights violations.

The Human Resources, Compliance, Corporate Development and ESG functions in particular made sure that the interests of stakeholders were taken into account in the preparation of dwpbank's Code of Conduct.

All of dwpbank's policies are in line with its Code of Conduct and therefore also with internationally recognised instruments such as the UN Guiding Principles on Business and Human Rights. The Bank's ESG function is responsible for ensuring this compliance.

6.19 Measures and targets in relation to actual and potential impacts and for dealing with risks and opportunities

6.19.1 Health promotion

At dwpbank, we place utmost priority on the physical, social and psychological safety of every employee. dwpbank firmly believes that personal health and well-being are essential to a fulfilling life and that people can only realise their full potential under fair conditions. It is therefore of central importance for dwpbank to implement an effective health and safety management system and to promote a corporate culture that prioritises employee health and safety.

dwpbank is committed to the protection and well-being of its employees and the sustainability of its business activities. The aim is to integrate quality, health, safety and environmental protection into every area of the Company.

dwpbank offers its employees a wide range of benefits as part of its preventive healthcare and health promotion programme, such as:

- On-site canteen at each location with a wide range of healthy food options
- G37 (eye) check-ups at every location by the Company medical service iab
- Subsidy for computer glasses (cooperation with Fielmann)
- Information on cancer screening and skin screening on site
- Time off for early detection examinations in accordance with the collective bargaining agreement for the private banking industry (§16 Time off from work)
- Structured process for workplace integration management (betriebliches Eingliederungsmanagement, "BEM") stipulated as part of a general works agreement
- Consultation hours with the company physician at all locations
- Advice for relatives in need of care from the Germany-wide care counselling service aduna.care
- Bicycle leasing via JobRad
- Subsidised membership of the leading sports and wellness network **eGym Wellpass**

Furthermore, dwpbank attaches great importance to appropriate working hours and careful recording of working hours in order to promote employee health and well-being. This enables effective monitoring and provides an opportunity to take targeted measures (e.g. working time compensation) to support and improve working conditions if necessary.

In addition, dwpbank supports its employees in situations of psychological stress by offering anonymous employee and management counselling through BAD. All employees can turn directly to BAD's experienced counsellors for confidential advice on professional, health, personal and family issues relating to acute stress situations.

As part of occupational health and safety, there is an occupational safety specialist and an occupational safety committee. The objective of this Committee is to advise on matters relating to occupational health and safety and accident prevention and to ensure and promote cooperation between the responsible departments. Employees also receive regular safety briefings on occupational safety, emergencies and health exercises. There are trained first aiders and evacuation assistants at all locations as well as extensive information and recommendations on designing healthy workplaces, including with regard to mobile working.

The measures to promote employee health are designed for the long term

and in some cases are mandated by law. No further measures are currently planned. Changes may occur due to changes in the law and the environment, as well as changes in requirements and in employee usage behaviour.

The effectiveness of the health-promoting measures is monitored by the monthly sickness rate survey. In the event of conspicuous developments, managers are asked by the HR Business Partners to identify the causes and take any action available to improve the situation.

Furthermore, the Bank ensures that its own practices do not have or contribute to any significant negative impact on the workforce. This is achieved through collaboration with the HR and ESG functions. As part of the new product process (NPP), the ESG function is involved in assessing potential new products with regard to social and environmental aspects and their impact on the Company and its employees. The works council is also involved in a clearly defined manner.

6.19.2 Equal treatment and equal opportunities

6.19.2.1 Balancing family and career

For dwpbank, the work-life balance of its employees is a high priority. It has therefore instituted a number of different programmes that are tailored to the different life situations of employees. The framework conditions for working at dwpbank are designed in such a way that regulations on mobile working and flexible working time models enable employees in all life and family situations to actively participate in working life. As dwpbank continuously strives to further improve work-life balance, it offers its employees a comprehensive benefits package focusing on their health, mobility, and satisfaction. The measures to promote a healthy work-life balance are open to all dwpbank employees.

A high degree of flexibility in balancing work and private life is offered in particular by the following measures:

- Flexible working time arrangements, including flexitime days, allow employees to organise – in consultation with their manager – their working hours flexibly according to their individual family needs, taking into account operational requirements.
- Option of mobile working
- Individual part-time models
- Sabbaticals, special leave in accordance with collective bargaining agreement
- Purchase of holiday leave for one or two weeks through a pro rata salary reduction
- Childcare allowance
- Free care advice from aduna.care
- The anonymous employee and management counselling provided by BAD in the event of psychological stress situations can also be used for questions and concerns relating to work-life balance.
- Planned measures (see ESG strategy) also include:
- Introduction of TOP sharing in 2025: job sharing in management positions
- Introduction of a keep-in-touch programme for employees on parental leave in 2025: Regular exchange of information between dwpbank employees and employees on parental leave to facilitate re-entry after parental leave.

According to dwpbank, the measures help employees to balance the different demands of work and family life. It also renders the Company more attractive as an employer, contributes to diversity and helps to increase the share of women in the workforce and in management positions.

The measures to reconcile work and family life are designed for the long term and are regularly analysed, reviewed and adjusted as needed by the HR department. Furthermore, the progress of the strategy update process is analysed.

6.19.2.2 General promotion of diversity and non-discriminatory culture

dwpbank recognises that diversity drives innovation and is essential for a successful workplace from both a social and economic perspective. For this reason, it has defined targets and measures in the ESG strategy and introduced Diversity Guidelines in November 2022 that cover all employees, including those in management positions. In these Guidelines, dwpbank's Supervisory Board and Board of Management expressly commit to diversity, equal opportunities and a non-discriminatory and respectful corporate culture.

All dwpbank employees are required to maintain a spirit of equality and mutual respect, without differentiating or discriminating against others on the basis of origin, skin colour, gender, nationality, age, ideology, religion, disability, marital status, sexual orientation or other characteristics. These expectations are anchored in the ESG strategy, the Code of Conduct and the Diversity Guidelines for employees and the Board of Management.

Furthermore, dwpbank actively promotes employee groups that are committed to equal opportunities and diversity. This includes the ESG Board, in which all members of the Board of Management team actively participate. The ESG Board serves to offer employees opportunities to help shape how sustainability targets and measures are defined and to promote diversity in this context. Further initiatives to promote diversity are already being planned.

Recruitment and staffing processes are open to applicants and employees of all genders, ages and backgrounds, with or without disabilities. It is explicitly stated in job advertisements that applications from disabled persons or persons with equivalent status are expressly encouraged.

To support the shift towards greater diversity in the workforce, the introduction of mandatory training on the topic of "unconscious bias" is planned for 2025.

A further step in the ESG strategy in the coming year will be the signing of the "Diversity Charter", through which dwpbank publicly commits to fairness and respect in the corporate environment and to creating an unprejudiced and inclusive working environment.

These measures to promote diversity and a non-discriminatory culture are generally available to all dwpbank employees in order to offer them an attractive and progressive working environment.

6.19.2.3 Targeted promotion of women

dwpbank promotes equal rights and equal opportunities for women in order to leverage their potential and increase profitability and innovative capacity.

The gender distribution of women and men at dwpbank is relatively balanced overall, with a ratio of 42.8% to 57.2%, respectively, as at 31 December 2024 (see information on employee headcount in section 6.22.1). In accordance with the Act on the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors (Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst), dwpbank has undertaken, as per the resolution of the Board of Management dated 31 May 2022, to achieve a target of women holding 25% of divisional head positions and 30% of departmental head positions by the established reporting date of 30 June 2025. As at 30 June 2022, 3 (15.8%) of 19 managers at the level below the Board of Management were women. At the next level down, 18 (29%) of 62 department heads were women.

As at 31 December 2024, the proportion of women at the level below the Board of Management had increased to 21.1%. The proportion of female department heads decreased to 22.1%. The failure to meet the targets for women holding divisional and departmental head positions was due in part to the measures taken and yet to be taken by dwpbank to increase the potential of internal female candidates having yet to show an effect. The decline in female department heads since 2022 is due to high turnover among female executives: five transferred internally to other positions and three left the company. Three vacant positions were either eliminated in the course of reorganisations or were filled by men. Consequently, in mid-2025, dwpbank will have to assess the extent to which it has achieved its targets to date and the reasons for this, and set new objectives with corresponding measures.

The Supervisory Board resolved a target of 0% for the Board of Management and a target of 10% for the Supervisory Board, in each case for the 30 June 2025 reporting date. The target for the Board of Management was set against the background of its current composition and small size. A strategy was adopted in order to promote diversity in the Board of Management and the Supervisory Board of dwpbank, aimed at ensuring a diverse group of individuals when appointing members of the boards. No women served on the Board of Management either in June 2022 or as at 31 December 2024. In June 2022, one (6.67%) of 15 Supervisory Board members was female. This figure has since increased to 13.3% (two women now sit on the Supervisory Board).

All internal and external job adverts for leadership positions are aimed at women, men and non-binary candidates in equal measure. Our Q³ talent development programme prepares and develops employees with leadership potential to take on management responsibility. This programme also has a module to focus on strengths and develop talent that has been specially designed for women. In addition, as at 31 December 2024, a total of 40.5% of deputy departmental heads and 30% of deputy divisional heads were women. As such, there is a large number of women gaining initial management experience in deputy roles in order to take on leadership responsibility where necessary going forward. With a wide range of benefits to help achieve an optimal work-life balance and flexible working time models, dwpbank offers suitable conditions for all employees, irrespective of their gender.

dwpbank bundled additional measures to increase the proportion of women in divisional and departmental head positions in its ESG strategy in order to increase the number of female applicants and potential internal female candidates. The newly established women's network "power.women.dwpbank" aims to promote these objectives, offer female employees cross-hierarchical and cross-divisional networking opportunities and support them in their individual career goals.

The degree of target achievement is made transparent internally via the annual HR review and reported externally in the sustainability report.

6.19.2.4 Training and education

Qualitative professional development measures represent a core aspect for dwpbank, and serve to optimise knowledge and skills in the context of technological change and skills restructuring, while addressing the general shortage of skilled workers due to demographic change.

This is generally achieved through strategic skills management. The aim is to achieve medium- and long-term transparency and visibility of existing and future skills requirements and to derive appropriate measures. In this way, dwpbank not only sharpens its competitive edge as a solutions provider and product developer, but also supports the training needs of its employees.

Skills management thus strengthens dwpbank's future viability and promotes a workforce that is equipped with the right skills in the long run.

dwpbank endeavours to utilise and systematically develop the multifaceted talents of its employees. This gives employees the opportunity to expand their knowledge, network and skills beyond their own activities through work shadowing and rotations.

The Bank's trainee programmes are an important antidote to demographic change within the Bank and fulfil our social obligation to offer young people training opportunities. dwpbank has earned multiple accolades for its training programmes. dwpbank offers three training programmes for school and university graduates: an IHK apprenticeship, a dual study programme and a trainee programme.

The Learning & Development department offers a diverse, flexible and industry-leading training programme which has garnered significant interest among employees. All employees have equal access to further training opportunities in technical, methodological, social and IT skills.

Training needs are discussed and documented in an annual employee performance review between the employee and manager. In addition, all employees are offered a free digital learning platform for a wide range of needs and target groups, which they can access at any time during working hours. They can also take part in external training programmes if required and to claim the statutory entitlement to educational leave.

In addition, dwpbank offers talent development programmes, the Young Professional Programme and the Q³ Programme, which also help to strengthen employee loyalty. dwpbank's comprehensive training programme for the entire workforce supports both the professional and personal development of employees and thus makes the organisation stronger.

The aforementioned training and professional development programmes are open to all dwpbank employees. Specific further training is agreed between employees and their managers, with the content, scope and frequency depending on the individual needs of the employees and dwpbank's personnel development objectives. The Human Resources department analyses, reviews and adjusts the measures where necessary.

