Annual Financial Report 2025

apoBank
Bank der Gesundheit

Content

Overview of Business Development

Overview of Business Development

Bank data	31 Dec 2025	31 Dec 2024	Change[1] %
Members	111,591	111,472	0.1
Customers	513,665	505,947	1.5
Employees	2,359	2,341	0.8
Locations	73	77	– 5.2

Balance sheet	€m	€m	%
Balance sheet total	52,438	51,812	1.2
Customer loans	35,035	34,743	0.8
Customer deposits	33,151	30,279	9.5

Income statement	€m	€m	%
Net interest income[2]	977.1	972.0	0.5
Net commission income	197.7	177.2	11.6
General administrative expenses	– 783.6	– 731.1	7.2
Operating profit before risk provisioning	413.3	408.2	1.3
Risk provisioning from the operating business[3]	– 78.6	– 61.4	27.9
Risk provisioning with reserve character[4]	– 98.8	– 35.0	>100
Operating result	235.9	311.7	– 24.3
Taxes	– 136.1	– 215.7	– 36.9
Net profit after tax	99.8	96.0	4.0

Key figures	%	%	ppts
Equity ratio (according to CRR)	22.7	18.3	4.4
Common equity tier 1 capital ratio (according to CRR)	20.9	17.1	3.8
Cost-income ratio[5]	66.3	66.5	– 0.2
Liquidity coverage ratio	237.0	262.6	– 25.6

Ratings	Standard & Poor's[6]	Fitch Ratings (group rating)
Long-term rating	A+	AA–
Short-term rating	A–1	F 1+
Outlook	stable	stable
Covered bond rating	AAA	–

1) Deviations possible due to rounding differences.
2) Including current income from shares, fixed-interest securities, investments and shares in affiliated companies as well as income from profit transfer agreements.
3) This includes individual risk provisioning measures for the customer lending business as well as for financial instruments and shareholdings.
4) This includes risk provisioning measures which do not concern individual risks, as well as releases from and allocations to the funds for general banking risk and provisioning reserves.
5) Ratio of operating expenses and operating income. Operating expenses include general administrative expenses as well as other operating expenses. Operating income includes net interest income, net commission income and other operating income.
6) Issuer credit rating as at November 2025.

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To our Members and Clients

Dusseldorf, 10 March 2026

Dear Members, Customers and Business Partners,

The events of last year and this year so far have shown once again how volatile the geopolitical situation has become, with new uncertainties emerging on an almost daily basis. Nevertheless, we should not overlook the fact that there has also been progress, for example, in medical research, in international cooperation, and in the determination of many people to defend fundamental democratic values.

Three guiding principles seem particularly helpful to me in these times: We should act decisively instead of hesitating, spread confidence rather than reinforcing uncertainty, and work together instead of each for themselves. Community creates stability – and courage!

The fact that the United Nations declared 2025 as the International Year of Cooperatives confirms our belief that cohesion is the key. UN Secretary-General António Guterres summed it up perfectly when he said that cooperatives are part of the solution in challenging times. We couldn't agree more. In times of economic and social tension, cooperatives are reliable beacons of stability. Our Bank is precisely that kind of community.

We intend to remain a reliable partner for you going forward. Following the completion of our Agenda 2025 strategy programme, we have therefore set ourselves new goals: With Primus 2028, we are pooling our resources to become the first port of call for all health care professionals in the coming years.

Looking back: Agenda 2025

Our clear goal with Agenda 2025 was to become faster, leaner, and stronger in the interests of our members and customers. For three years, we rethought, simplified and streamlined our processes to focus on the essentials. We divested ourselves of activities that did not fit our business model and reorganised our service and sales operations.

The results are impressive:
- New business with start-ups rose by 18 percent in 2025.
- New real estate loans increased by 40 percent.
- In asset management we raised €1.3 billion in new funds.
- Our deposit volume continued to grow – an increase of more than 55 percent compared to 2022.
- Our banking app received excellent reviews from the start.
- Despite investments of almost €130 million euros, the cost-income ratio remained below our defined upper limit of 70 percent.

In a nutshell, the Bank is back in shape. At the Annual General Meeting we will therefore propose a dividend payout of six percent for 2025.

This progress would not have been possible without our employees. Over 2,300 colleagues have demonstrated their stamina, discipline and team spirit. That deserves recognition.

Their commitment is also reflected in customer satisfaction, which has increased to 69 percent. We still have some way to go, but we have earned trust, and will continue to work towards reaching our goal.

Looking forward: Primus 2028

Agenda 2025 proved that apoBank can run both sprints and marathons. When it comes to Primus 2028, we need to keep up that decisiveness and stamina. It is our clear ambition to become the leading financial partner for all healthcare professions.

Our formula for this is 50 – 20 – 10. That means we aim to:
- support more than half of all start-ups launched by self-employed health care professionals,
- achieve a deposit volume of €20 billion by the end of this decade,
- and gain 10,000 new customers annually among salaried and prospective health care professionals.

To achieve these goals, we are focusing on four aspects: win, inspire, shape, strengthen.

Win
We will continue to combine personal advisory services in our branches with digital alternatives, strengthen our advisory expertise, and expand our range of services with the aim of reaching more customers. Our new private banking advisory centres play an important role here, as does our mobile financial sales organisation for academic health care professions, the largest in Germany.

Inspire
Banking should be both simple and enjoyable, with better digital products, clear processes, reliable agreements, and continued individual advice where needed.

Shape
We will enhance our IT systems further to be even more customer-focused and efficient and feature more cloud-based applications. Artificial Intelligence will take over routine tasks, giving our advisors more time for what matters, i.e. individual contact to customers.

Strengthen
We aim to further expand our capital base, gain new members and create the basis for long-term growth.

Together with you

Germany faces the challenge of creating a robust health care system going forward. apoBank can do its part with stable loans, our extensive experience and by taking responsibility.

For us, this responsibility includes the topic of sustainability. Everyone can contribute to this, and together we can make even better progress. We have expanded apoBank's product portfolio for our customers to give greater consideration to environmental and social criteria. When they use our products and services, it sends an important message to members of society.

Thank you for your trust last year. Let's continue our journey together.

Yours sincerely

Mit den besten Grüßen

Matthias Schellenberg
Chair of the Board of Directors, Deutsche Apotheker- und Ärztebank eG

Report of the Supervisory Board

The Supervisory Board fulfilled its duties in accordance with the law, regulatory requirements, the Articles of Association of Deutsche Apotheker- und Ärztebank eG and its internal rules of procedure in the year under review. It exercised its supervisory function and adopted the resolutions within its jurisdiction. This included discussing the mandatory audit in accordance with Section 53 of the Cooperative Societies Act. In addition, the Supervisory Board examined the separate non-financial report in accordance with Section 289b of the German Commercial Code (HGB), which the Genoverband e.V. had submitted to an audit.

Due to the industry and specialist expertise of its members, as well as their experience, the Supervisory Board as a whole has sufficient competence to fulfil its purpose; this also includes the areas of accounting and auditing of annual financial statements. The Supervisory Board assessed these requirements as part of a self-assessment in accordance with Section 25d para. 11 nos. 3 and 4 of the KWG (German Banking Act) in particular. The statutory requirements in accordance with Section 36 para. 4 of the Cooperative Societies Act (Genossenschaftsgesetz, GenG) are also fulfilled.

At regular meetings, the Board of Directors informed the Supervisory Board as well as its committees about apoBank's business performance, risk, net assets and financial position, its earnings situation as well as about special events. At its four regular meetings in the year under review, the Supervisory Board gained an insight into the Bank's current economic situation, progress on implementation of the Agenda 2025 strategy programme, the launch of its successor programme Primus 2028 as well as into risk management and IT – with a particular focus here on current IT projects. The Supervisory Board also received detailed reports on the provider change for IT operations as well as the associated necessary relocation of the two data centres. In addition, discussions were held in 2025 about bundling sales activities with the AXA Konzern Aktiengesellschaft. The Supervisory Board also held an extraordinary meeting for this purpose.

In other meetings, including the strategy meeting, the Supervisory Board addressed the market situation and the Bank's equity and debt exposure to clearing centres as well as the acquisition of a stake in the clearing sector. In its strategy meeting, the Board also received detailed reports on the development and the planned implementation of Primus 2028 as well as selected measures to be taken as part of it.

The meetings of the Supervisory Board were prepared and further details discussed at 23 ordinary committee meetings and three extraordinary committee meetings, namely of the Loan and Risk Committee, the Nomination and Presiding Committee, the Personnel Committee, the Audit Committee, the Remuneration Control and the IT and Digitalisation Committee as well as at a joint session of the Loan and Risk Committee with the Audit Committee.

The Loan and Risk Committee, for example, addressed progress on the implementation of the framework for risk data aggregation and reporting (RDAR/BCBS 239), climate and environmental risks, third-party service provider management as well as the hospital and pharmacy portfolio in particular, in addition to the regular agenda topics it deals with.

The Nomination and Presiding Committee discussed in detail the strategy topics of Agenda 2025 and Primus 2028, the Personnel Committee addressed HR transformation at the Bank under Agenda 2025 and the Audit Committee dealt with the internal control units as well as the processes involved there.

The Supervisory Board created an IT and Digitalisation Committee in 2025 to strengthen the Board's expertise in the areas of IT and digital transformation. The committee is made up of five Supervisory Board members. In the year under review, it convened three times. In its first session, the members adopted an agenda with rules and procedures as well as a training plan for the following 18 months. They also gained an overview of the Bank's IT governance. In addition, during the past financial year, the committee dealt with issues such as the Digital Operational Resilience Act, the stability of IT operations including current IT projects, information security management, the management of third-party IT service providers and the strategies falling within its remit.