Focus of human resources development in 2024

In 2024, the focus of human resources development was on redesigning the development programmes for managers, introducing new professional development opportunities for managers and employees, advancing the "itopsTNL" agile transformation pilot project, promoting young talent, and developing a draft concept for a Company-wide skills management system. An on-the-job training concept was also developed that will be introduced gradually.

The substantive focus in 2024 was, among other things, on providing training on agility topics, evaluating the results of the development audits for managers, further developing social and methodological skills, and IT-specific matters. In addition, the leadership sprints were successfully completed as part of the efforts to further develop our managers' understanding of leadership. As well as

training, further opportunities for internal dialogue and networking were organised and offered to those participating in the Q³ development programme. The LinkedIn Learning platform was further promoted, and learning challenges were carried out on a variety of subjects throughout the year. Furthermore, a number of Bank-wide virtual BarCamps took place for all employees, offering varied content developed by both internal and external consultants.

Q³ – Qualification, Quality and Quantity

The Q³ – Qualification, Quality and Quantity tool was implemented for the seventh time at dwpbank in 2024. Since its launch in financial year 2018, this annual structured process to analyse actual and target situations in the organisational units from both an individual and a position-related viewpoint in order to identify high-potential individuals, monopolies on expertise with the definition of measures to dissolve them, and mission-critical positions for the purposes of focused succession planning has thus become an established leadership tool that also promotes the sustainable development of talent. In 2024, 19 high-potential employees from various hierarchy levels and age groups completed their three-year Q³ training programme. A total of 23 new high-potential individuals were identified in 2024 and in 2025 will begin the Q³ training programme, which has been shortened to two years.

Trainee programme

In December 2024, dwpbank was certified for a seventh time as a "Fair trainee programme" by Absolventa GmbH in cooperation with trendence Institut GmbH for its trainee programme established in 2010, which has now had 14 trainee cohorts. Since its introduction, the 18-month training programme has worked effectively in many of dwpbank's organisational units. Alongside the practical twin-track study programme and chamber of commerce and industry (IHK) training, it represents a key building block for tackling the shortage of specialists and managers, addressing demographic change, supporting skill restructuring, and ensuring target-oriented specialist training geared to the Bank's strategic orientation and the requirements of the market.

A total of 12 trainees started the programme in 2024, and nine former trainees from the 2022/2023 intake were taken on permanently.

Twin-track course of study

Since 2014, dwpbank has cooperated with FOM Hochschule für Oekonomie & Management to offer twin-track Bachelor's courses in Banking and Finance, Business Administration, Business Informatics and Digitalisation Management. In August 2024, three students of Business Informatics, Banking & Finance and Business Administration started the seven-semester twin-track course of study. Of the six students who had started in the 2020 winter semester, five successfully graduated with Bachelor's degrees from FOM in 2024. Two of the graduates transitioned to permanent employment at the Bank.

CIC training

In 2024, F.A.Z. Institute named dwpbank one of "Germany's Training Champions". Handelsblatt also included dwpbank once more in its ranking of best employer training programmes 2024 (Beste Ausbilder 2024). Eight trainees from the Munich and Düsseldorf offices signed up for the "IT specialist for application development" training course in 2024.

Young Professional programme

Following the pilot run in 2022, the Young Professional programme began again with a further seven participants in 2024. The two-year scheme gives graduates of our training programmes (trainee programme, twin-track study course and chamber of commerce and industry (IHK) training) as well as direct hires with high potential and relevant experience the opportunity to address their own strengths and talents alongside their regular duties, and to develop appropriate skills for the future. One focus of the programme is on working together on one or more dwpbank-related initiatives, which are presented and pitched by the young professionals. During the programme, they receive support from their manager and a mentor from the high-potential individuals from the Q³ development programme. Nine young professionals completed the programme at the end of 2024.

6.19.2.5 Data protection

dwpbank has implemented a comprehensive data protection system to ensure the protection of its employees' data. In addition, a data protection officer has been appointed to monitor compliance with data protection guidelines and provide support to employees. Regular training sessions were also held to raise awareness of data protection issues and familiarise all employees with the relevant procedures and guidelines.

6.19.2.6 Evaluation of the effectiveness of these measures

The effectiveness of the measures and initiatives is continuously tracked and evaluated by Human Resources in close cooperation with the ESG function as part of established control processes. According to current assessments, the measures and initiatives described above are appropriate.

6.19.2.7 Processes for identifying measures to address certain actual or potential negative impacts on the own workforce

Based on the materiality analysis, Human Resources and the ESG function draw up proposals for measures that the ESG Board sets out with specific targets in the ESG strategy, which is updated annually. The implementation of the ESG strategy is monitored and a report must be submitted to the Board of Management and Supervisory Board at least once a year.

If the measures taken prove to be inappropriate and/or ineffective, other measures are developed and implemented in order to achieve the objectives of the ESG strategy.

6.20 Processes for engaging with own workforce and workers' representatives about impacts

6.20.1 Engaging with own workforce and workers' representatives

Through various firmly established dialogue formats, the views of employees are considered both directly and through the involvement of employee representatives in dwpbank's decisions and actions with regard to employee matters.

- **Regular discussions** between employees and their managers (e.g. annual target agreement and target achievement meetings for non-pay scale employees and a mandatory DIALOG meeting for all employees once a year that focus on the employee's further development and are deliberately differentiated from the target agreement and target achievement meetings).
- **Employee meetings and "snack-and-talk" events** with the Board of Management team: dialogue formats between the Board of Management team and employees are held several times a year. While employee meetings were previously only held when necessary, in future they will be held twice a year (in April and September). The snack-and-talk format with the Board of Management is still in the planning phase, but is expected to take place once a quarter.

- **Office party or central employee party**, company runs for all employees: The office parties and the company run take place once a year, while the central employee party was last held in 2021. However, the plan is to organise them every two years.
- **Works Council:** There is a works council for each location (Munich, Frankfurt and Düsseldorf) and a general works council to represent the employees. The general works council consists of six members. The works councils are released from their duties. Their rights and obligations as well as their protection are laid down in Germany's co-determination laws.
- **Works meetings:** The Board of Management team attends the works meetings as guests, as questions from employees to the Board of Management represent an integral part of this works council event. Employees are released from work to attend the works meetings.
- **Executive call and future workshop:** Regular dialogue between managers and the Board of Management team.
- **Employee survey:** The survey, which is conducted anonymously every two years, provides information on employee satisfaction and motivation, the quality of collaboration and changes in the corporate culture. By giving employees the opportunity to make candid statements in the surveys, we also encourage them to provide specific suggestions for improvement that we can use to make us a better employer. The results of the employee surveys also serve as a basis for regular dialogue between managers and employees in the individual areas and units of our Company. The 2024 employee survey, which had a participation rate of 86%, revealed a high level of employee satisfaction (88%).
- **Accolades:** A high level of employee satisfaction is also reflected by the score of 4.71 (out of a maximum of 5.0) on the employer rating platform "kununu", placing dwpbank fourth in the bank category of the ZEIT publishing group's "Most Wanted Employer 2024" ranking and in 71st place across all sectors. This also represented an improvement on the previous year's score of 4.2. dwpbank was also received other awards from "Handelsblatt" and was named "Best Employer 2024" by "Welt".
- **Internal communication survey:** This survey, which is expected to take place every two years, is used to ask employees about their wishes for further formats and to evaluate their satisfaction with internal communication.
- **Ideas management:** There is a general works agreement on ideas management (company suggestion scheme), which gives employees the opportunity to actively participate in the organisation of working life at the Company. Ideas can be submitted that concern not only the technical, but also the social and organisational areas as well as teamwork and work design. Submitted ideas are reviewed by an evaluation committee and awarded a prize if they are of benefit to dwpbank.
- **ESG Board:** Participants in the ESG Board are a mixed group of 11 employees and the Board of Management team. It offers employees the opportunity to help shape the definition of targets and measures in the area of sustainability. Members of the ESG Board are released by their managers for the meeting, which takes place every three months.

Following employee meetings, office parties, the future workshop and other employee dialogue formats, surveys are conducted to ascertain satisfaction, change requests and suggestions from the workforce and to evaluate the dialogues that have taken place.

Responsibility for involving the workforce rests with the department heads (first line of defence), the HR department (second line of defence) and the Internal Audit department (third line of defence).

6.20.2 Agreements with employee representatives (works councils of dwpbank)

Works agreements are negotiated and entered into between dwpbank as the employer and the general works council, which represents the interests of the employees. In this way, employees' perspectives and concerns are integrated into the agreements. Many of these works agreements govern important aspects such as health protection, social and fringe benefits, working hours and occupational health and safety. In this way, they make a significant contribution to health protection, which is a central component of respect for human rights.

6.20.3 Evaluation of the effectiveness of inclusion

dwpbank firmly believes that the aforementioned dialogue formats are effective tools for integrating employees' perspectives into decision-making processes and activities. The results of the surveys lead to the development of measures in the respective areas and units that, for example, strengthen cooperation within the teams.

6.20.4 Steps taken to gain insight into the views of the most vulnerable/at-risk/disadvantaged people in the own workforce

The rehabilitation and participation of people with disabilities in working life is important to dwpbank. The local representative bodies for disabled employees at all three locations and the general representative body for disabled employees therefore not only represent the interests of employees with disabilities and those with equivalent status at the Company level, but also actively promote prevention and comprehensive health management with programmes for the entire workforce.

All areas of dwpbank are generally open to the inclusion of people with disabilities and those with equivalent status. A general works agreement was entered into on the inclusion of employees with disabilities and those with equivalent status in order to enable equal participation. dwpbank sees it as a particularly important economic, social and socio-political duty to employ people with disabilities and those with equivalent status, to secure their jobs and to promote them within the Company.

Managers at dwpbank are made aware of the importance of designing workplaces that are appropriate to the individual situations of employees. Employees receive needs-based support services, such as accessible and modern, ergonomically designed workplaces, accessible qualification, training and education measures, or even accessible IT media. Access to the representative body for disabled employees is of course open to all employees.

To ensure regular dialogue, the Company-wide Inclusion Team also meets with representatives of the HR department on a quarterly basis.

6.20.5 Collective bargaining coverage and social dialogue

dwpbank's collective bargaining agreement applies to all employees, with the exception of temporary staff (with assignments of under two months), senior executives and Board of Management members.

In addition, there are numerous local works agreements (hereinafter referred to as "WA"), in particular WA on working hours and mobile working, as well as general works agreements (hereinafter referred to as "GWA"), which apply to all employees with the exception of senior executives. These include the GWA on pensions, GWA on working hours, GWA on company regulations, GWA on workplace integration management, GWA on the Deutschlandticket travel pass, GWA on sabbatical/purchasing holiday leave, GWA on dialogue, GWA on development audits, GWA on Q³, GWA on target bonuses, GWA on on-call duty, GWA on adjustment of wages for non-pay scale employees and the GWA on additional bonuses. These agreements ensure both appropriate remuneration and that the interests of the workforce are taken into account.

6.20.5.1 Employees covered by collective bargaining agreements

The following key figures were calculated internally by HR on the basis of existing data in SAP HCM and underwent QA. The key figures have not been validated by any external body.

Percentage of all employees covered by collective bargaining agreements	98.7%
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The share of employees covered by collective bargaining agreements is calculated by dividing the number of employees, excluding temporary staff (with assignments of under two months), senior executives and Board of Management members as at 31 December 2024, by the total number of employees in accordance with section 6.22.1 plus inactive employees on parental leave or other leaves of absence.

All dwpbank employees work in the European Economic Area.

6.20.5.2 Employees represented by employee representatives

Total percentage of employees represented by employee representatives (all employees, except temporary staff (with assignments of under two months) and senior executives)	98.7%
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The percentage of employees represented by employee representatives is calculated by dividing the number of employees, excluding temporary staff (with assignments of under two months), senior executives and Board of Management members as at 31 December 2024, by the total number of employees in accordance with section 6.22.1 plus inactive employees on parental leave or other leaves of absence.

All dwpbank employees work in the European Economic Area.

6.21 Processes to remediate negative impacts and channels for value chain workers to raise concerns

dwpbank promotes a culture that establishes clear rules to ensure that all employees who report grievances – regardless of whether these concern them personally or affect other areas of the Company – enjoy comprehensive protection.

In order to familiarise employees with the various communication channels, these were explained in the Code of Conduct and published on the website. Employees now have the opportunity to express their concerns or needs either openly or anonymously via the following channels:

- Discuss with their own manager
- Discuss with the HR business partners of the respective organisational unit
- Participate in employee surveys
- Contact the compliance or anti-money laundering officer
- Contact the ombudsperson via the channels in accordance with the "Whistleblower system at dwpbank" instructions
- Submit a referral to the complaints office in accordance with the German General Equal Treatment Act (Allgemeine Gleichbehandlungsgesetz, "AGG")
- Submit a report to the works council, the youth and trainee representative body or the representative body for disabled employees (for more information, see section 5.1)

Regular discussions between employees and managers are of great importance as they offer the opportunity to work out solutions together. If necessary, experts from the works council, the youth and trainee representative body and the representative body for disabled employees can also be consulted.

In addition to their managers, employees can also contact the relevant HR business partner in their organisational unit to address other issues relating to discrimination or breaches of external regulations or internal company guidelines. The HR Business Partners are also obliged to treat such queries confidentially and are trained in how to deal with such situations. They coordinate their further actions closely with the employees who reported violations.

In addition, anonymous employee surveys are conducted that provide valuable insights into what could potentially be improved, for example, in terms of effectively communicating strategy and strengthening the role model function of the Company's management team. Targeted measures to optimise employer benefits are developed on the basis of the results of these surveys. In the event of negative experiences, our employees have the option of contacting the works council, the youth and trainee representative body, the representative body for disabled employees or the complaints unit established in accordance with the AGG in order to take appropriate action.

In addition, dwpbank offers a publicly accessible complaints procedure that enables both internal and external reports of risks or violations. This information can be submitted anonymously and will be treated confidentially. The relevant procedural guidelines can be viewed on our website. (www.dwpbank.de/hinweisgebersystem/)

All of the above procedures and channels are available to the entire workforce in the internal information system. This also includes the contact details of the respective contact persons, which can be viewed both on the intranet and via the rules of procedure.

These channels through which employees can communicate their concerns and needs are effective. In addition, meetings with managers and employee surveys are carried out at regular intervals. This structured rhythm of dialogue and survey formats ensures that the measures implemented to improve the interests of employees are reviewed on a regular basis, always with the interests of the employees in mind.

6.21.1.1 Procedures with which the Company supports the availability of such channels in the workplace of its own employees

Employees are informed of the Code of Conduct and the relevant written regulation via the aforementioned procedures and channels. The channels are available to the entire workforce in the internal information system. This also includes the contact details of the respective contact persons.

6.21.1.2 Tracking and monitoring the problems addressed and the effectiveness of the channels

The channels through which employees can express their concerns and needs are well established and known, and meetings with managers and employee surveys are carried out at set intervals.

Thanks to this regular format, the measures taken to improve employee concerns are continuously monitored and the interests of employees are always taken into account.

Reports in the whistleblower system or to the compliance and anti-money laundering officers are documented, reported and tracked by the Compliance function. The Human Resources department keeps track of submissions to the HR business partners and the AGG complaints unit. If there are any suspicions and/or violations of rules of conduct, it addresses these with the Compliance function.

6.21.1.3 Knowledge and trust of own workforce in the structures or procedures

dwpbank has guidelines in place to protect whistleblowers against retaliation, which are communicated appropriately. Furthermore, employees who lodge a complaint in accordance with the AGG are protected against all forms of retaliation and discrimination.

6.22 Characteristics of the Company's employees

The following key figures were calculated internally by HR on the basis of existing data in SAP HCM and underwent QA. The key figures have not been validated by any external body.

6.22.1 Total number of employees

Number of employees by gender	Number of persons
Male	752
Female	562
Non-binary	0
Not specified	0
Total	1,314

Employees are defined as all employees with an internal employment agreement as at 31 December 2024, excluding members of the Board of Management and employees who were not actively employed, due, for example, to parental leave or leave of absence. Pensioners, employees in early retirement and interns are not included.

In December 2024, 650 staff members worked in Frankfurt (previous year: 621), 495 in Düsseldorf (previous year: 483) and 169 in Munich (previous year: 169), of which 47 were trainees (previous year: 42).

6.22.2 Employees with permanent employment agreements

Employees with permanent employment agreements by gender	Number of persons
Male	708
Female	539
Non-binary	0
Not specified	0
Total	1,247

Permanent employees are defined as all employees with a permanent employment agreement as at 31 December 2024, excluding members of the Board of Management and employees who were not actively employed, due, for example, to parental leave or leave of absence.

6.22.3 Employees with fixed-term employment agreements

Employees with fixed-term employment agreements by gender	Number of persons
Male	44
Female	23
Non-binary	0
Not specified	0
Total	67

Temporary employees are defined as all employees with a fixed-term employment agreement as at 31 December 2024, excluding members of the Board of Management and employees who were not actively employed, due, for example, to parental leave or leave of absence.

6.22.4 Non-guaranteed-hours employees

Non-guaranteed-hours employees by gender	Number of persons
Male	0
Female	0
Non-binary	0
Not specified	0
Total	0

dwpbank does not have any non-guaranteed-hours employees.

6.22.5 Employee turnover

Total number of employees who left the company during the reporting period	106
Employee turnover rate	8.18%

The number of employees who left the Company in the reporting period includes all departures due to resignation, termination by the employer, severance agreements, expiry of fixed-term agreements, retirement, early retirement, death and termination of training. Employee turnover is calculated as the number of employees who have left the Company in relation to the average monthly headcount.

6.22.6 Additional breakdown by region

	Number of persons
Employees with permanent employment agreements by region	
Germany	1,247
Employees with fixed-term employment agreements by region	
Germany	67
Non-guaranteed-hours employees by region	
Germany	0

6.22.7 Full-time employees

	Number of persons
Full-time employees by gender	
Male	660
Female	312
Non-binary	0
Not specified	0
Total	972
Full-time employees by region	
Germany	972

6.22.8 Part-time employees

Part-time employees by gender	Number of persons
Male	92
Female	250
Non-binary	0
Not specified	0
Total	342

In relation to the total number of employees as at 31 December 2024 (see section 6.22.1), approximately 45% of women and 12% of men are employed part-time.

6.23 Diversity metrics

6.23.1 Gender distribution at top management level

The following key figures were calculated internally by HR on the basis of existing data in SAP HCM and underwent QA. The key figures have not been validated by any external body.

Gender distribution at top management level	Number	Percentage
Male	2	100%
Female	0	0%
Non-binary	0	0%
Total	2	

dwpbank defines the top management level as the Board of Management level.

6.23.2 Distribution of employees by age group

Employees by age group	Number of persons
< 30 years	110
30–50 years	535
> 50 years	669
Total	1,314

6.24 Adequate wages

In line with the applicable benchmarks, all employees are paid adequate salaries above the minimum wage, at least in accordance with the industry-wide collective bargaining agreement for banks.

☒ Yes ☐ No

6.25 Social protection

6.25.1 Social protection against loss of income due to sickness

All own employees are covered by social protection through public programmes or benefits offered by the Company against loss of income due to sickness.

☒ Yes ☐ No

6.25.2 Social protection against loss of income due to unemployment

All own employees are covered by social protection through public programmes or benefits offered by the Company against loss of income due to unemployment starting from when the employee begins working for the Company.

☒ Yes ☐ No

6.25.3 Social protection against loss of income due to work-related accidents and disability

All own employees are covered by social protection through public programmes or benefits offered by the Company against loss of income due to work-related accidents and disability.

☒ Yes ☐ No

6.25.4 Social protection against loss of income due to parental leave

All own employees are covered by social protection through public programmes or benefits offered by the Company against loss of income due to parental leave.

☒ Yes ☐ No

6.25.5 Social protection against loss of income due to retirement

All own employees are covered by social protection through public programmes or benefits offered by the Company against loss of income due to retirement.

☒ Yes ☐ No

6.26 Persons with disabilities

The following key figures were calculated internally by HR on the basis of existing data in SAP HCM and underwent QA. The key figures have not been validated by any external body.

Employees with disabilities by gender	Percentage
Male	6.25%
Female	7.66%
Non-binary	0%
Total	6.85%

In accordance with section 2 (2) of Book XI of the German Social Code (Sozialgesetzbuch Neuntes Buch, "SGB IX"), persons with disabilities are severely disabled if they have a German disability score (Grad der Behinderung, "GdB") of at least 50. Germany's Federal Employment Agency (Bundesagentur für Arbeit) treats people with disabilities who have a GdB of less than 50 but at least 30 and who are unable to obtain or retain a suitable job as a result of their disability as severely disabled.

6.27 Training and skills development metrics

The following key figures were calculated internally by HR on the basis of existing data in SAP HCM and underwent QA. The key figures have not been validated by any external body.

Percentage of employees who participated in regular career performance reviews in 2024 (DIALOG employee performance review)	Percentage
Male	76.3%
Female	72.8%
Non-binary	0%
Total	74.9%

The DIALOG employee performance review is available as a career assessment, in which all employees except senior executives, Board of Management members and junior staff participate once a year. DIALOG is used by managers and employees to discuss mutual expectations and needs, employees' satisfaction with their roles, and action to support and promote targeted development.

Based on the current information, in 2024, 906 of 1,210 employees (excluding senior executives, Board of Management members and junior staff) participated in a DIALOG employee performance review. This corresponds to a ratio of 74.9% (2023: 88.4%). This figure is still preliminary, as not all reports have been submitted.

Average number of training days per person	Days
Male	2.14
Female	2.20
Non-binary	0
Total	2.16

The average number of training days per person is calculated by dividing the total number of training days by the average number of employees in 2024, excluding inactive employees or employees on leave, Board of Management members and members of the works councils. The calculation of training days by gender was based on an average proportion of women of 43%. The average number of training days for male and female employees is nearly identical.

All internal and external seminars, (specialist) conferences, other training events, language courses and coaching sessions are recorded as training days (excluding works council seminars). One training day corresponds to eight hours (shorter training courses are calculated on a pro rata basis).

The number of training days was taken from dwpbank's internal Intrex-based seminar management database. The key figures have not been validated by any external body.

6.28 Health and safety metrics

The following key figures were calculated internally by HR on the basis of existing data in SAP HCM and underwent QA. The key figures have not been validated by any external body.

6.28.1 Reportable work-related accidents

Percentage of people in the own work-force covered by the Company's health and safety management system in accordance with legal requirements and/or recognised standards or guidelines	100%
Number of reportable work-related accidents of salaried employees at dwpbank	2
Rate of reportable work-related accidents of employees at dwpbank (= number of work-related accidents/ total number of employees)	0.15%

The number of reportable work-related accidents corresponds to the number of employees who were absent for more than three working days due to illness resulting from an accident on the way to or at work.

The rate of reportable work-related accidents is calculated based on the number of reportable work-related accidents in relation to the total number of employees (see section 6.22.1) as at 31 December 2024.