The Supervisory Board received comprehensive reports from all of the meetings of its respective committees. Outside of these meetings, too, the Chair of the Supervisory Board continued to regularly exchange information and ideas with the other members of the Supervisory Board as well as the Board of Directors.

In the year under review, the Nomination and Presiding Committee addressed potential conflicts of interest on the part of members of the Supervisory Board and Board of Directors that could influence their objectivity. After assessment, appropriate measures were taken to resolve them. No actual conflicts of interest were identified.

Genoverband e.V. audited the 2025 annual financial statements, including the management report. It confirmed the objectivity of its employees involved in the audit to the Audit Committee and the Supervisory Board. The results of this audit will be reported on in the Annual General Meeting on 24 April 2026. According to the unqualified audit certificate issued by Genoverband e.V., the annual financial statements and the management report are in keeping with the law and the Articles of Association.

The Supervisory Board received and critically examined the preliminary report on the statutory audit. At its joint session with the Board of Directors and the auditors, the Supervisory Board heard a report on the audit and scrutinised its findings. The Supervisory Board concluded that the annual financial statements were prepared and audited correctly and thus contributed towards correct accounting. The Supervisory Board was supported by the Audit Committee in monitoring the audit proceedings.

The Supervisory Board examined and verified the annual financial statements, the management report and the Board of Directors' proposal on the allocation of net profit. The audit did not give rise to objections. The proposal on the allocation of net profit – including profit carried forward – is in accordance with the Articles of Association. The Supervisory Board recommends that the Annual General Meeting approve the financial statements as at 31 December 2025, which were presented by the Board of Directors, and that it pass a resolution on the proposed appropriation of net profit.

The following changes were made to the composition of the Supervisory Board in the 2025 financial year: On the side of the shareholders, Fritz Becker stepped down from the Supervisory Board at the end of the shareholders' meeting. Thomas Preis was elected as a new member of the Supervisory Board by the Annual General Meeting, Dr. Andreas Gassen and Dr. Reinhard Urbach were re-elected. Following this, the Supervisory Board unanimously re-elected Dr. Karl-Georg Pochhammer to the office of Chair of the Supervisory Board at its constitutive meeting.

On the employee representative side, Lutz Schirmacher was appointed by judicial decree as a member of the Supervisory Board on 3 July 2025 as the representative of executive staff after Carsten Padrok had resigned from the Supervisory Board with effect from 30 June 2025. Lukas Kaster stepped down from the Supervisory Board with effect from 31 December 2025. He was succeeded by Thorsten Heit as a substitute member on 1 January 2026.

At the end of this year's Annual General Meeting, Marcus Bodden resigned from his role as employee representative on the Supervisory Board. Jens Marschner will succeed him as a substitute member. In addition, the terms of office of Susanne Wegner, Gerhard Hofmann and Dr. Thomas Siekmann are coming to an end on the shareholders' side. Re-election is possible; however, Susanne Wegner and Gerhard Hofmann are not standing. Therefore, in line with the recommendations of the Nomination and Presiding Committee, the Supervisory Board proposes that Finja Kütz and Britta Lehfeldt be elected to the Supervisory Board as shareholder representatives, in accordance with Section 24 para. 7 (1)-(4) of the Articles of Association of Deutsche Apotheker- und Arztebank eG.

The composition of the Executive Board remained unchanged in the 2025 financial year.

The Supervisory Board would like to thank the members of the Board of Directors and the entire workforce of apoBank for their good work, their trusting cooperation and their considerable personal commitment in 2025.

Dusseldorf, 27 March 2026

On behalf of the Supervisory Board
Dr. Karl-Georg Pochhammer

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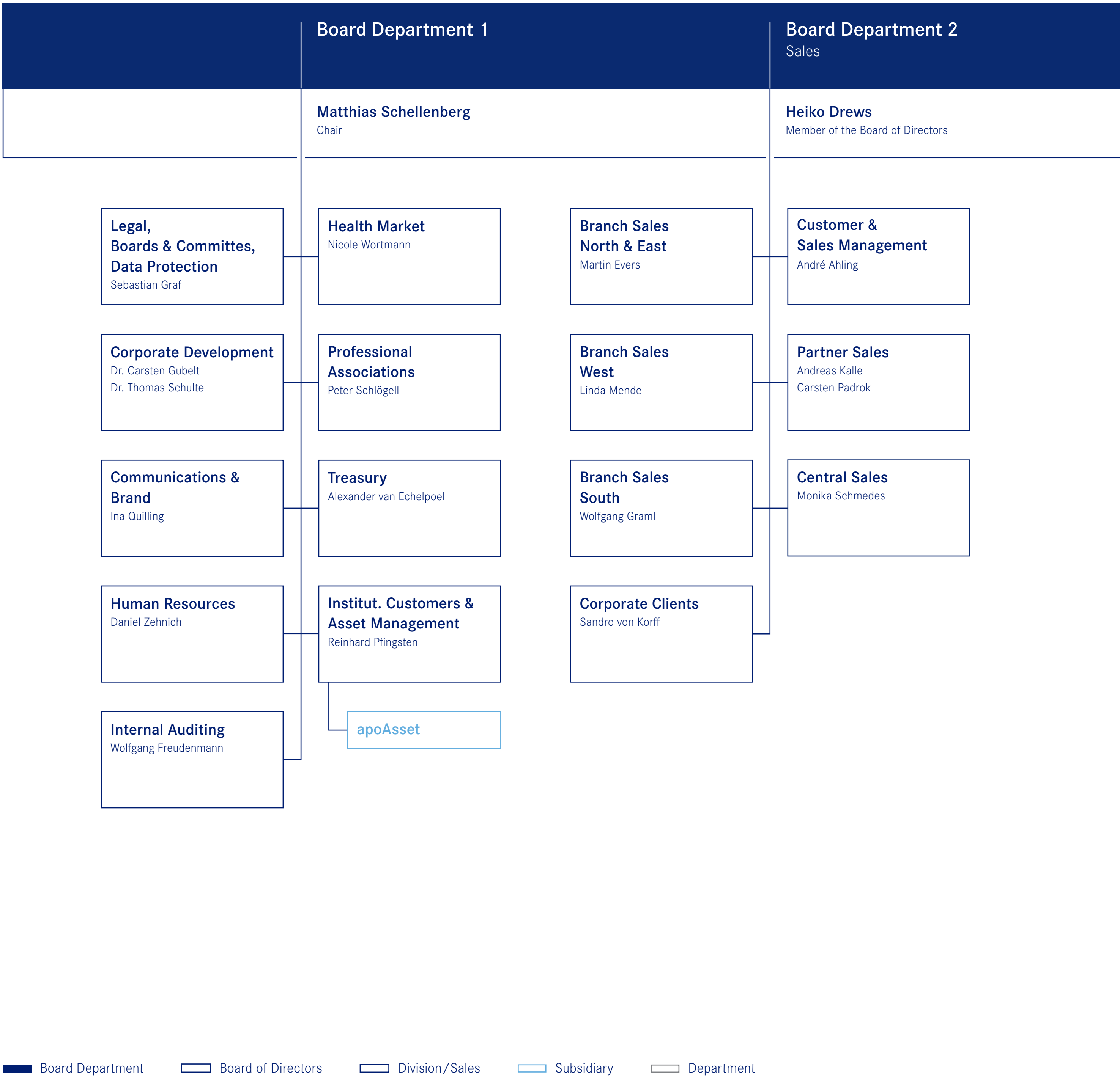
About apoBank

Board Departments

Organisational chart of Deutsche Apotheker- und Ärztebank eG



Board Department 3
Products, Processes & IT

Thomas Runge
Member of the Board of Directors

- **Information & Technology** – Lutz Schirmacher
- **IT Operations** – Andreas Teischl
- **IT Management** – Marion Bruns
- **Products & Processes** – Andreas Müller
- apoData
- apoDirect

Board Department 4
Risk

Sylvia Wilhelm
Member of the Board of Directors

- **Credit Management** – Ines Hochstetter, Dominic Toplak
- **Risik Controlling Financial Risk** – Björn Pawlik
- **Risik Controlling Non-Financial Risk** – Dr. Linda Urban

Board Department 5
Finance, Controlling & Bank Operations

Dr. Christian Wiermann
Member of the Board of Directors

- **Compliance** – Ulrike Voigt
- **Finance** – Verena Dierks
- **Overall Bank Controlling** – Michael Kaiser
- **Group Service** – Ricarda Kötting-Meurer
- Transformation Management – Carsten Werner

As at 1 April 2026

Board of Directors

Thomas Runge Sylvia Wilhelm Matthias Schellenberg Dr. Christian Wiermann Heiko Drews

Matthias Schellenberg, Chair

Heiko Drews, Member of the Board of Directors

Thomas Runge, Member of the Board of Directors

Dr. Christian Wiermann, Member of the Board of Directors

Sylvia Wilhelm, Member of the Board of Directors

Supervisory Board

Dr. med. dent. Karl-Georg Pochhammer
Chair
Berlin

Sven Franke[1]
Deputy Chair
Hanover

Fritz Becker, pharmacist (until 30 April 2025)
Remchingen

Marcus Bodden[1]
Essen

Dietke Bungenstock[1]
Hanover

Martina Burkard[1]
Würzburg

Mechthild Coordt[1]
Berlin

Stephanie Drachsler[1]
Munich

Dr. med. Andreas Gassen
Berlin

Günter Haardt[1]
Leubsdorf

Thorsten Heit[1] (since 1 January 2026)
Holzwickede

Dr. med. Torsten Hemker
Hamburg

Gerhard Hofmann
Berlin

Lukas Kaster[1] (until 31 December 2025)
Dusseldorf

Carsten Padrok[2] (until 30 June 2025)
Meerbusch

Thomas Preis, pharmacist (since 30 April 2025)
Dusseldorf

Ulrich Pukropski, auditor
Meerbusch

Christian Scherer[1]
Deidesheim

Lutz Schirmacher[2] (since 3 July 2025)
Meerbusch

Friedemann Schmidt, pharmacist
Leipzig

Dr. Thomas Siekmann
Neuss

Dr. med. dent. Reinhard Urbach
Wolfsburg

Susanne Wegner
Obertshausen

1) Employee representative.
2) Appointed by judicial decree.