6.28.2 Days lost due to work-related injuries and fatalities

	Days
Number of days lost due to work-related injuries and fatalities as a result of work-related accidents, work-related illnesses and fatalities due to illnesses of employees at dwpbank	53

The number of days lost corresponds to the number of sick days recorded in SAP HCM for the work-related accidents listed in section 6.26.1.

6.29 Work-life balance metrics

The following key figures were calculated internally by HR on the basis of existing data in SAP HCM and underwent QA. The key figures have not been validated by any external body.

6.29.1 Family leave entitlement

	Percentage
Percentage of employees who have taken family leave	1.67%
Percentage of eligible male employees who have taken family leave	2.53%
Percentage of eligible female employees who have taken family leave	0.53%
Percentage of eligible non-binary employees who have taken family leave	0.00%

In 2024, a total of 22 employees took parental leave (19 male and 3 female employees). Based on the total number of employees (see section 6.22.1) as at 31 December 2024, this corresponded to a share of 1.67% (male: 2.53%; female: 0.53%).

6.29.2 Family leave entitlement based on social policy and/or collective bargaining agreements

All Company employees are entitled to family leave on the basis of social policy and/or collective bargaining agreements.

☒ Yes ☐ No

6.30 Remuneration metrics (pay gap and total remuneration)

The collective bargaining agreements for public banks apply to dwpbank employees. Due to applicable collective bargaining and company collective bargaining provisions, dwpbank male and female employees receive equal pay for equivalent work. In accordance with section 16 of the Remuneration Regulation for Institutions (Instituts-Vergütungsverordnung, "InstitutsVergV"), a remuneration report is prepared annually and published on dwpbank's website (www.dwpbank.de/regulatorische-offenlegung/).

The following key figures were calculated internally by HR on the basis of existing data in SAP HCM and underwent QA. The key figures have not been validated by any external body.

6.30.1 Gender pay gap

Total number	1,275
Number of women	551
Number of men	724
Average hourly wage in EUR	54
Average hourly wage for women in EUR	50
Average hourly wage for men in EUR	57
Gender pay gap (%)	12.1%

The average hourly wage is calculated by dividing the average income by the annual net working time of 1,708.2 hours. The average income used as a basis includes the average annual total remuneration in 2024 of all employees, excluding members of the Board of Management and junior staff, who were employed on 31 December 2024. As junior staff are generally all paid the same, there can be no gender pay gap for this group of people. Remuneration for part-time employees is extrapolated to full-time equivalents. This includes monthly basic pay, special bonuses, special payments under collective bargaining agreements and, for non-pay scale employees, the annual target bonus for 100% target achievement.

6.30.2 Annual total remuneration ratio

Total remuneration of the highest-paid individual in EUR	309,850.64
Median of the annual total remuneration of all employees in EUR	84,888.92
Annual total remuneration ratio	3.65

The annual total remuneration ratio reflects the ratio of the annual total remuneration of the highest-paid individual (excluding the Board of Management) and the median of the annual total remuneration of all employees (excluding the highest-paid individual). Employees are defined as all employees excluding the Board of Management and employees on leave, including junior staff, as at 31 December 2024.

6.31 Incidents, complaints and severe human rights impacts

The following key figures were calculated internally by HR and underwent QA. The key figures have not been validated by any external body.

6.31.1 Reported incidents of discrimination, including harassment

Total number of incidents of discrimination, including harassment, reported in the reporting period	2
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6.31.2 Number of complaints

Number of complaints submitted through channels through which employees can raise concerns (including grievance mechanisms)	2
Number of complaints submitted to the OECD National Contact Points for Multinational Enterprises	0

6.31.3 Material fines, sanctions and damages payments

	EUR
Total amount of material fines, sanctions and damages payments in connection with the incidents and complaints described above	0
Reconciliation of the reported cash amounts with the most meaningful amount reported in the financial statements	0

6.31.4 Background information required to understand the data

In 2024, two reports were made to the complaints unit established in accordance with the General Equal Treatment Act (Allgemeine Gleichbehandlungsgesetz, "AGG"). This involved a complaint of discrimination based on a personal characteristic (not gender or origin) and a complaint of defamation regarding harassment. In the case of both complaints, a solution was found in discussions with those affected; no legal action was taken under employment law.

6.31.5 Serious incidents relating to human rights

Number of serious human rights incidents related to the own workforce	0
of which:	
Number of serious violations of the United Nations Guiding Principles on Business and Human Rights	0
Number of serious violations of the ILO Declaration on Fundamental Principles and Rights at Work	0
Number of serious violations of the OECD Guidelines for Multinational Enterprises	0
Number of serious incidents in which the Company has taken a role in ensuring corrective action for those affected	0

6.31.6 Fines, sanctions and damages payments for serious incidents relating to human rights

	EUR
Total amount of fines, sanctions and damages payments for serious incidents relating to human rights	0
Reconciliation of the reported cash amounts with the most meaningful amount reported in the financial statements	0

6.32 Value chain workers (S2)

dwpbank's subsidiaries (dwp Service GmbH and dwp Software Kft) are part of dwpbank's own business activities (own control) and are material for dwpbank and its impact on people and the environment from an ESG perspective.

In accordance with the ESRS, the sustainability report and the management report must be based on the same group of consolidated companies. As the subsidiaries are not material to dwpbank's assets, liabilities, financial position or financial performance, they are not presented in the management report and cannot be presented in the sustainability report under S1. They are therefore included under value chain workers. These are not self-employed persons or employees of third-party companies, but employees of subsidiaries that are part of the Company's own business operations. Many of dwpbank's requirements also apply to them, which is why reference is often made to the statements in S1.

6.32.1 Material impacts, risks and opportunities for S2

The interaction between dwpbank and its employees generally gives rise to material impacts, risks and opportunities for the subsidiaries and for dwpbank itself.

6.32.2 Policies related to value chain workers

dwp Service GmbH and dwp Software Kft operate as fully-fledged subsidiaries of dwpbank and are an integral part of the corporate strategy outlined above (see S1 Own workforce). In this context, they are taken into account when measures tailored to their business activities are implemented.

In addition, dwpbank's Code of Conduct, which includes the human rights strategy, ensures that human rights are also fully respected at the subsidiaries. The Code of Conduct applies to all employees of the subsidiaries (see section 6.16).

6.32.3 Processes for engaging with value chain workers about impacts

The perspectives of employees at the subsidiaries, and those of dwpbank, are actively included in the companies' decision-making processes (see section 6.18). This occurs directly and via employee representatives.

Through various firmly established dialogue formats, the opinions of employees are taken into account in the decisions and actions of the subsidiaries and dwpbank itself, whereby both the direct views of employees and the voices of employee representatives are considered.

The formats mentioned include regular discussions between employees and managers, employee surveys and employee meetings.

Responsibility for regular engagement with the workforce lies primarily with managers and secondarily with the HR department.

In addition, at least 50% of the subsidiaries' management is made up of dwpbank employees, which ensures that dwpbank has a direct influence on and takes into account the interests of the subsidiaries' employees.

6.32.4 Processes to remediate negative impacts and channels for value chain workers to raise concerns

The employees of the subsidiaries are subject to the same working conditions as the employees of dwpbank.

Further details on the processes, grievance channels and conditions can be found in the "Own workforce (S1)" section, as the aspects mentioned there also apply to the subsidiaries and no special exceptions are made (see section 6.19.1).

6.32.5 Taking action on material impacts on value chain workers, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

Because subsidiaries also attach great importance to the well-being of their employees, they strive to create a positive working environment and promote equal opportunities. Many of the measures established for dwpbank employees are also applied to the employees of the subsidiaries. These include consultation hours with the company physician, counselling programmes for mental well-being and a wide range of fitness options (see section 6.17.1).

In addition, the subsidiaries offer training and development programmes in various subject areas to support the professional and personal development of their employees. These comprehensive initiatives not only promote well-being, but also create an inclusive and supportive working environment that values the diversity and individual needs of employees (see section 6.17.1).

6.32.6 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

As dwpbank's subsidiaries are part of its own business activities, the defined corporate objectives also apply to them. dwpbank has not set any other specific targets for the subsidiaries.

Governance information

6.33 Business conduct

Based on the materiality analysis, dwpbank has determined the following sub-topics as relevant to it: corporate culture, protection of whistleblowers, corruption and bribery, and internal control system. A bank's internal control system also includes its compliance function, which among other things addresses prevention and monitoring systems to prevent corruption and bribery. In the sustainability report, these aspects are therefore brought together under the term internal control system.

Part of an effective internal control system is an appropriate risk culture, which also impacts the corporate culture and is therefore presented in connection with the ESG sub-topic of corporate culture. The protection of whistleblowers and the management of reports represent a key element of the corporate culture and are presented in this context.

6.34 Corporate culture

6.34.1 Material impacts, opportunities and risks relating to corporate culture

dwpbank and, in particular, the management of dwpbank influence the risk-conscious corporate culture. In the 2024 employee survey, corporate culture was ranked at a high level of importance. dwpbank has formulated requirements and objectives, including in the Code of Conduct, the leadership principles and the risk culture concept, to enable it to make positive use of this influence and thus to ensure that the good results achieved thus far can continue to be realised in the future.

From a financial perspective, a weak corporate culture poses a fundamental medium- to long-term risk of failing to utilise the potential of employees and causing high staff rotation, which would manifest itself in reduced productivity, lower capacity for innovation, less appeal as an employer and employee loyalty, and in the long term at least may result in considerable financial losses. In the unlikely event that this risk materialises to a material extent, the consequences would be significant and would require considerable effort over several years to reverse, which is why dwpbank is addressing the further development of the corporate culture with various strategies, concepts and measures.

Conversely, a healthy corporate culture creates the opportunity to boost productivity and capacity for innovation, thereby improving earnings at dwpbank

and – hand-in-hand with a healthy risk culture – incurring little or no capital surcharges.

At dwpbank, which is subject to increased banking and securities supervision as a potentially systemically important institution, the quality of the corporate culture is also assessed annually in the form of the risk culture. dwpbank has the opportunity to reduce its capital requirements through measurable enhancements in its risk culture, thereby freeing up capital for other investments.

6.34.2 Responsibilities

dwpbank's corporate and risk culture describes how its employees conduct themselves in their daily work and their work with others. It is shaped by external and internal guidelines as well as leadership by example on the part of dwpbank's management. In particular, dwpbank's management must define the competences, responsibilities, rules and values to be followed, and consistently live by and uphold them in order to demonstrate their importance for dwpbank.

dwpbank's management is supported by the Human Resources and Transformation departments, which make specific proposals and guidelines. These two departments develop proposals and actions to further develop the risk-aware corporate culture, which are then resolved by the Board of Management team and implemented across all management levels. While Human Resources focuses on the overall corporate culture, the Transformation team concentrates primarily on the further development of cross-divisional cooperation and the full implementation of an agile work organisation at dwpbank.

The compliance function is responsible for the monitoring and control function as the second line of defence. The respective tasks, duties and competences are set out in the "Compliance Management System" guidelines. It is primarily preventive in nature and works to ensure that all business activities are conducted in a compliant, ethical, forward-looking and efficient manner and in accordance with the defined risk appetite. Violations of internal and external guidelines and rules of conduct must be identified by it with the active involvement of all dwpbank employees. This means that employees working at dwpbank must report any irregularities and suspicious behaviour to the compliance function via internally defined reporting channels. Accordingly, it receives reports and ensures that they are treated confidentially. Risk management is responsible for monitoring the corporate culture on the basis of defined indicators.

Independently of this, Internal Audit ensures compliance with rules, verifies whether the compliance function is fulfilling its monitoring and control function, and checks whether risk management has defined suitable indicators, monitored these and derived appropriate measures based on them.

The information used for reporting in the corporate culture section of this sustainability report is provided by the Human Resources and Transformation departments. The risk culture indicators are coordinated by Risk Management and made available for reporting. The Board of Management staff department is responsible for quality assurance and compares the information provided against the results of the employee survey and the individual reports from the control functions.

6.34.3 Strategies and concepts for corporate culture

Various strategic objectives to further develop the corporate and risk culture are set out in the corporate and risk strategy. dwpbank uses the term "risk-aware corporate culture" to emphasise this close interaction between the two. Among other things, the aim is to establish a motivational and performance-orientated corporate and management culture that takes into account the trends of today's and tomorrow's working environment and promotes identification with the company. At the same time, with the support of Human Resources, the aim is to encourage employees to take responsibility for their own development and to improve the way risks are handled.

These strategic goals have been set out in a number of different concepts. In 2023, five key elements (empowerment, shaping change, providing orientation, promoting diversity and strengthening trust) were defined in our leadership principles, which describe how dwpbank understands its leadership responsibility. These principles have been communicated to managers, and form the basis for their selection and regular assessment.

In 2024, the principles of cooperation were developed together with the employees and anchored in the organisation. These principles include specific recommendations and examples to ensure more constructive cooperation.

The Board of Management sets out dwpbank's core values in the Code of Conduct. Management must set an example by upholding these values, which in turn is monitored, and management is measured by their implementation. The Code of Conduct must be reviewed once a year, and the ESG Board submits proposals for resolutions in this respect to the Board of Management. The Supervisory Board is kept apprised of any changes. Today, the Code of Conduct includes a clear commitment to tolerance, fairness and environmental protection and is available on the dwpbank website (<https://www.dwpbank.de/publikationen/>).

It was revamped in 2024, adopted by the Board of Management at the beginning of 2025 and then published. The aim is for the strategic goals in relation to the corporate culture, the leadership principles and the principles of cooperation to be presented more clearly and at the same time to reflect the ESG expectations placed on the company's own employees and external stakeholders. Accordingly, we present in greater detail our commitment to tolerance, fairness and environmental protection.

A clear organisation and transparent processes ensure that all responsibilities and risks are assigned to a specific owner and managed accordingly. Employees may be subject to disciplinary action for misconduct in accordance with the "Process for reprimanding breaches of obligations arising from the employment relationship". This can include reductions in any variable remuneration in accordance with the remuneration guidelines. In keeping with dwpbank's risk culture concept, positive behaviour that is in line with the Code of Conduct and strategic objectives is rewarded in employee appraisals and/or as part of variable remuneration. Additional positive effects arise from the further development of actions to promote corporate culture, which are described below.

6.34.4 Actions

Fostering motivation is a management task and as such part of dwpbank's leadership principles. Managers' supervisors are required to monitor compliance with the leadership principles and measure this as part of the annual appraisals. The leadership principles of "providing direction" and "empowering people" have a particular impact on motivation.

The latter correlates with the wide range of training and development opportunities at dwpbank to promote the independent development of employees, for example through the Q³ programme, which is aimed at specific further development in other specialist areas, leadership and project management. The Young Professionals programme is aimed specifically at young employees, who are given opportunities to network and given the tools to develop and present topics independently.

A conscious approach to risk management is promoted on the one hand by a transparent presentation of the risks and the level of risk. To this end, a risk dialogue has been held at least once a year since 2024 in accordance with the "Risk culture and process quality" guideline in the area of responsibility of all managers. The primary aim of the risk dialogue is to exchange information about risks in the organisational unit and to raise employees' awareness of their responsibility to identify, understand and deal with risks at an early stage.

A conscious approach to risk management and the willingness to report any shortcomings, errors or underdeveloped control systems requires a positive approach to such reports, regardless of whether they are given anonymously or openly. dwpbank adopted a comprehensive concept in 2024, which will be implemented starting in 2025.

A particular aim is to encourage individuals to report process, risk or control weaknesses. The intention is for raising flags in this way to have a positive impact on the employee's assessment. Suggestions that significantly reduce process, risk or control weaknesses should also be rewarded financially.

The whistleblower system at dwpbank makes it possible for those who have obtained information about violations in connection with their professional activities or in advance of a professional activity (whistleblowers) to report or disclose this to the designated reporting units. The following can be reported:

- Criminal offences
- Misdemeanours
- Other violations of federal, state or EU law

Criminal offences also include suspicions of money laundering. The whistleblower system thus also enables reports pursuant to section 6 (5) of the German Money Laundering Act (Geldwäschegesetz, "GwG") in which whistleblowers can report violations of anti-money laundering regulations to the internal reporting units anonymously.

Furthermore, reports on employee misconduct, violations of the rules and grievances are encouraged and permitted.

The internal reporting contact to which employees can turn is the money laundering reporting officer (or their deputy) in the Compliance department. Alternatively, Dr Rainer Buchert or his representative Dr Jacob from the law firm Buchert Jacob Partner Rechtsanwälte can be contacted as ombudspersons. They are subject to legal professional privilege and supplementary contractual provisions ensuring that the whistleblower remains anonymous. Information can be submitted to the ombudsperson by telephone, e-mail or via an online form. In this case, the compliance function only receives a notification, without a name or other identifying characteristics that might reveal the identity of the whistleblower. The contact details are listed on dwpbank's website and intranet and in the instruction "Whistleblower system at dwpbank" (specific information can be found at www.dwpbank.de/hinweisgebersystem/).

In the case of reports in which victims and perpetrators must be named, for example in cases of discrimination or sexually motivated offences, the anti-discrimination officer ensures that the matter is treated as confidentially as possible. If the alleged perpetrator or another person involved discloses the allegation, this will be prosecuted under employment law.

In addition, dwpbank's internal control system includes control and monitoring activities carried out by the compliance function and Internal Audit. Any existing deficits in the appropriateness and effectiveness of control activities as well as violations of statutory or other internal and external requirements are actively identified, made transparent as deficiencies in reports to the Board of Management and at least annually to the Supervisory Board, and work to close them is subject to monitoring and follow-up. Furthermore, the Central Office conducts internal investigations of suspicions and indications of criminal offences and, if necessary, reports them to the police.

6.34.5 Key figures

Measurement methodology

The achievement of these objectives is monitored primarily via the risk culture assessment at dwpbank. The risk culture assessment comprises various indicators that are summarised in an annual report. It also includes the results of the employee survey that takes place every two years. The indicators primarily measure progress and, at least for the 2024 financial year, do not include any specific thresholds that would indicate an inappropriate risk culture.

Quantitative reporting

According to the 2024 risk culture report, dwpbank has a well-developed risk culture. The Board of Management has defined various actions to further strengthen this, including:

- Reinforcing the tone from the top
- Rolling out a revised concept for continuous improvement
- Refining the concept to promote a culture of learning from mistakes
- Making operational risk management part of the remuneration criteria

6.35 Internal control system, including control functions

The term "internal control system" is used for three different groups: the accounting-related internal control system (accounting ICS) for the preparation of the annual financial statements and the management report, the sustainability reporting-related internal control system (sustainability ICS) and the general internal control system (general ICS), which is used to summarise the controls that monitor compliance with certain processes and rules. The ICS is described below. An effective ICS also includes control functions that are appropriately equipped in terms of personnel, IT and expertise to monitor compliance with and the effectiveness of these controls. dwpbank bases this on the three lines of defence model (see section 1.2.2).

6.35.1 Material impacts, risks and opportunities

There is nothing to indicate that dwpbank's internal control system is not generally appropriate and effective. The same applies to the control functions with effective and appropriate resources, which monitor compliance with rules and processes.

The financial risk of deficiencies in the internal control system lies in significant losses, which could manifest themselves for example in operational losses, cases of fraud and/or regulatory sanctions such as fines and/or capital surcharges. The opportunity of a strong internal control system lies in the increased confidence in dwpbank on the part of the supervisory authority and the client, which could be expressed in lower capital surcharges or in higher earnings.

The Board of Management has issued an instruction to improve the internal control system in order to further reduce the risk of losses and increase the opportunities to promote confidence and lower capital requirements.

6.35.2 Responsibilities

The organisation of the internal control system is the responsibility of the Board of Management and is monitored by the Supervisory Board. The first line of defence has the task of identifying and reporting risks and designing appropriate controls and processes to reduce these risks.

The second line of defence is tasked with setting standards for identifying, assessing, measuring, documenting and communicating processes, risks and controls for the first line of defence, and monitoring compliance with them. The second line of defence is essentially divided into Central Risk Management and Compliance.

dwpbank's Central Risk Management is located in Risk and Permissions Management and, in addition to primary risk management, includes permissions management, information security, third-party risk management and contingency management. A detailed description of Central Risk Management, its objectives and the key risk indicators can be found in section 4 ("Risk report") of the management report.

Compliance comprises securities/capital market compliance, MaRisk compliance, the AML/CTF and other criminal offences function, the tax compliance function and the data protection function. The compliance function monitors the observance of external and internal regulations and works to ensure that these requirements are met, including by means of control measures.

Internal Audit forms the third line of defence. It independently audits compliance with rules, processes and controls and checks that the control functions of the second line of defence have adequate resources.

The information for reporting in this section of the sustainability report is provided by the Process and Performance Management, Risk and Permissions Management, Compliance and Internal Audit departments; it underwent quality assurance by the Board of Management staff department on the basis of the other control and project reports.

The approval of the entire sustainability report, including this section, follows the process described in the "General information" section in chapter 6.1 and includes, among other things, a resolution adopted by the Board of Management and approval by the Supervisory Board.

6.35.3 Objectives and concepts

The further development of the internal control system is addressed in the corporate strategy in the "Governance and ICS" strategic action area, and is detailed in the risk, compliance and audit strategy.

The aim of the "Governance and ICS" action area is to optimise structures, processes and mechanisms which ensure that dwpbank is managed transparently, responsibly and efficiently. This is to optimise the structure of the rules, regulations and practices relating to decision-making, control and management at dwpbank and to identify and realise potential for improvement.

Employees are given specific instructions on process implementation, controls and compliance with them via the transparent process organisation. Various training activities are organised to educate all employees about risks relating to compliance, money laundering and criminal offences, data protection and information security. Certain employee groups receive additional training on matters of relevance to them, such as on dealing with conflicts of interest.

At dwpbank, the strategic objectives for the further development of the internal control system are bundled in a project within dwpbank. Their implementation is monitored with the involvement of the entire Board of Management. The intention is for the project to have made the relevant refinements to the internal control system by the end of 2026. dwpbank has already invested more than EUR 1.8 million in the project in 2024 (internal and external costs), and just over EUR 3 million will likely be invested in the next two years. The current process for the regular independent review of processes, risks and controls is to be coordinated by a central unit and thus significantly enhanced. The compliance function and Internal Audit intent to expand the depth and coverage of their audits.

6.35.4 General actions

The actions to ensure an effective internal control system include employee training, specific instructions on process and control implementation and regular monitoring of compliance with these requirements by dwpbank's control functions.

In 2024, various measures from the project to further develop the internal control system were also implemented. Actions to achieve the objectives involve, in particular, strengthening the internal control system, including strengthening the related topic of governance. This will be achieved, among other things, through a centralised and more systematic approach to dealing with dwpbank's own processes, risks and controls. At the same time, all three lines of defence are increasing their human resources to make this extensive effort possible. Introducing corresponding IT solutions should make it easier to analyse internal processes, risks and controls.

The compliance function's policies and instructions, including for combating corruption, bribery and money laundering, have been revised. The risk analysis methodology has also been significantly refined. Appropriate action has been identified to monitor and/or reduce the risks. Internal Audit has developed its own strategy and refined its audit approach. More detailed reporting can be found in section 1.2.6.