Advisory Board

John Afful

Dr. Matthias Albrecht

Stephan Allroggen

Nico Appelt

Dr. Dilara Arslan

Peter Asché

Priv.-Doz. Dr. Martin Bansmann

Dr. Eric Banthien

Mark Barjenbruch

Dr. Andreas Bartels

Stefan Baus

Armin Beck

Dr. Markus Beier

Thomas Benkert

Prof. Dr. Dr. Christoph Benz

Dr. Frank Bergmann

Marc Beushausen

Dr. Kerstin Bienroth

Mark Böhm

Dr. Cornel Böhringer

Dr. Roswitha Borchert-Bremer

Karsten Brandstetter

Hanna Bunn

Dr. André Byrla

Dr. Kay Christensen

Dr. Peter Czeschinski

Frank Dastych

Prof. Dr. Harry Derouet

Dr. Michael Diercks

Christine Draws

Dr. Christian Ebersperger

Armin Ehl

Dr. Christine Ehrhardt

Prof. Dr. Axel Ekkernkamp

Dr. Brigitte Ende

Dr. Romy Ermler

Dr. Wolfgang Eßer

Michael Evelt

Christian Finster

Dr. Thorsten Flägel

Dr. Jan-Niklas Francke

Bernd Franken

Ursula Funke

Christiaan Johannes Gabrielse

Irene Gahn

Dr. Gerald Gaß

Prof. Dr. Ferdinand M. Gerlach

Anna Gommlich

Meike Gorski-Goebel

Rolf Granseyer

Dr. Karl-Ernst Grau

Dr. Jörn Graue

Stefan Groeters

Dr. Christiane Groß

Dr. Holger Grüning

Dr. Jürgen Hadenfeldt

Dieter Hanisch

Dr. Markus Hardt

Peter Hartmann

Dr. Margarete Heibl

Dr. Dirk Heinrich

Dr. med. Peter Heinz

Dr. Peter Heinz

Martin Hendges

Rudolf Henke

Jens Hennes

Dr. Christiane Hennig

Dr. Andreas Hessberger

Andreas Hilder

Dr. Reinhard Hoferichter

Dr. Armin Hoffmann

Dr. Stephan Hofmeister

Dr. Hans-Peter Hubmann

Dr. Klaus-Ludwig Jahn

Dr. Susanne Johna

Peter Kurt Josenhans

Nikolai Kamps

Dr. Knut Karst

Peter Klotzki

Dr. Jens Kober

Dr. Carsten Dieter König

Leonhard P. Kowalczyk

Dr. Sylvia Krug

Andreas Kruschwitz

Andrea Kruse

Dr. Michael P. Kuck

Dr. Conny Langenhan

Dr. Lea Laubenthal

Pascal Markus Lemmer

Florian Lemor

Prof. Dr. Anke Lesinski-Schiedat

Dr. Gunnar Letzner

Dr. Jörg Lips

Nicole Löhr

Dr. Jana Lo Scalzo

Dr. Heike Lucht-Geuther

Dieter Ludwig

Dr. Ellen Lundershausen

Trang Luu-Frieling

Dr. Ute Maier

Claudia Mairle

Dr. Niklas Mangold

Lothar Marquardt

Dr. Andrea Martini

Dr. Kathleen Menzel

Tobias Meyer

Klaudia-Adrijana Miletić

Dr. Christof Mittmann

Dr. Marc-Pierre Möll

Dr. Hans-Georg Möller

Janne Mudra

Dr. Markus Müschenich

Dr. Katharina Nebel

Marco Neisen

Christine Neumann-Grutzeck

Patrick Neuss

Dr. Hans-Jürgen Nonnweiler

Dr. Christian Öttl

Dr. Jens Palluch

Dr. Helmut Pfeffer

Dr. Christian Pfeiffer
Dr. Barbara Puhahn-Schmeiser
Tim Rabba
Axel Rambow
Dr. Klaus Reinhardt
Dr. Dorit Richter
Anke Richter-Scheer
Dr. Peter Riedel
Dr. Claudia Ritter-Rupp
Dr. Bernhard Rochell
Dr. Annette Rommel
Caroline Roos
Dr. Stefan Roßbach-Kurschat
Dr. Helmut Roth
Anke Rüdinger
Dr. Burkhard Ruppert
Franziska Scharpf
Freiherr Dr. Titus Schenck zu Schweinsberg
Günter Scherer
Dr. Björn Schittenhelm

Christian Schmidt
Dr. Jochen Schmidt
Thorsten Schmidt
Dr. Jürgen Schmitz
Dr. Sebastian Schmitz
Dr. Christina Schneider
Dr. Rüdiger Schott
Dr. Thomas Schröter
Dr. Bettina Schultz
Joachim Schütz
Dr. Holger Seib
Dr. Philipp Siebelt
Dr. Dirk Spelmeyer
Harald Spiegel
Dr. Martin Spukti
Dr. Philipp Stachwitz
Dr. Eberhard Steglich
Frank Steimel
Dr. Sibylle Steiner
Catrin Steiniger

Martin Sztraka

Carlos Thees

Dr. Uwe Tiedemann

Stefan Tilgner

Dr. Max Tischler

Dr. Torsten Tomppert

Axel Uttenreuther

Philipp van Hove

Dr. Peter Velling

Dr. Claudia Vogt

Dr. Michael Vogt

Dr. Moritz Völker

Dr. Carsten Vollmer

Udo von den Hoff

Anthea von Glahn

Dr. Ursula von Schönberg

Angelika von Schütz

Dr. Guntram Wagner

Ralf Wagner

Dr. Holger Weißig

Frank Wessels

Dr. Stefan Windau

Dr. Lothar Wittek

Ulrike Zethoff

Jürgen Ziehl

Honorary Position Holders and Honorary Members

Hermann S. Keller, pharmacist
Honorary Chair of the Supervisory Board, bearer of apoBank's Karl Winter Medal and honorary member of apoBank

Dr. med. dent. Wilhelm Osing
Honorary Chair of the Supervisory Board and honorary member of apoBank
(† 2 March 2026)

Berthold Bisping
Honorary member of apoBank

Dr. med. dent. Wolfgang Eßer
Honorary member of apoBank

Jürgen Helf
Honorary member of apoBank

Dr. med. Ulrich Oesingmann
Honorary member of apoBank

Dipl.- Betriebswirt Werner Wimmer
Honorary member of apoBank

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Management Report

Fundamental Features of the Bank

Business model

Catering for the health care market

apoBank is a cooperative full-service bank. Its business strategy is tailored to the special requirements of health care professionals and the health care market in order to leverage the growth opportunities the market offers.

As a cooperative, the business purpose of apoBank is to support its members – specifically health care professionals as well as their organisations and institutions – in developing their businesses. The fair participation of our members in the Bank’s business success over the long term is therefore also central to our goals.

In our retail clients business, we support academic health care professionals during their training, throughout their careers and in retirement in implementing their professional and private projects, as well as other selected customers, small companies and medical care structures. When it comes to professional associations and large customers, we advise associations of panel doctors/dentists, medical and pharmaceutical associations, chambers and federations, institutional organisations in the health care sector, professional capital investors as well as larger companies and care structures in the health care market. These include operators of pharmaceutical, medical, veterinary, dental, inpatient and nursing care structures.

We offer our customers a wide range of financial and advisory services in payment transactions, in the lending, deposit and investment business, as well as in asset management. We round off our offering with additional services for our customers’ various needs – in the health care environment in particular, but also in their private lives.

Strategy and goals

apoBank aims to be a financial partner of preference to its customers and to take on responsibility in the health care market. Our strength and our potential lie in our offerings for salaried and self-employed health care professionals, their organisations as well as for companies and care structures in the health care market. We aim to further strengthen the core of our business model and dedicate ourselves even more specifically to the needs and satisfaction of our customers. We achieved this in the year under review by further optimising the quality of our advisory and customer services, for example we launched a new banking app.

While ensuring that our members participate in our business success, we also intend to continuously strengthen our capital and reserves so that we can finance our growth using our own resources. This also means limiting our cost base in the long term so that we can further increase our profitability and competitiveness.

In the year under review, apoBank focused on implementing and completing its Agenda 2025 strategy programme. Within this context we finetuned our sales organisation. We once again intensified our services for students and strengthened our partner sales organisation with the merger of the sales companies Deutsche Ärzte Finanz and apoFinanz. In addition, we further optimised our bank processes and our IT infrastructure. As a result, both customer and employee satisfaction increased noticeably. Our new Primus 2028 strategy programme is designed to generate growth in the customer business and puts our customers centre stage. The goal is to become the “number one for all health care professionals” by further consolidating our market position with self-employed health care professionals and at the same time focusing more strongly on expanding our business with salaried health care professionals. To achieve this, we plan to use digital offerings in addition to our personal advisory services.

The special nature of our business model
For over 120 years, apoBank has been active as a financial institution in the health care market. In our estimation it has wide-ranging knowledge of the professions involved as well as the market itself. We train our employees, and in particular our customer advisors, not just in bank-specific topics, but also in the structures and trends in the health care sector. The combination of banking expertise and knowledge of the environment health care professionals operate in as well as of the health care market itself is fundamental to apoBank's business model, providing special value added for our customers. This is reflected in steadily increasing customer numbers, the growing number of members overall and our high share in the business start-up financing market, among others.

In addition, apoBank offers products and services that go beyond the business of banking. These include, for example, sector-specific advice, in particular on business start-ups and new practices as well as business optimisation of practices and our own platform for buying and selling practices and pharmacies.

In sales, apoBank also offers partner products and services where needed. We are a member of the Cooperative FinanzGruppe and have business relations with other group members. apoBank also leverages its partnerships with various (financial) organisations active in the health care professions sphere, it fosters close connections with the organisations and other stakeholders in the health care sector and cooperates with network partners.

Another characteristic feature of apoBank's business model which is geared to the health care market is its ability to assess the risks of this sector. This is based on many years of knowledge of the health care market and our customers in inpatient and outpatient health care, the availability of extensive solid historical data as well as our risk measurement systems. These are aligned with the conditions and characteristics of the health care market and in particular with our self-employed and our salaried customers.

Our service model
We consistently place our customers, their goals and needs at the centre of everything we do, following our conviction that trusting and stable customer relationships are the key prerequisite for successful collaboration.

We tailor customer support to individual needs, providing intensive and personal advice on complex topics. In addition, we offer our customers fast, direct and easy access to our banking services. In this context, we are constantly expanding our digital channels and our apoDirect customer centre.

We offer integrated advisory services that provide solutions to the variety of challenges faced in health care professions and in the health care market, always with the lifelong needs of our customers in mind. We are health care specialists and thus familiar with our customers' current issues and their specific challenges. By adopting this long-term perspective, we aim to deliver the right solution to our customers at all times.

We support people in academic health care professions with services and products relating to their careers as well as all aspects of business start-ups, asset management and provisioning. We plan to further substantially expand the assets business, primarily by considerably growing our securities advisory services for retail clients and our asset management in particular. For this purpose, we apply our own knowledge and the expertise of our shareholding Apo Asset Management GmbH, Dusseldorf, which specialises in the administration and management of securities funds for retail and institutional customers.

In the corporate clients business, apoBank acts as a strategic partner to the operators of outpatient and inpatient care as well as to companies active in the health care market, including clearing centres and real estate funds.

Sustainability at apoBank

In addition to economic sustainability, questions of environmental and social sustainability are getting increasingly important when it comes to generating value. We see ourselves as a company that is aware of the responsibility it bears towards society. We therefore act in line with ethical and moral principles, which we have documented in our internal code of conduct. We take responsibility for sustainable ecological and social development, both in our own business operations as well as in developing products and services for our customers.

In 2025, we continued with the implementation of our sustainability strategy. It is embedded within our strategy structure and our control systems as a Bank-wide substrategy and is binding for all employees. A dedicated ESG Committee (ESG = environment, social, governance), in which the Board of Directors of apoBank is closely involved, has been set up to monitor the Bank's progress towards becoming more sustainable.

The primary objective of apoBank's sustainability strategy is to further reduce the impact of its business activities on the environment, support its customers in becoming more sustainable and increase its attractiveness as an employer. This is why our strategy includes measurable goals and associated actions to help us reach these targets, for example by making our business operations more sustainable, too. Within this context, we will reduce the carbon emissions of our business operations based on our decarbonisation strategy. We will also reduce financed emissions, i.e. emissions by our customers that result from the operation of practices, pharmacies or real estate financed by us, for example through better conditions for financing energy-efficient new-builds or retrofits. In addition, we offer our customers advisory services to help them found and optimise their practices and pharmacies according to environmental criteria. In our consultations and workshops, we also address the topics of climate protection and climate adaptation, for example, and thus key aspects of a health care system that is adapted to climate change.

Control system

Management and control at apoBank is based on the annual strategy process, during which the strategic goals are set for a period of five years. Specific sales targets and cost budgets are defined in the Bank's medium-term planning in order to achieve the financial targets. In turn, the medium-term planning forms the basis of operational business planning for the subsequent financial year.

For the Bank as a whole, the following key financial and non-financial performance indicators as well as risk indicators were defined in the control system in the 2025 financial year.

Financial performance indicators

Operating profit before risk provisioning

For this key figure, the net balance is calculated for the items of net interest income and net commission income, general administrative expenses, as well as other operating income and expenses.

Cost-income ratio

This refers to the ratio of operating expenditure to operating income. It is our strategic objective to achieve a long-term cost income ratio of under 70%.

Regulatory total capital ratio

We have set ourselves a regulatory total capital ratio of at least 15.25% as an early warning limit.

Non-financial performance indicators (sustainability indicators)

Client satisfaction

The satisfaction of our retail clients rose again and amounted to 69% in the year under review (2024: 62%), thus exceeding our target of at least 60%. The satisfaction level of professional associations and large customers reached 84%[1]. We are continuously developing measures to further increase the overall satisfaction of our customers. We use surveys to regularly track their success.

Organisational Commitment Index (staff satisfaction)

We use the Organisational Commitment Index (OCI) to measure the degree to which employees identify with apoBank. In 2025, it reached 80 index points, which is well above the previous year's figure (2024: 74), higher than our target level of 70 and above the average of 73 in our cohort (more than 100 companies, primarily German financial institutions). apoBank is continuously working on measures to maintain this level.

Proportion of women

It is important to apoBank to recruit people with different talents, qualifications and social skills to join the team. It is within this context that the priority given to recruiting women for management positions and promoting their development is to be seen. For the first and the second management level, the target was set at 25%. For further details on this topic see the section "Information on the proportion of women".

Our management system includes further key performance and risk indicators (KPIs/KRIs), in particular concerning CO_2 emissions from financing, e.g. the economic and physical emission intensity.

Material risk indicators

Capital adequacy

Normative perspective

Compliance with the regulatory key equity figures, e.g. total capital ratio and common equity tier 1 (capital) ratio, is monitored over a rolling period of at least three years. We have set a total capital ratio of at least 15.25% as an early warning limit.

Economic perspective

The economic capital ratio sets the risk cover potential (in essence the common equity tier 1 (capital) ratio as well as economic valuation reserves) against the economic risks (confidence level of 99.9%).

1) Measured every two years.

Liquidity adequacy

Normative perspective
The key parameter here is the liquidity coverage ratio. To calculate it, highly liquid assets are placed in relation to net cash outflows under stress cases as defined by the regulator (early warning limit: 130%). In addition, longer-term refinancing capability is monitored using the net stable funding ratio (early warning limit: 110%).

Economic perspective
The liquidity gap analysis is used to measure the economic insolvency risk. It maps all liquidity inflows and outflows for a period of twelve months. Intra-day liquidity analyses complement the short-term risk analysis. We apply the refinancing analysis to monitor long-term solvency based on an observation period of more than one year. In the economic perspective, the key figure "ECB-eligible marketable assets" has been added to the monitoring process. This key figure helps to secure the liquidity stock by defining a minimum level of ECB-eligible marketable assets.

Information on the proportion of women

Increasing the proportion of women in the two upper management levels below the Board of Directors is one of our strategic goals. We aim to increase the share of women on the first and the second management level to 30% and 35% respectively by 31 December 2030.

In the reporting year, the first management level included the divisional directors, the division managers at head office and the sales region managers. The second management level encompasses the department managers at head office, the market region managers, the regional managers Sales Partner Liaison and Support and Corporate Clients as well as the managers of regional asset management and regional loan management.

As at 31 December 2025, the proportion of women at the first management level was 27.6% (31 December 2024: 26.7%) and 23.3% at the second level (31 December 2024: 23.2%).

As at the reporting date 31 December 2025, the share of women on the Supervisory Board of apoBank was 25% (31 December 2024: 25%) and 20% (31 December 2024: 20%) on the Board of Directors. The targets the Supervisory Board set for both bodies were thus met.

Personnel report

For apoBank, reconciling work and family life is a central concern. We have therefore created needs-based, practical offerings for employees, which enable them to balance professional and family obligations. A family service helps and advises employees in their search for childcare or eldercare options for their families. The family service also offers an extensive Germany-wide school holiday programme for children.

For employees in Dusseldorf and their children from six months to six years old, 40 spaces are available in a number of daycare centres throughout the city. The Bank also offers spaces in daycare centres in other regions.

Since 2008, apoBank has been participating in the "audit berufundfamilie", which examines to what degree our personnel policy takes into account family needs. The Bank has continued to set itself new goals for a healthy work-life balance for its employees and for managing employees from a life-phase perspective. apoBank received this certificate in December 2023 for a period of three years.

With offerings such as mobile work, flexible work time models, and workations, apoBank enables its employees to organise their work in alignment with the needs of their individual life stage.

We offer seminars and programmes for women to help them define where they are at professionally, to develop individually and to plan their careers. apoBank's year-long internal mentoring programme "Frauen fit für Führung – F^4" (getting women fit for leadership) is taking place each year with a new group of participants.