The revised concepts are set for final implementation in 2025. In this context, a separate report is to be prepared on the appropriateness and effectiveness of the internal control system, including control functions.

Other projects and initiatives have a direct impact on the reduction of risks themselves. Greater digitalisation of processes and controls, in particular automation, is intended to avoid manual errors as far as possible and thus reduce the risk of losses.

6.35.5 Key figures

Measurement

The current effectiveness of the internal control system is monitored via various reports, in particular the reports of the compliance function, Internal Audit and the external auditor.

A separate report on the internal control system will be prepared for the 2025 financial year, which will summarise the results of the audits, reviews and inspections by the compliance function, Internal Audit, the external auditor, the WpHG/securities account auditor, the supervisory authority and various other control functions and will provide an overall assertion on the effectiveness of the internal control system. This report will be submitted internally to the Board of Management for approval and to the Supervisory Board and/or the Risk and Audit Committee for information.

The further development of the internal control system is also part of the corporate strategy, the implementation of which is monitored using three specific KPIs. This is the degree to which the strategic milestones are implemented on time and to the required quality, as well as the positive increase in the OpRisk index. The OpRisk index includes employee participation rates in training organised by the control functions as well as the timely and high-quality processing of findings from internal and external audits.

Quantitative reporting

As stated above, the effectiveness of the internal control system in 2024 will be measured on the basis of reports from the compliance function, Internal Audit and the external auditor. Their reports contained findings, but concluded that there was nothing to indicate that dwpbank did not have an adequate and effective control system.

6.35.6 Reporting on the compliance function

Strategies, concepts and actions

For dwpbank, all control functions of the various lines of defence are of comparable importance. For sustainability reporting, the European Sustainability Reporting Standards (ESRS) stipulate that reporting on the compliance function with regard to corruption and bribery must be emphasised in particular. As such, this sub-function is discussed in more detail. The risk management function and Internal Audit are presented in section 4.2 of the management report ("Governance framework for risk management").

The structure of the compliance function is described in principle in the "Compliance Management System" guidelines and specified in detailed instructions, including the instruction on the prevention of criminal offences, which covers the offences of corruption and bribery.

In accordance with the instruction "Actions to prevent money laundering and terrorist financing", the Board of Management appoints the money laundering reporting officer (and their deputy) who, as the "Central Office", coordinates all actions to prevent money laundering, terrorist financing and criminal offences to the detriment of the institution, and ensures an overall concept that minimises risk.

The Procurement and Provider Management unit, i.e. purchasing, is the dwpbank unit most affected by corruption and bribery risks ("function at risk").

To prevent corruption and bribery, regular audits of dwpbank's purchasing practices are carried out in this unit. Defined rules on the handling of gifts and invitations and absolute upper limits in accordance with the internal "Gift Policy" avoid even the appearance of accepting bribes.

The compliance function has also imposed comprehensive reporting obligations on all employees who are required to report any indications of suspected corruption and bribery, including employees in Purchasing. Customer and service provider complaints, as well as open or anonymised reports submitted via the whistleblower system, must be documented and investigated.

The prevention systems also include training for all employees, including the Board of Management team and Purchasing staff, to raise awareness of corruption and bribery issues. For new hires, training is provided in person. There are also web-based training courses that feature an information section and conclude with a test. The test questions are selected at random. Training must be repeated once a year. The members of the Board of Management are subject to the same obligations as dwpbank employees: they undergo in-person training when they take office and also complete web-based training courses. The situation is different for the members of the Supervisory Board. The employee representatives receive the same training as all other employees. By contrast, the shareholder representatives are not part of the organisation and as such are exposed to other compliance risks. On the one hand they receive information about the compliance function at meetings, and on the other are offered training. Given the varying levels of experience among the Supervisory Board members, however, these are only optional. If a member of the Supervisory Board opts for external training in relation to their work on the Supervisory Board, dwpbank will bear the costs.

Violations of internal regulations on the prevention of bribery and corruption may result in actions under employment and remuneration law. As these are compliance-relevant requirements, the instruction "Response plan in the event of criminal offences to the detriment of dwpbank" would also apply. Among other things, it is possible to immediately withdraw all access to dwpbank's systems from employees.

The compliance function is organised as an independent control function and as such can act autonomously without being bound by instructions. It reports at least quarterly to the Board of Management team and the Supervisory Board on any breaches in the areas it monitors and exercises its right to ad hoc reporting as required. It must also investigate any suspicions against the Board of Management team and report these to the Supervisory Board, represented by the Chairman of the Supervisory Board. In the case of suspicions against members of the Supervisory Board, the compliance function would contact the Board of Management team. If both the Supervisory Board and the Board of Management team were affected, the compliance function would make a report to the banking supervisory authority.

Key figures

Training participation as at 31 December 2024	Total	Open*	Completed
In-person training compliance, AML and fraud prevention	325	29	296
Web-based compliance training (incl. follow-up training)	602	0	602
Web-based AML training (incl. follow-up training)	1,701	0	1,701
Web-based fraud prevention training (incl. follow-up training)	1,725	0	1,725
Coverage of functions at risk (Procurement and Provider Management)			100%

* The "Open" category covers employees who have not completed the relevant training by 31 December 2024. Employees who have not completed the training within the scheduled period receive an individual request to participate. If the deadline is missed after this reminder, the employee's manager will become involved.

Matters relating to corruption and bribery as at 31 December 2024	
Number of convictions for violation of anti-corruption and anti- bribery laws	0
Number of confirmed incidents of corruption and bribery	0
Number of confirmed incidents with action under employment law taken against own employees	0
Number of contracts that were terminated or not renewed due to confirmed incidents of corruption or bribery	0

In the 2024 reporting period, no violations by employees of the external and internal guidelines on preventing corruption and bribery were identified. As there are no convictions for corruption or bribery offences, it is not possible to disclose the amount of fines for violations of anti-corruption and anti-bribery provisions.

As there are no confirmed incidents of corruption or bribery, there is no need to report on the "nature" of these incidents. There is also no need to report on public court proceedings.

Annex I

List of datapoints from other EU legislation

The following disclosures comply with the requirements of ESRS. However, please note that dwpbank itself is not subject to SFDR, Pillar 3, the Benchmark Regulation or the EU Climate Law.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	dwpbank sustainability report
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		6.3.1; 6.17.2.3
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Commission Delegated Regulation (EU) 2020/1816, Annex II		6.3.1
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 Table #3 of Annex 1				6.7
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Indicator number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6) Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		6.12.4
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	6.11.3.6
ESRS E1-1 Undertakings excluded from Paris-aligned benchmarks, paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1)(d) to (g), and Article 12(2)		Not applicable
ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		dwpbank will prepare a transition plan in financial year 2025 that will include GHG emission targets.
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator number 5 Table #1 of Annex 1 and Indicator number 5 Table #2 of Annex 1				Not applicable

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Dwpbank sustainability report
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex 1				6.12.3.1
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not applicable
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Indicators numbers 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		6.12.5
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicator number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		6.12.6
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not applicable
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: exposures subject to physical risk			Not applicable
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: loans collateralised by immovable property – Energy efficiency of the collateral			Not applicable
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Commission Delegated Regulation (EU) 2020/1818, Annex II		Not applicable
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not applicable
ESRS E3-1 Water and marine resources, paragraph 9	Indicator number 7 Table #2 of Annex 1				Not applicable
ESRS E3-1 Dedicated policy, paragraph 13	Indicator number 8 Table #2 of Annex 1				Not applicable
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex 1				Not applicable
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not applicable

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Dwpbank sustainability report
ESRS E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not applicable
ESRS 2 – SBM 3 – E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not applicable
ESRS 2 – SBM 3 – E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not applicable
ESRS 2 – SBM 3 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not applicable
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not applicable
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not applicable
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not applicable
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not applicable
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex 1				Not applicable
ESRS 2 SBM3 – S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not applicable
ESRS 2 SBM3 – S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not applicable
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 of Annex I and Indicator number 11 Table #1 of Annex I				6.16
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		6.16, 6.17.1
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex I				Not applicable
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex I				6.17.1, 6.18.4,
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				6.29
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		6.26.1; 6.26.2
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				6.26.1; 6.26.2

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Dwpbank sustainability report
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		6.28.1
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				6.28.2
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				6.29.2
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 104 (a)	Indicator number 10 Table #1 of Annex I and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		6.29.2
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators numbers 12 and 13 Table #3 of Annex I				Not applicable
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 of Annex I and Indicator number 11 Table #1 of Annex I				Value chain workers are only relevant in the context of dwpbank's financially non-material subsidiaries. The subsidiaries are part of dwpbank's own business activities, and as such reference is made to the statements in S1.
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicators numbers 11 and 4 Table #3 of Annex I				Value chain workers are only relevant in the context of dwpbank's financially non-material subsidiaries. The subsidiaries are part of dwpbank's own business activities, and as such reference is made to the statements in S1.
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Value chain workers are only relevant in the context of dwpbank's financially non-material subsidiaries. The subsidiaries are part of dwpbank's own business activities, and as such reference is made to the statements in S1.
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19			Commission Delegated Regulation (EU) 2020/1816, Annex II		Value chain workers are only relevant in the context of dwpbank's financially non-material subsidiaries. The subsidiaries are part of dwpbank's own business activities, and as such reference is made to the statements in S1.
ESRS S2-4 Human rights issues and incidents connected to the upstream and downstream value chain, paragraph 36	Indicator number 14 Table #3 of Annex I				Value chain workers are only relevant in the context of dwpbank's financially non-material subsidiaries. The subsidiaries are part of dwpbank's own business activities, and as such reference is made to the statements in S1.
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 of Annex I and Indicator number 11 Table #1 of Annex I				Not applicable
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Not applicable

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Dwpbank sustainability report
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 Table #3 of Annex 1				Not applicable
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not applicable
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Not applicable
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 Table #3 of Annex 1				Not applicable
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				6.32.2.6
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				6.32.1.4
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		6.32.2.6
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				6.32.2.6

Annex II

Quantitative disclosures under the EU Taxonomy

dwpbank currently discloses the green asset ratio as a relevant KPI within the meaning of the EU Taxonomy. For banks, the green asset ratio is calculated based on the interest business, which is typically predominant for them.

The "green fee" will be added as a KPI in the reporting on financial year 2026. It will disclose the taxonomy-aligned fee and commission income. Due to dwpbank's very limited lending business, it only reports low absolute values for the green asset ratio.

The EU Taxonomy differentiates between taxonomy-aligned capital expenditure (CapEx) and taxonomy-aligned turnover, which are each presented one after the other in the individual sub-sections.

		Total environmentally sustainable activities
Main KPI	Green asset ratio (GAR) stock	
		Total environmentally sustainable activities
Additional KPIs	GAR (flow)	
	Trading book*	
	Financial guarantees	
	Assets under management	
	Fees and commissions income**	

* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

**Fees and commissions income from services other than lending and AuM

Institutions shall disclose forwardlooking information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

*** % of assets covered by the KPI over banks' total assets

****based on the Turnover KPI of the counterparty

*****based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

Note 1: Across the reporting templates: cells shaded in grey should not be reported.

Note 2: Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2026. SMEs'inclusion in these KPI will only apply subject to a positive result of an impact assessment.

REP****	REP*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
0,62%	0,64%	11,13%	75,41%	13,47%
REP	REP	% coverage (over ESEB 930000)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
4,54%	4,42%	8,24%	78,29%	13,47%
0,00%	0,00%			
0,00%	0,00%			
0,00%	0,00%			
0,00%	0,00%			

1 Assets used to calculate the green asset ratio

The assets result solely from the securities held by dwpbank itself, with government bonds and government-related bonds not included. They include primarily bonds issued by financial and non-financial entities.

(CapEx)

Description	2023		2022		2021		2020		2019		2018	
	Value	Weight	Value	Weight	Value	Weight	Value	Weight	Value	Weight	Value	Weight
Government bonds	100.00	100.00%	100.00	100.00%	100.00	100.00%	100.00	100.00%	100.00	100.00%	100.00	100.00%
Government-related bonds	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Non-financial entities	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Financial entities	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Other	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Total	100.00	100.00%	100.00	100.00%	100.00	100.00%	100.00	100.00%	100.00	100.00%	100.00	100.00%

1. The values are calculated based on the securities held by dwpbank itself, with government bonds and government-related bonds not included. They include primarily bonds issued by financial and non-financial entities.

2. The values are calculated based on the securities held by dwpbank itself, with government bonds and government-related bonds not included. They include primarily bonds issued by financial and non-financial entities.

3. The values are calculated based on the securities held by dwpbank itself, with government bonds and government-related bonds not included. They include primarily bonds issued by financial and non-financial entities.

4. The values are calculated based on the securities held by dwpbank itself, with government bonds and government-related bonds not included. They include primarily bonds issued by financial and non-financial entities.

5. The values are calculated based on the securities held by dwpbank itself, with government bonds and government-related bonds not included. They include primarily bonds issued by financial and non-financial entities.

[illegible]

(Turnover)

Measure	2020/2021 (current year)	2021/2022 (forecast)																	
		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and Marine Resources (WMR)		Climate Change EDC		Resilience (RES)		Sustainable Infrastructure (SI)		Health, Safety & Welfare (HSW)		Other (O)			
		2021/2022 (forecast)		2021/2022 (forecast)		2021/2022 (forecast)		2021/2022 (forecast)		2021/2022 (forecast)		2021/2022 (forecast)		2021/2022 (forecast)		2021/2022 (forecast)			
		2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)	2021/2022 (forecast)		
2021/2022 (forecast)																			
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Climate Change Adaptation (CCA)																			
Water and Marine Resources (WMR)																			
Climate Change EDC																			
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Sustainable Infrastructure (SI)																			
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2 Sector information on the Green Asset Ratio

Only the Mercedes Benz AG bond held by dwpbank must be allocated to a sector of the EU Taxonomy and reported here.

(CapEx)

Breakdown by sector - NACE 4 digits code (code preferred)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	Non-Financial responses (Subject to NFRD)		SMEs and other NFRD not subject to NFRD		Non-Financial responses (Subject to NFRD)		SMEs and other NFRD not subject to NFRD		Non-Financial responses (Subject to NFRD)		SMEs and other NFRD not subject to NFRD		Non-Financial responses (Subject to NFRD)		SMEs and other NFRD not subject to NFRD	
	(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount	
	Mn EUR		Mn EUR		Mn EUR		Mn EUR		Mn EUR		Mn EUR		Mn EUR		Mn EUR	
1. Infrastructure (or other sectors) (28-33)	1	1			0	0			0	0			0	0		

(Turnover)

Breakdown by sector - NACE 4 digits code (code preferred)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)			
	Non-Financial responses (Subject to NFRD)		SMEs and other NFRD not subject to NFRD		Non-Financial responses (Subject to NFRD)		SMEs and other NFRD not subject to NFRD		Non-Financial responses (Subject to NFRD)		SMEs and other NFRD not subject to NFRD		Non-Financial responses (Subject to NFRD)		SMEs and other NFRD not subject to NFRD	
	(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount		(Green) lending amount	
	Mn EUR		Mn EUR		Mn EUR		Mn EUR		Mn EUR		Mn EUR		Mn EUR		Mn EUR	
1. Infrastructure (or other sectors) (28-33)	0	0			0	0			0	0			0	0		

1		2		3		4		5		6		7		8		9	
Pollution (PPC)						Biodiversity and Ecosystems (BEC)						TOTAL (CCM + CCA + WTR + CE + P + BE)					
Non-Financial disclosures (Subject to NFRD)				BMEs and other NFC not subject to NFRD		Non-Financial disclosures (Subject to NFRD)				BMEs and other NFC not subject to NFRD		Non-Financial disclosures (Subject to NFRD)				BMEs and other NFC not subject to NFRD	
(Direct) carrying amount				(Direct) carrying amount		(Direct) carrying amount				(Direct) carrying amount		(Direct) carrying amount				(Direct) carrying amount	
Mn EUR				Mn EUR		Mn EUR				Mn EUR		Mn EUR				Mn EUR	
(Of which environmental sustainability (PPC))				(Of which environmental sustainability (PPC))		(Of which environmental sustainability (BEC))				(Of which environmental sustainability (BEC))		(Of which environmental sustainability (CCM + CCA + WTR + CE + PPC + BE))				(Of which environmental sustainability (CCM + CCA + WTR + CE + PPC + BE))	
1				2		3				4		5				6	

a		b		c		d		e		f		g		h		i			
Pollution (PPC)				Biodiversity and Ecosystems (BEC)				TOTAL (CCM + CCA + WTR + CE + P + BE)											
Non-Financial disclosures (Subject to NFRD)		BMEs and other NFC not subject to NFRD		Non-Financial disclosures (Subject to NFRD)		BMEs and other NFC not subject to NFRD		Non-Financial disclosures (Subject to NFRD)				BMEs and other NFC not subject to NFRD				TOTAL (CCM + CCA + WTR + CE + P + BE)			
(Direct) carrying amount		(Direct) carrying amount		(Direct) carrying amount		(Direct) carrying amount		(Direct) carrying amount				(Direct) carrying amount				(Direct) carrying amount			
Mn EUR	(Of which environmental sustainability (PPC))	Mn EUR	(Of which environmental sustainability (PPC))	Mn EUR	(Of which environmental sustainability (BEC))	Mn EUR	(Of which environmental sustainability (BEC))	Mn EUR	(Of which environmental sustainability (CCM + CCA + WTR + CE + PPC + BE))	Mn EUR	(Of which environmental sustainability (CCM + CCA + WTR + CE + PPC + BE))	Mn EUR	(Of which environmental sustainability (CCM + CCA + WTR + CE + PPC + BE))	Mn EUR	(Of which environmental sustainability (CCM + CCA + WTR + CE + PPC + BE))	Mn EUR	(Of which environmental sustainability (CCM + CCA + WTR + CE + PPC + BE))		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18		

3

The portfolio (stock) as at 31 December 2024 is presented below.

(CapEx)

[illegible]

(Turnover)

[illegible]

Hauptkategorie									
Subkategorie A	Subkategorie B	Subkategorie C	Subkategorie D	Subkategorie E	Subkategorie F	Subkategorie G	Subkategorie H	Subkategorie I	Subkategorie J
1	1.1	1.1.1	1.1.1.1	1.1.1.1.1	1.1.1.1.1.1	1.1.1.1.1.1.1	1.1.1.1.1.1.1.1	1.1.1.1.1.1.1.1.1	1.1.1.1.1.1.1.1.1.1
2	1.2	1.2.1	1.2.1.1	1.2.1.1.1	1.2.1.1.1.1	1.2.1.1.1.1.1	1.2.1.1.1.1.1.1	1.2.1.1.1.1.1.1.1	1.2.1.1.1.1.1.1.1.1
3	1.3	1.3.1	1.3.1.1	1.3.1.1.1	1.3.1.1.1.1	1.3.1.1.1.1.1	1.3.1.1.1.1.1.1	1.3.1.1.1.1.1.1.1	1.3.1.1.1.1.1.1.1.1
4	1.4	1.4.1	1.4.1.1	1.4.1.1.1	1.4.1.1.1.1	1.4.1.1.1.1.1	1.4.1.1.1.1.1.1	1.4.1.1.1.1.1.1.1	1.4.1.1.1.1.1.1.1.1
5	1.5	1.5.1	1.5.1.1	1.5.1.1.1	1.5.1.1.1.1	1.5.1.1.1.1.1	1.5.1.1.1.1.1.1	1.5.1.1.1.1.1.1.1	1.5.1.1.1.1.1.1.1.1
6	1.6	1.6.1	1.6.1.1	1.6.1.1.1	1.6.1.1.1.1	1.6.1.1.1.1.1	1.6.1.1.1.1.1.1	1.6.1.1.1.1.1.1.1	1.6.1.1.1.1.1.1.1.1
7	1.7	1.7.1	1.7.1.1	1.7.1.1.1	1.7.1.1.1.1	1.7.1.1.1.1.1	1.7.1.1.1.1.1.1	1.7.1.1.1.1.1.1.1	1.7.1.1.1.1.1.1.1.1
8	1.8	1.8.1	1.8.1.1	1.8.1.1.1	1.8.1.1.1.1	1.8.1.1.1.1.1	1.8.1.1.1.1.1.1	1.8.1.1.1.1.1.1.1	1.8.1.1.1.1.1.1.1.1
9	1.9	1.9.1	1.9.1.1	1.9.1.1.1	1.9.1.1.1.1	1.9.1.1.1.1.1	1.9.1.1.1.1.1.1	1.9.1.1.1.1.1.1.1	1.9.1.1.1.1.1.1.1.1
10	1.10	1.10.1	1.10.1.1	1.10.1.1.1	1.10.1.1.1.1	1.10.1.1.1.1.1	1.10.1.1.1.1.1.1	1.10.1.1.1.1.1.1.1	1.10.1.1.1.1.1.1.1.1
11	2	2.1	2.1.1	2.1.1.1	2.1.1.1.1	2.1.1.1.1.1	2.1.1.1.1.1.1	2.1.1.1.1.1.1.1	2.1.1.1.1.1.1.1.1
12	2.2	2.2.1	2.2.1.1	2.2.1.1.1	2.2.1.1.1.1	2.2.1.1.1.1.1	2.2.1.1.1.1.1.1	2.2.1.1.1.1.1.1.1	2.2.1.1.1.1.1.1.1.1
13	2.3	2.3.1	2.3.1.1	2.3.1.1.1	2.3.1.1.1.1	2.3.1.1.1.1.1	2.3.1.1.1.1.1.1	2.3.1.1.1.1.1.1.1	2.3.1.1.1.1.1.1.1.1
14	2.4	2.4.1	2.4.1.1	2.4.1.1.1	2.4.1.1.1.1	2.4.1.1.1.1.1	2.4.1.1.1.1.1.1	2.4.1.1.1.1.1.1.1	2.4.1.1.1.1.1.1.1.1
15	2.5	2.5.1	2.5.1.1	2.5.1.1.1	2.5.1.1.1.1	2.5.1.1.1.1.1	2.5.1.1.1.1.1.1	2.5.1.1.1.1.1.1.1	2.5.1.1.1.1.1.1.1.1
16	2.6	2.6.1	2.6.1.1	2.6.1.1.1	2.6.1.1.1.1	2.6.1.1.1.1.1	2.6.1.1.1.1.1.1	2.6.1.1.1.1.1.1.1	2.6.1.1.1.1.1.1.1.1
17	2.7	2.7.1	2.7.1.1	2.7.1.1.1	2.7.1.1.1.1	2.7.1.1.1.1.1	2.7.1.1.1.1.1.1	2.7.1.1.1.1.1.1.1	2.7.1.1.1.1.1.1.1.1
18	2.8	2.8.1	2.8.1.1	2.8.1.1.1	2.8.1.1.1.1	2.8.1.1.1.1.1	2.8.1.1.1.1.1.1	2.8.1.1.1.1.1.1.1	2.8.1.1.1.1.1.1.1.1
19	2.9	2.9.1	2.9.1.1	2.9.1.1.1	2.9.1.1.1.1	2.9.1.1.1.1.1	2.9.1.1.1.1.1.1	2.9.1.1.1.1.1.1.1	2.9.1.1.1.1.1.1.1.1
20	2.10	2.10.1	2.10.1.1	2.10.1.1.1	2.10.1.1.1.1	2.10.1.1.1.1.1	2.10.1.1.1.1.1.1	2.10.1.1.1.1.1.1.1	2.10.1.1.1.1.1.1.1.1
21	3	3.1	3.1.1	3.1.1.1	3.1.1.1.1	3.1.1.1.1.1	3.1.1.1.1.1.1	3.1.1.1.1.1.1.1	3.1.1.1.1.1.1.1.1
22	3.2	3.2.1	3.2.1.1	3.2.1.1.1	3.2.1.1.1.1	3.2.1.1.1.1.1	3.2.1.1.1.1.1.1	3.2.1.1.1.1.1.1.1	3.2.1.1.1.1.1.1.1.1
23	3.3	3.3.1	3.3.1.1	3.3.1.1.1	3.3.1.1.1.1	3.3.1.1.1.1.1	3.3.1.1.1.1.1.1	3.3.1.1.1.1.1.1.1	3.3.1.1.1.1.1.1.1.1
24	3.4	3.4.1	3.4.1.1	3.4.1.1.1	3.4.1.1.1.1	3.4.1.1.1.1.1	3.4.1.1.1.1.1.1	3.4.1.1.1.1.1.1.1	3.4.1.1.1.1.1.1.1.1
25	3.5	3.5.1	3.5.1.1	3.5.1.1.1	3.5.1.1.1.1	3.5.1.1.1.1.1	3.5.1.1.1.1.1.1	3.5.1.1.1.1.1.1.1	3.5.1.1.1.1.1.1.1.1
26	3.6	3.6.1	3.6.1.1	3.6.1.1.1	3.6.1.1.1.1	3.6.1.1.1.1.1	3.6.1.1.1.1.1.1	3.6.1.1.1.1.1.1.1	3.6.1.1.1.1.1.1.1.1