With our programme apoDrive, we prepare future leaders for their first management position. At the same time, we are intensifying our efforts to find, qualify and deploy adequate candidates for positions at management level.

In line with the requirements of the European Banking Supervision Authority (EBA), the Board of Directors adopted a diversity guideline in 2018 to increase the diversity of the workforce and the pool of successor candidates for management positions. The diversity guideline was updated and passed by the Board in 2025.

In assessing diversity, apoBank follows the criteria defined by EBA (age, education and professional background, geographical origin and gender). In our diversity guideline, we point, among other things, to apoBank's offerings around various aspects of career planning as well as measures we intend to take to ensure equal treatment and opportunities for all employees.

Economic Report

General economic conditions

Global economy continues on moderate growth path

The global economy saw solid growth in 2025. The forecast growth rate for the year as a whole was 3.3%.

In the euro area, the economy grew moderately in 2025 according to forecasts. Following a boost in exports at the beginning of the year, it benefited from lower energy prices and favourable financing conditions. For Germany, however, only modest growth is expected for 2025, given the context of trade tensions with the US, which are having a negative impact on exports. In addition, private households are holding back on consumption.

In the US, stable domestic demand combined with a high level of commercial investment on the back of the AI boom led to a solid rise in value creation, which offset the negative impact on growth caused by the tariff increases.

Economic growth in emerging markets also remained robust in 2025, with the exception of China, where the economy suffered from a combination of an impending crisis in the real estate sector and low consumer confidence. Inflation rates largely returned to normal in many parts of the world. In Germany and in the wider euro area, the inflation rate dropped to only slightly below or to the European Central Bank's (ECB) target rate of 2%. In the US, however, the inflation rate rose in the second half of the year as companies had gradually begun to pass the increased tariff costs on to consumers.

GDP growth in % compared to the previous year

	2025 (expected)	2026 (expected)
	%	%
Germany	0.2	1.1
Euro area	1.4	1.3
USA	2.1	2.4
China	5.0	4.5
Industrial countries	1.7	1.8
Emerging markets	4.4	4.2
World economy	3.3	3.3

Source: International Monetary Fund (IMF)

Central banks in Europe and US ease restrictive monetary policy

The ECB reduced its key interest rates, i.e. the deposit facility rate, the main refinancing operations rate and the marginal lending facility rate, a total of four times in the course of 2025, with the deposit facility rate falling from 3.0 to 2.0%. This was the result of progress made in bringing inflation down towards its target. In the US, the Federal Reserve reduced the key interest rate corridor three times in the second half of 2025 to between 3.5 and 3.75% by the end of the year. The reason for these reductions was the further weakening of the US labour market in the second half of the year.

Global financial markets end the year with gains

Global share markets posted respectable growth in 2025. For example, the MSCI All Countries World Index rose by around 6% in euro terms over the course of the year. A particularly strong rise in share prices was seen on the technology-heavy Nasdaq-100. Once again, this can be attributed mainly to advances made in artificial intelligence. For the year as a whole, the Index recorded an increase of about 21% in US dollar terms. The German benchmark index DAX rose by about 23% despite the low economic growth.

Trends varied on government bond markets. In the US, yields on ten-year securities fell over the year, as signs of cooling on the US labour market intensified and expectations of weaker growth increased. This contrasted with the euro area, where yields on government bonds increased. Yields jumped in Germany following the government's decision to approve an extensive fiscal package. French yields grew as a consequence of political uncertainty over fiscal growth, sometimes quoting higher than their Italian counterparts. Compared to 31 December 2024, yields on European government bonds increased in line with more stable economic growth in the euro area than had been expected. The decline in price is disadvantageous for investors whose portfolios already included government bonds, since the value of the bonds fell while the coupon remained constant.

Recovery in real estate market continues

Real estate prices continued to stabilise in 2025. Prices for the third quarter of 2025 increased by 3.6% year on year. Residential property prices rose 3.8%, while commercial property prices increased by 2.8% in the same timeframe. All in all, therefore, we can observe a price rise in the property sector that has been ongoing since 2024. In the top seven cities (Berlin, Cologne, Dusseldorf, Frankfurt/Main, Hamburg, Munich and Stuttgart), property prices increased by 4.6% on average, which can be attributed to strong demand and points to worsening housing shortages in these cities. Newly contracted rentals for office properties also rose slightly compared to the same quarter in the previous year. These complete the picture of price stabilisation in the real estate sector.

Health care market

Health care policy in standby mode

Since the beginning of the current legislative period, German Health Minister Nina Warken has initiated the legislative process for seven projects, most of which are still in the early stages of procedure. In 2025, the focus was on stabilising the finances of the statutory health insurance system (GKV) via an act to expand powers and reduce bureaucracy in nursing care (Gesetz zur Befugniserweiterung und Entbürokratisierung in der Pflege, BEEP). This act required the Mediation Committee to be convened for the first time in this legislative period, since the proposed savings measures primarily affect hospitals. Based on the committee's recommendation, the Bundestag and Bundesrat reached an understanding and passed the act. But despite these steps, there is still no plan in place for ongoing financing of the health care system. The GKV Finance Committee that has been brought together is required to submit suggestions on this by the end of March 2026.

Heterogeneous financial situation among health care professionals

Expenditure by statutory health insurance on panel doctors and psychotherapy practices increased by 7.6% or €2.9 billion in the first three quarters of 2025. How their income developed in individual cases depends on the association of panel doctors they are members of and their field of specialisation.

With regard to dentistry, the coalition agreement provides in particular for the regulation of investor-operated medical care centres (MVZ), greater involvement in needs planning in underserved regions, and the promotion of preventive measures. Whether these undertakings are actually implemented and, if so, to what extent, remains open.

The situation in the pharmacy market remains tense. Although the coalition agreement approved key actions to bolster the pharmacy profession, the fee increase that it included will, in particular, not be implemented in the initial stage.

Health care sector in 2025: Companies under cost and reform pressure

The hospital reform came into effect in January 2025, but only slow progress has been made on its implementation. One contributing factor is the showdown between the federal and state governments with regard to the Hospital Reform Adjustment Act (Krankenhausreformanpassungsgesetz). Central elements such as standby capacity financing have been deferred. The economic situation of hospitals remained tense last year. To offset the major inflation-driven increases in operating costs, the sector has received €4 billion of emergency assistance in the form of invoice surcharges since November 2025.

The nursing care market saw contrasting trends. There were a large number of closures in 2025. The trend towards consolidation continued, with major operators experiencing growth, while smaller providers disappeared. Demand remained stable, especially for outpatient care and assisted living, which also attracted investors. In the course of the year, more than 230 nursing homes were under construction and more than 400 were in the planning stage. Pressure came from a shortage of skilled workers and rising operating costs.

The pharmaceutical industry once again proved robust. There was slight growth in production and capital investment, while the sector invested heavily in R&D. US trade policy was a source of uncertainty. The medical technology sector expected a 3.1% upturn in volume, but profits were under pressure as a consequence of rising costs of bureaucracy, medical product certification under the Medical Device Regulation (MDR) and energy. At the same time, digital transformation, the use of AI and sustainability were defining topics for the sector.

Business performance

Challenging business environment

During the reporting period (1 January to 31 December 2025), the business environment for banks saw subdued economic growth in Germany and ongoing uncertainty. The key factors here were geopolitical tensions and the erratic tariff policy of the US with its negative impact on global trade. Interest rates, which fell compared to 2024, put net interest margins under pressure. These challenges were exacerbated by growing demands from banking customers regarding digital financial services and strong competition among banks and new market players offering financial services. The challenge remains for banks to stabilise and differentiate their sources of revenue, as well as to optimise their cost structure while at the same time investments in processes and technologies, some of which are dictated by the regulator, are necessary.

Good operating result

As scheduled, apoBank brought its Agenda 2025 strategy programme to a conclusion during the reporting year. The goal of Agenda 2025 was to strengthen our sales activities, improve the advisory and service experience for customers, optimise products and processes, and thus increase the Bank's resilience. Structural successes of the strategy programme can be seen in areas such as the further improvement in customer satisfaction in addition to the financial metrics.

In accordance with our statutory purpose, we supported our members and customers in achieving their professional and private goals by providing them with our specialised banking services. As at the reporting date, we had grown to 513,665 customers (31 December 2024: 505,947). The number of new members increased by more than 3,100 during the reporting period. Taking account of the number of members known to have died and those who gave notice and left at the end of the year, the net membership as at the reporting date was 111,591 (31 December 2024: 111,472), bucking the downward market trend at cooperative banks.

Regarding our operating result, we assess our business performance during the reporting period as good. At €413.3 million, profit before risk provisioning was above the €400 million mark for the third year in succession, despite continuing high levels of investment in the Bank.

Overall, apoBank generated a total net profit (after tax) of €99.8 million (31 December 2024: €96.0 million) as at the reporting date.

The balance sheet total was almost unchanged at €52.4 billion (31 December 2024: €51.8 billion). While loans and advances to customers also remained stable at €35.0 billion (31 December 2024: €34.7 billion), loans and advances to banks declined to €5.4 billion (31 December 2024: €7.7 billion); our securities portfolio rose to €11.0 billion (31 December 2024: €8.4 billion). On the liabilities side, there was a distinct increase in liabilities to customers, to €33.2 billion (31 December 2024: €30.3 billion). Liabilities to banks were largely unchanged compared to the previous year, at €11.8 billion (31 December 2024: €11.5 billion). Securitised liabilities decreased by almost half, to €3.3 billion (31 December 2024: €5.8 billion). Detailed information on the balance sheet items can be found from page 36.

Retail clients business

In the Retail Clients business area, we support the professional and private endeavours of customers in professional groups such as pharmacists, doctors, dentists, veterinarians and psychotherapists, as well as small businesses and care structures.

Loan portfolio stable

The loan portfolio in our retail clients business increased during the reporting period to €29.3 billion (31 December 2024: €28.7 billion). Strong new business resulted in the volume of business start-up financing increasing to €8.8 billion (31 December 2024: €8.5 billion), while the real estate loan portfolio amounted to €17.0 billion (31 December 2024: €16.6 billion). Investment and private financing declined slightly, with a volume of €3.5 billion (31 December 2024: €3.6 billion).

Higher average deposit volume

The average deposit volume of our retail clients during the year increased to €24.5 billion (31 December 2024: €22.7 billion). Active management of conditions for interest-bearing deposits is likely to have been the main contributor to this trend.

Asset management has a positive effect on the securities business

Because we increased our sales performance once again compared to the previous year and the market experienced positive growth, our customer deposit volume rose to a total of €16.0 billion (31 December 2024: €13.5 billion).

The volume of assets managed increased to €9.4 billion (31 December 2024: €7.7 billion), and newly procured funds amounted to €1.3 billion. The proportion of the deposit volume represented by asset management as at the reporting date was thus 58.5%.

Growth in life insurance business

We recorded positive growth in our life insurance business. At €554.6 million, the brokered volume as at 31 December 2025 was above the value for the previous year (31 December 2024: €509.5 million).

Collaboration with professional associations representing groups of health care professionals and occupational pension funds

apoBank supports professional associations representing all groups of health care professionals in the areas of finance and health care policy. These include the associations of panel doctors and panel dentists, the chambers as well as professional association-owned pharmacy clearing centres and professional federations.

This group of customers is of major strategic importance to apoBank. The Bank therefore continued its joint activities with the professional associations during the year under review and held networking events for health care professionals at its locations throughout Germany.

The average deposit volume was €3.9 billion in the reporting period (2024: €4.1 billion).

Individually tailored advisory services for institutional investors

Institutional investors include occupational pension funds for the health care and other liberal professions recognised by the chambers of commerce as well as other professional investors such as pension funds, insurance companies or municipal and church pension institutions.

In its institutional business, apoBank is further refining its profile for professional investors, offering individual investment solutions in addition to comprehensive advisory services.

Our advisory services are complemented by modular services for ongoing management and monitoring of our customers' capital investments as well as complying with regulatory reporting requirements.

Lending business with corporate clients

In its business with corporate clients, apoBank pools strategic advisory services to providers of outpatient and inpatient care such as hospitals, rehabilitation facilities and nursing homes, as well as to real estate funds. We offer tailored financing solutions for these customers. The Bank also assists companies in the health care market which are active in the areas of pharmaceutical wholesale and the pharmaceutical and medical technology industry as well as private clearing centres.

Despite a challenging market environment and continuing intensive competition, we kept the loan volume for corporate clients constant as at the reporting date, at €4.8 billion (31 December 2024: €4.9 billion). We see this as proof that we offer our customers reliable financing solutions even in difficult times.

Net assets, financial position and results

Income statement

	1 Jan – 31 Dec 2025 €m	1 Jan – 31 Dec 2024 €m	Change[1] %
Net interest income[2]	977.1	972.0	0.5
Net commission income	197.7	177.2	11.6
General administrative expenses	– 783.6	– 731.1	7.2
Balance of other operating income/expenses	22.1	– 9.9	n/a
Operating profit before risk provisioning	413.3	408.2	1.3
Risk provisioning from the operating business[3]	– 78.6	– 61.4	27.9
Risk provisioning with reserve character[4]	– 98.8	– 35.0	>100
Operating result	235.9	311.7	– 24.3
Taxes	– 136.1	– 215.7	– 36.9
Net profit after tax	99.8	96.0	4.0

1) Deviations possible due to rounding differences.
2) Including current income from shares, fixed-interest securities, investments and shares in affiliated companies as well as income from profit transfer agreements.
3) This includes individual risk provisioning measures for the customer lending business as well as for financial instruments and investments.
4) This includes risk provisioning measures which do not concern individual risks, as well as allocations to the funds for general banking risk and to provisioning reserves.

Qualitative terms and their quantification

Qualitative	Quantitative %
On/at the same level, constant, stable, unchanged, negligible/negligibly, marginal(ly)	0 to 3
Slight(ly), somewhat, moderate(ly)	from 3 to 6
Noticeable/noticeably, perceivably, clearly, distinct(ly), marked(ly)	from 6 to 16
Very clear(ly), strong(ly), clearly noticeable	from 16 to 33
Considerable/considerably, by more than a third, remarkable/remarkably, exceptional(ly)	from 33 to 50
Unparalleled, significantly	from 50

Net interest income held at previous year's level

At €977.1 million, net interest income was at the same level as in the previous year (2024: €972.0 million) and markedly higher than planned. Strong business in new loans, which reached €6.0 billion (2024: 5.0 billion), and a large number of measures to manage the banking book and portfolio A, and to draw up conditions, among other things, offset the sinking margin contributions in the deposit business that resulted from falling interest rates.

The net interest margin was 1.9% (2024: 1.9%).

Marked rise in net commission income

Net commission income rose markedly to €197.7 million last year (2024: €177.2 million). Revenues from the securities business with customers increased clearly on account of the positive developments in asset management. There was also a rise in brokerage commissions.

Commission expenditure for brokered loans associated with a lively lending business increased noticeably. On balance, the commission-based business performed somewhat better than planned.

Balance of other operating income and expenses positive

The balance of other operating income and expenses was €22.2 million (2024: -€9.9 million) and thus three times higher than planned. This was primarily due to the release of provisions. The previous year's balance had been burdened by arrears interest paid on back taxes.

Higher administrative expenses

General administrative expenses amounted to €783.6 million (2024: €731.1 million), and were thus slightly higher than planned.

Personnel expenses amounted to €300.0 million (2024: €267.8 million). This rise can be primarily attributed to higher wages, salaries, levies and taxes as well as allocations to provisions for company pensions. The latter effect in particular meant that the budgeted amount for personnel expenses was clearly exceeded.

Operating expenditure including depreciation rose to €483.6 million (2024: €463.3 million). The main reasons for this were higher expenditure on projects that primarily contribute towards the future viability of the Bank, and services. The contribution to the guarantee fund of the protection scheme provided some relief. All in all, operating expenditure including depreciation was more or less in line with our target.

The cost-income ratio was 66.3% (2024: 66.5%, somewhat better than planned due to the facts described above.

Stable operating result

The operating result, i.e. the profit before risk provisioning, amounted to €413.3 million (2024: €408.2 million), and was thus clearly higher than planned due to the developments described above.

Higher risk provisioning for the operating business

Risk provisioning for the operating business was at –€78.6 million (2024: –€61.4 million). One reason for the rise were higher net allocations to loan loss provisions, especially in the corporate client segment. We had planned for risk provisioning for the operating business to remain to a great extent unchanged compared to the previous year.

Risk provisioning with reserve character amounted to -€98.8 million (2024: -€35.0 million). We made an allocation in the high double-digit millions to the funds for general banking risk. We had budgeted for risk provisioning with reserve character in the mid double-digit millions.

Net profit up slightly

The bottom-line operating result before tax was €235.9 million (2024: €311.7 million), which was slightly below the planned amount.

Net profit after tax was approximately on target at €99.8 million (2024: €96.0 million).

The return on equity after taxes amounted to 4.8% (2024: 4.8%, the return on capital 0.2% (2024: 0.2%.

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Balance sheet total stable, liquidity situation remains comfortable

As at 31 December 2025, the balance sheet total remained almost unchanged compared to the end of 2024, at €52.4 billion (31 December 2024: €51.8 billion). Loans and advances to customers also remained stable at €35.0 billion (31 December 2024: €34.7 billion). Conversely, the securities portfolio increased very clearly to €11.0 billion (31 December 2024: €8.4 billion).

apoBank's liquidity situation remained comfortable in 2025. We exceeded internal and external minimum requirements for our liquidity position at all times. As a well-established market player with good credit ratings, apoBank secures funds for refinancing through various sources thanks to a broadly diversified customer and investor base.

Liabilities to customers represent the largest part of refinancing. In the reporting period, they were at €33.2 billion (31 December 2024: €30.3 billion), an increase of 9.5%. This also includes promissory note loans and registered bonds placed with our customers amounting to €1.6 billion (31 December 2024: €1.7 billion).

Our liabilities to banks amounted to €11.8 billion as at the balance sheet date (31 December 2024: €11.5 billion), the majority of which were loans from public development banks. In addition, we issue covered bonds (Pfandbriefe), unsecured bonds, as well as subordinated issuances, which we place with our institutional clients and on the capital market, among others.

The volume of our ECB-eligible securities rose to €7.6 billion (31 December 2024: €5.1 billion). In addition, €0.5 billion are invested in an LCR-eligible special fund.

The total volume of the Pfandbrief portfolio outstanding as at the balance sheet date was €3.5 billion (31 December 2024: €4.2 billion).

The hidden burdens of the securities in the fixed assets portfolio fell to €191.2 million (31 December 2024: €202.7 million), which is attributable to shorter residual terms and changes in the yield curve. We do not expect long-term decreases in value, as this primarily concerns interest-induced price drops.