GENERAL INFORMATION		PERSONAL INFORMATION		EDUCATIONAL BACKGROUND		PROFESSIONAL EXPERIENCE		TECHNICAL SKILLS		PERSONAL INFORMATION		CONTACT INFORMATION	
NAME	DATE OF BIRTH	NAME	DATE OF BIRTH	NAME	DATE OF BIRTH	NAME	DATE OF BIRTH	NAME	DATE OF BIRTH	NAME	DATE OF BIRTH	NAME	DATE OF BIRTH
1	2	3	4	5	6	7	8	9	10	11	12	13	14
15	16	17	18	19	20	21	22	23	24	25	26	27	28
29	30	31	32	33	34	35	36	37	38	39	40	41	42
43	44	45	46	47	48	49	50	51	52	53	54	55	56
57	58	59	60	61	62	63	64	65	66	67	68	69	70
71	72	73	74	75	76	77	78	79	80	81	82	83	84
85	86	87	88	89	90	91	92	93	94	95	96	97	98
99	100	101	102	103	104	105	106	107	108	109	110	111	112
113	114	115	116	117	118	119	120	121	122	123	124	125	126
127	128	129	130	131	132	133	134	135	136	137	138	139	140
141	142	143	144	145	146	147	148	149	150	151	152	153	154
155	156	157	158	159	160	161	162	163	164	165	166	167	168
169	170	171	172	173	174	175	176	177	178	179	180	181	182
183	184	185	186	187	188	189	190	191	192	193	194	195	196
197	198	199	200	201	202	203	204	205	206	207	208	209	210
211	212	213	214	215	216	217	218	219	220	221	222	223	224
225	226	227	228	229	230	231	232	233	234	235	236	237	238
239	240	241	242	243	244	245	246	247	248	249	250	251	252
253	254	255	256	257	258	259	260	261	262	263	264	265	266
267	268	269	270	271	272	273	274	275	276	277	278	279	280
281	282	283	284	285	286	287	288	289	290	291	292	293	294
295	296	297	298	299	300	301	302	303	304	305	306	307	308
309	310	311	312	313	314	315	316	317	318	319	320	321	322
323	324	325	326	327	328	329	330	331	332	333	334	335	336
337	338	339	340	341	342	343	344	345	346	347	348	349	350
351	352	353	354	355	356	357	358	359	360	361	362	363	364
365	366	367	368	369	370	371	372	373	374	375	376	377	378
379	380	381	382	383	384	385	386	387	388	389	390	391	392
393	394	395	396	397	398	399	400	401	402	403	404	405	406
407	408	409	410	411	412	413	414	415	416	417	418	419	420

4 GAR KPI – flow

The table below shows the change in exposures over the financial year.

(CapEx)

	a	b	c	d	e	f	g	h	i	j	k	l	m
% compared to flow of total eligible assets	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				
	Proportion of total covered assets funding taxonomy-relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy-relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy-relevant sectors (Taxonomy-aligned)				
	Of which Use of Proceeds				Of which Use of Proceeds				Of which Use of Proceeds				
	Of which transitional				Of which enabling				Of which enabling				
GAR - Covered assets in both numerator and denominator													
1 Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	26.27%	4.42%	0.00%	0.33%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2 Financial undertakings	26.27%	4.42%	0.00%	0.33%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3 Debt instruments	25.85%	4.39%	0.00%	0.30%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
4 Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
5 Debt securities, including UoP	25.85%	4.39%	0.00%	0.30%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7 Other financial corporations	0.32%	0.07%	0.00%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
8 of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9 Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10 Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12 of which management companies	0.32%	0.07%	0.00%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13 Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14 Debt securities, including UoP	0.32%	0.07%	0.00%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
15 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
17 Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
18 Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20 Non financial undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21 Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22 Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
24 Households	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
25 of which loans collateralised by residential immovable property	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
26 of which building renovation loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27 of which motor vehicle loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
28 Local governments financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29 Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
31 Collateral obtained by taking possession (residential and commercial immovable properties)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32 Total GAR assets	26.27%	4.42%	0.00%	0.33%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

[illegible]

(Turnover)

[illegible]

[illegible]

5 Off-balance sheet items

dwpbank has no off-balance sheet items within the meaning of the EU Taxonomy.

(Stock/CapEx)

	a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds					Of which Use of Proceeds				Of which Use of Proceeds			
	Of which transitional					Of which enabling				Of which enabling			
1 Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2 Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(Stock/turnover)

	a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds					Of which Use of Proceeds				Of which Use of Proceeds			
	Of which transitional					Of which enabling				Of which enabling			
1 Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2 Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(Flow/CapEx)

	a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds					Of which Use of Proceeds				Of which Use of Proceeds			
	Of which transitional					Of which enabling				Of which enabling			
1 Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2 Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(Flow/turnover)

	a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	Of which Use of Proceeds					Of which Use of Proceeds				Of which Use of Proceeds			
	Of which transitional					Of which enabling				Of which enabling			
1 Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2 Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

6 Nuclear and gas

dwpbank holds bonds in its portfolio that finance the supply of nuclear energy and gas.

6.1 Financed economic activities

The tables below differentiate by the portfolio as at the 31 December reporting date in the previous year (stock) and changes in the exposures during the financial year (flow).

(Stock)

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

(Flow)

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

6.2 Proportion of taxonomy-aligned activities in the denominator

The first two tables show the portfolio as at the 31 December reporting date in the previous year (stock), broken down by CapEx and turnover, and tables 3 and 4 show the changes during the financial year (flow), likewise broken down by CapEx and turnover.

(Stock/CapEx)

Index	Taxonomy-aligned economic activity	Substantiated proportion of taxonomy-aligned economic activity as a percentage of the denominator					
		2023 (P/V)		2023 change - Regulation (2024)		2023 change - Regulation (2024)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
8.	Total applicable KPI	0	0.00%	0	0.00%	0	0.00%

(Flow/CapEx)

Index	Taxonomy-aligned economic activity	Substantiated proportion of taxonomy-aligned economic activity as a percentage of the denominator					
		2023 (P/V)		2023 change - Regulation (2024)		2023 change - Regulation (2024)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
8.	Total applicable KPI	0	0.00%	0	0.00%	0	0.00%

(Stock/turnover)

Index	Taxonomy-eligible activities	Subsidiary Report (Minimum disclosure to be provided to secondary market level, as per Annex 2)					
		E/M + P/A		Climate Change Regulation (CCR)		Transition (percentage) (T/A)	
		A (euros)	B (%)	A (euros)	B (%)	A (euros)	B (%)
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
8.	Total applicable KPI	0	0.00%	0	0.00%	0	0.00%

(Flow/turnover)

Index	Taxonomy-eligible activities	Subsidiary Report (Minimum disclosure to be provided to secondary market level, as per Annex 2)					
		E/M + P/A		Climate Change Regulation (CCR)		Transition (percentage) (T/A)	
		A (euros)	B (%)	A (euros)	B (%)	A (euros)	B (%)
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
8.	Total applicable KPI	0	0.00%	0	0.00%	0	0.00%

6.3 Proportion of taxonomy-aligned activities in the numerator

The first two tables show the portfolio as at the 31 December reporting date in the previous year (stock), broken down by CapEx and turnover, and tables 3 and 4 show the changes during the financial year (flow), likewise broken down by CapEx and turnover.

(Stock/CapEx)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM (CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	3	94.87%	3	94.85%	0	0.02%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	3	100.00%	3	99.98%	0	0.02%

(Flow/CapEx)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.13%	0	0.13%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	4.15%	0	4.15%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.80%	0	0.80%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.05%	0	0.05%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	3	94.87%	3	94.85%	0	0.02%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	3	100.00%	3	99.98%	0	0.02%

(Stock/turnover)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM (total)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	9.48%	0	0.43%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.04%	0	0.08%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	3	99.88%	4	0.001%	0	0.00%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	3	100.00%	4	0.001%	0	0.00%

(Flow/turnover)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.11%	0	0.11%	0	0.00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	9.14%	0	9.14%	0	0.00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.91%	0	0.81%	0	0.00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.04%	0	0.04%	0	0.00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	3	89.80%	3	89.79%	0	0.01%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	3	100.00%	3	99.99%	0	0.01%

6.4 Proportion of taxonomy-eligible but not taxonomy-aligned economic activities

The first two tables show the portfolio as at the 31 December reporting date in the previous year (stock), broken down by CapEx and turnover, and tables 3 and 4 show the changes during the financial year (flow), likewise broken down by CapEx and turnover.

(Stock/CapEx)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.01%	0	0.01%	0	0.00%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	22	99.98%	22	99.98%	0	0.00%
8.	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	22	100.00%	22	100.00%	0	0.00%

(Flow/CapEx)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	16	100.00%	16	99.99%	0	0.00%
8.	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	16	100.00%	16	100.00%	0	0.00%

(Stock/turnover)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.03%	0	0.03%	0	0.00%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	22	99.97%	22	99.94%	0	0.02%
8.	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	22	100.00%	22	99.98%	0	0.02%

(Flow/turnover)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.01%	0	0.01%	0	0.00%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	16	99.99%	16	99.99%	0	0.00%
8.	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	16	100.00%	16	100.00%	0	0.00%

6.5 Proportion of taxonomy non-eligible economic activities

The first two tables show the portfolio as at the 31 December reporting date in the previous year (stock), broken down by CapEx and turnover, and tables 3 and 4 show the changes during the financial year (flow), likewise broken down by CapEx and turnover.

(Stock/CapEx)

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	755	100,00%
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	755	100,00%

(Flow /CapEx)

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	55	100,00%
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	55	100,00%

(Stock/turnover)

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	756	100,00%
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	756	100,00%

(Flow/turnover)

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0,00%
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	55	100,00%
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	55	100,00%

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