The equity capital item is described in the section “Overall capital situation” in the risk management report. Details on the numbers of members can be found in the section “Good operating result”.

Assessment by external rating agencies

apoBank’s creditworthiness, in other words its ability and willingness to meet all its financial obligations fully and in a timely manner, is rated by Standard & Poor’s. In November 2025, the agency confirmed apoBank’s issuer credit rating of A+ and its stable outlook. apoBank’s senior unsecured bonds have an A+, senior subordinated bonds an A rating.

As apoBank is part of the Cooperative FinanzGruppe and a member of the cooperative protection systems, the ratings by Standard & Poor’s and Fitch Ratings for the Cooperative FinanzGruppe also apply to apoBank.

Summary

Conditions for the banking business remained challenging during the reporting period. apoBank completed its Agenda 2025 strategy programme as planned.

While net interest income remained stable, net commission income increased clearly compared to the previous year's level. General administrative expenses rose markedly. The Bank had to very clearly increase its risk provisioning for the operating business. We also formed reserves during the year under review – more than in the previous year and more than planned. Net profit after tax was slightly higher compared to the previous year.

We view the liquidity situation as comfortable in the reporting period.

Customer confidence in apoBank is also supported by the stability of the Cooperative FinanzGruppe and its integration into the protection systems provided by the Federal Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V., BVR).

Sustainability report

The Bank complies with the legal obligation to publish a non-financial report in accordance with Section 289b of the German Commercial Code (HGB) by issuing a separate report annually. The report can be found at www.apobank.de/nachhaltigkeit (in German only).

Risk Management Report

Principles of risk management and risk control

The main objective of apoBank's risk management is to secure the Bank's long-term existence. This implies that we have implemented appropriate methods, tools and actions to be able to reliably pay a dividend, as well as make allocations to reserves and invest in its future viability.

Risk management at apoBank includes the following material elements that contribute to achieving the objectives outlined above:
- the risk inventory as well as the ESG risk driver analysis,
- the business and risk strategy, including risk-type-specific sub-strategies,
- the Internal Capital Adequacy Assessment Process (ICAAP) including the stress test framework,
- the Internal Liquidity Adequacy Assessment Process (ILAAP) including the stress test framework,
- the organisation of risk management, including (recovery) governance.

On the following pages, we discuss each of these items in more detail. We then provide an overview of the development of the risk situation in fiscal 2025 and present our risk management objectives. apoBank's risk management system does not assess opportunities; it deals exclusively with risks.

Risk inventory

The full identification of all risks relevant to the Bank forms the basis for an adequately functioning risk management system. Here, the risk inventory, which has to be carried out at least once a year, and the New Product Process (NPP) complement each other.

In the risk inventory, we determine the risk profile of apoBank including potential risks from shareholdings, outsourced business operations and exposure to shadow banks. We also perform (risk) concentration analyses, and as part of the ESG (environment, social and governance) risk driver analysis we also analyse risk drivers for sustainability risks.

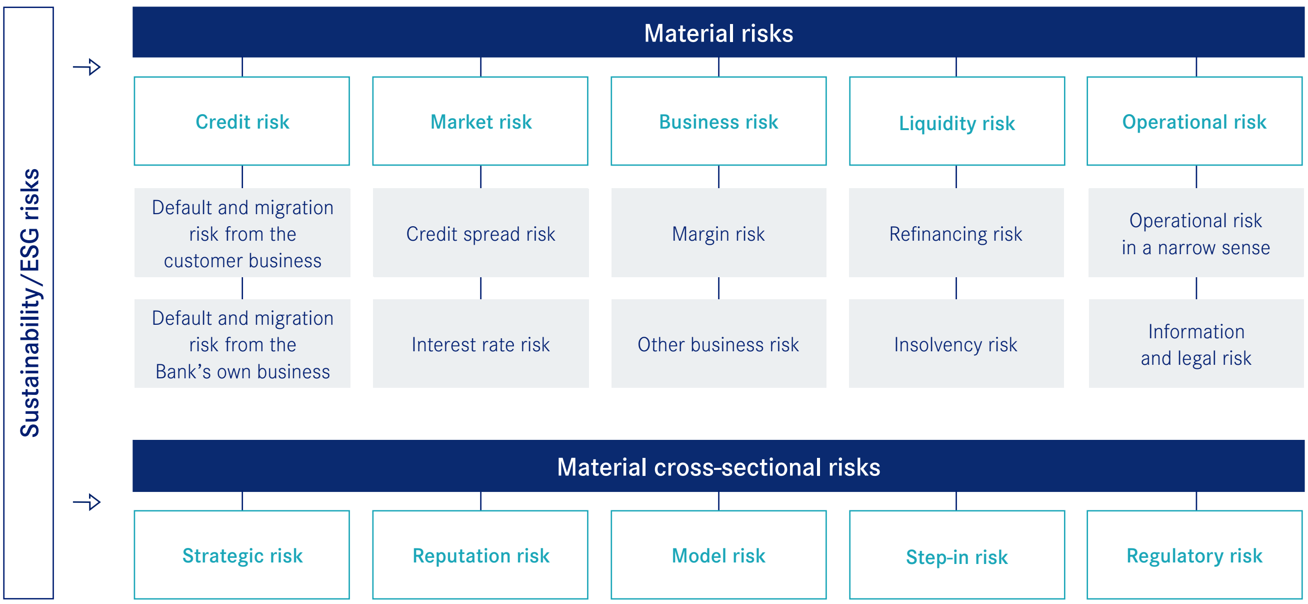
The core element of the risk inventory is the identification of material risks and cross-sectional risks that apoBank faces. We consider risks as material when, by virtue of their nature, scope and possible interaction, these risks can have a material impact on the Bank's capital and liquidity position. All identified risks are listed in the Bank's risk inventory and classified as material risk types.

According to last year's risk inventory, which is relevant for the 2025 fiscal year, the material risk types for apoBank are credit risk, market risk, business risk, liquidity risk and operational risk as shown in the diagram on the following page.

In addition to the material risk types that directly affect the Bank's capital and/or liquidity position, apoBank also examines risks that can have an indirect negative impact via the material risks. These risks are considered material cross-sectional risks. They are thus included in the risk control and risk measuring procedures of the material risk types. In this context, apoBank has identified strategic risk, reputation risk, model risk, step-in risk and regulatory risk as being material cross-sectional risks.

ESG risks do not constitute a separate risk type but are instead risk drivers that can impact on existing material risk types.

Types of risks at apoBank (aggregated representation)



Material risks

Credit risk

Under the heading of credit risk, the Bank includes the danger of potential burdens caused by anything from a deterioration in credit quality to partial or complete default by a borrower or contract partner. This includes in particular default risk (payment defaults, bad debts, etc.), migration risk (value-reducing deterioration in the credit quality of performing loans), settlement risk (risk when providing a service before payment), replacement risk (losses from the replacement of positions following counterparty default, e.g. in derivatives/securities lending), country risk (including transfer risks) as well as direct debit risk (risks from returns/non-redemptions).

Market risk

Market risk is comprised of interest rate risk, credit spread risk, and equity position risk.

Under interest rate risk, the Bank pools the threat of possible burdens that result from changes in interest rates and from market price volatilities for the Bank's positions.

Credit spread risk is the threat of possible burdens that the Bank may be exposed to due to fluctuations in credit spreads and which affect the economic value of the items in the banking book.

apoBank defines equity position risk as the threat of possible burdens that may arise from fluctuations in value of its equity positions (e.g. shareholdings).

Business risk

Under the heading of business risk, the Bank includes the danger of potential burdens caused by changes in valuations of existing margins (margin risk), real estate risk, the risk from provisions for pension obligations and other business risk. Other business risk is defined by the Bank first and foremost as potential burdens caused by an unexpected development of administrative costs and commissions.

Liquidity risk

Under the heading of liquidity risk, the Bank includes the danger of potential burdens caused by its liquidity position. A distinction is made between insolvency risk and refinancing risk.

Insolvency risk describes the risk of potential burdens arising for the Bank from liquidity-related matters which may lead to apoBank not being able to meet its payment obligations in whole or in part (volume-oriented liquidity risk).

Refinancing risk is defined by the Bank as the risk of potential burdens arising for it from a liquidity item that has not been closed in line with its maturity in combination with negative changes in liability spread conditions (price-oriented liquidity risk).

Operational risk

Operational risk includes the danger of potential burdens arising for the Bank as a consequence of inadequate or failed internal processes and systems, human failure or external events (operational risk in the narrower sense).

Operational risk also includes potential losses from events that lead to court action or legal disputes (legal risk) and potential losses arising from information risk.

Reputation risk as a material cross-sectional risk is explicitly included in this risk category.

Material cross-sectional risks

Strategic risk

Strategic risk describes the danger of potential burdens arising for the Bank as a consequence of long-term business decisions.

Reputation risk

apoBank understands reputation risk as the danger of potential financial losses due to disadvantageous actions by stakeholders (e.g. customers, members, employees, banking supervision authority) as a result of a deterioration in the perceived characteristics of the Bank.

Model risk

Model risk describes the danger of potential losses to the Bank as a consequence of decisions based mainly on the results of internal models that were defectively developed, implemented or applied. This includes inexpert model creation, insufficient checking of the suitability of internal models, mistakes in their implementation or application as well as the use of these models or their results for a purpose for which they were not intended or designed.

Step-in risk

Step-in risk describes the risk that the Bank may face burdens from providing financial support to non-consolidated business units, e.g. to avert reputational damage, even though it is not contractually obliged to provide support of any kind.

Regulatory risk

apoBank defines regulatory risk as potential burdens from unforeseeable regulatory requirements, especially with regard to recognising capital or liquidity components, and from increased capital or liquidity requirements.

Sustainability/ESG risks

ESG risks encompass social and governance risks in addition to climate and environmental risks. ESG risks are not a separate risk type for apoBank. Rather, they are potential risk drivers which refer to sustainability and can impact the Bank’s existing material risk types and cross-sectional risks, and here in particular reputation risk.

Climate and environmental risks are broken down into (acute or chronic) physical risks (financial losses resulting from the changing climate) and transition risks (financial losses resulting from the process of adaptation towards a reduced-carbon and more environmentally sustainable economy, including changes in market mood and market preferences). Social risks can occur for example in connection with the violation of labour standards (e.g. child and forced labour), discrimination, deficits in occupational health and safety, insufficient wages, as well as a lack of diversity. Governance risks encompass topics such as tax evasion, corruption, money laundering and insufficient transparency of information.

Business and risk strategy

The business and risk strategy is the overall representation of apoBank’s strategic direction for a time horizon of five years. The content is the outcome of the strategy process, which is carried out annually and additionally as required.

The principles of risk management and the overarching parameters for apoBank’s risk appetite are defined in the risk strategy. This strategy also includes the goals for risk control as well as the measures to achieve the risk strategy-related goals. Specific risk guidelines have been specified for the business of each of the Bank’s business areas. Compliance with these guidelines is monitored as part of overall bank management. The responsible decision-making bodies are informed by way of ongoing reporting about compliance with the risk guidelines derived from the general risk appetite, i.e. quantitative and qualitative specifications such as minimum requirements for ratings and restrictions on maturities or limits.

The risk culture is a key part of corporate culture for apoBank with regard to dealing with risks. In addition to standards of risk culture in the business and risk strategy as well as its code of conduct, the Bank has also developed a framework for risk culture. It conveys a common understanding of the term “risk culture” and of the risk culture desired by the Board of Directors.

Internal Capital Adequacy Assessment Process including stress test framework

Internal Capital Adequacy Assessment Process

The Internal Capital Adequacy Assessment Process (ICAAP) helps us to assess and monitor the adequacy of our internal capital in line with the regulatory and supervisory guidelines as well as the internal requirements. This process serves to continuously monitor apoBank's capital adequacy and encompasses the different key capital parameters as well as other parameters such as limits and warning thresholds for the material risks as well as the corresponding reporting with the relevant information and escalation mechanisms.

In line with the regulatory specifications of the ICAAP guidelines of the European Central Bank (ECB), apoBank's ICAAP comprises two perspectives – a normative and an economic perspective. In each of these, a capital parameter and a risk and/or exposure parameter are set against each other. Both perspectives aim to ensure the continuing existence of apoBank. They enable a sophisticated view of the capital adequacy of the Bank based on different parameters and observation periods. The sensitivity of the capital adequacy is considered based both on the expected development (basic scenario) as well as on unexpected adverse developments/stress developments. This is the case for both perspectives.

In the normative perspective, capital adequacy is presented and monitored based in particular on the different regulatory capital parameters (e.g. total capital ratio) over a five-year period. The starting point for ongoing capital adequacy monitoring in the normative perspective is the annual capital planning within the framework of the business and mid-term planning. On this basis, material realisations from regulatory/supervisory developments and current business performance as well as other measures and matters that impact the capital parameters are taken into account.

The economic perspective complements the normative consideration of capital adequacy. This perspective enables a consideration of capital adequacy which relates the economic value of the Bank at a specific time to all risks which are material to the Bank and are measured based on a sufficiently conservatively quantified confidence level of 99.9% and a holding period of one year, regardless of regulatory requirements. We quantify the risks without taking diversification effects between the risk types into account. We only consider diversification effects within risk types, and we only do that when they are sufficiently proven to be stable.

The economic capital considered in the economic perspective encompasses parts of the common equity tier 1 capital, hidden reserves and burdens from the Bank's assets as well as further economic measures of value that are available to it to compensate for future losses.

The capital adequacy calculation results in the economic capital ratio. This is the ratio of internal capital to the measured economic risks.

In addition to the gradated monitoring limits for the regulatory capital ratios and the economic capital ratio, the Board of Directors decides on limits and warning thresholds for the normative and economic Bank-wide limit risk. The limits and thresholds defined are spread across the risk-weighted assets (normative) and the material risk types (economic).

Stresstest framework

In addition to the basic scenario, the ICAAP includes various scenario calculations in which we consider the effects of unusual but plausible developments.

Five adverse scenarios are considered as part of the normative scenario:
- The “economic crisis” adverse scenario is based on the macroeconomic premises of the ECB stress test and looks at the effects of a multi-year economic crisis, under consideration of the individual risk profile of the Bank.
- The “business model crisis” adverse scenario maps out unexpected developments in the core markets resulting from the business model of the Bank.
- The “strategy crisis” adverse scenario addresses potential risks in connection with the Bank’s strategic focus.
- The “physical climate and environment stress” adverse scenario assumes a sudden and widespread flooding event in Germany, based on the ECB’s climate stress test from 2022.
- The “transitory climate and environment stress” adverse scenario looks at climate-related transition risks when political measures are introduced too late.

In the economic perspective, four Bank-wide stress tests were performed:
- In the “health care market crisis” stress scenario, potential structural changes to the German health care market and the resulting impacts on apoBank’s business model are considered.
- In the “financial market crisis” stress scenario, a scenario is set up of serious distortions on the financial markets with far-reaching implications for the real economy, based on observations made during the debt crisis in Europe as well as the financial market crisis of 2008 and 2009.
- The “crisis of confidence” stress scenario considers both the impact of extensive reputational damage and a subsequent loss of stakeholder confidence in apoBank as well as the effects of significant losses in value on the real estate market.
- The climate scenario “physical climate and environment” illustrates the impact of a sudden and widespread flooding event in Germany on the Bank’s economic capital ratio.

In addition to the established scenarios described above, the Bank addresses current changes in internal and external conditions and uses quarterly reviews and fine-tuning of the assumptions of the existing scenarios to consider the resulting potential risks. Ad hoc scenario calculations are used as required.

apoBank also carries out reverse stress tests in both perspectives of the ICAAP at least annually. These analyse under which circumstances apoBank’s business model would either no longer be economically viable or only to a limited degree.

Non-viability or limited (future) viability of the business model occurs in the normative capital perspective if the regulatory and supervisory capital requirements are no longer fulfilled, or are fulfilled to a limited extent only.

In the economic capital perspective, non-viability of the business model occurs if the economic capital ratio drops below 100%.

In addition to the effects of individual events, the reverse stress tests also analyse combinations of potential risk factors. These are critically examined with regard to possible sensitivities in the risk profile of the Bank.

Internal Liquidity Adequacy Assessment Process including stress test framework

Internal Liquidity Adequacy Assessment Process

The Internal Liquidity Adequacy Assessment Process (ILAAP) that apoBank uses to assess its own liquidity is based on the ILAAP guidelines of the ECB. Management of liquidity adequacy is an integral part of company control at apoBank. Similar to the ICAAP, the liquidity situation is monitored and controlled from both a normative and an economic perspective. Liquidity adequacy is assessed using current and forecast monitoring dimensions – under normal as well as stressed conditions. The analysis is part of our liquidity adequacy concept, which we use to systematically compare the identified risks and liquidity reserves. The Bank secures liquidity adequacy based on the normative and economic monitoring dimensions defined in the Risk Appetite Framework (RAF) ILAAP.

The normative perspective takes account of the rules of the European Capital Requirements Regulation (CRR) and the national specifications of the Capital Requirements Directive (CRD), the main focus here being on the liquidity ratios LCR (liquidity coverage ratio) and NSFR (net stable funding ratio). These provide information as to whether the minimum requirements under supervisory law are fulfilled, both from a current-state perspective as well as in future scenarios.

The LCR specifications determine apoBank's liquidity stock. This is why we monitor the actual key figure daily and forecast the future LCR in a stress scenario. We calculate the NSFR on a quarterly basis to ensure that minimum and internal requirements are fulfilled here, too.

Economic liquidity management is based on the ongoing analysis and juxtaposition of all cash inflows and outflows in the liquidity gap analysis, which is prepared for the following twelve months on a rolling basis. This is used to calculate the survival period measured in days which reflects the time horizon until the liquidity reserve is completely exhausted in a stress case. By monitoring the intraday liquidity, we gain early information about any emerging intraday liquidity squeezes. In addition, we hold a minimum portfolio of ECB-eligible securities that we can use for refinancing.

Furthermore, we monitor longer-term structural liquidity using a refinancing analysis. Here, the annual refinancing gaps are observed over a period of up to ten years.

Stress test framework

The liquidity gap analysis shows the future development of liquidity in different scenarios. These take account of the business planning specifications in the expected basic scenario and the overarching assumptions of the adverse scenarios, as well as the macroeconomic and institute-specific Bank-wide stress tests, in line with the ICAAP scenarios. In addition, in order to account for the regulatory requirements, a combined Bank-wide stress test is carried out daily in the economic perspective.

For all scenarios it is required that sufficient liquidity stock be available to cover the liquidity outflows. Here, the risk appetite of apoBank is rendered both by the survival period defined in the limit system, which reflects the time horizon until all liquidity reserves have outflowed in a stress event, and by the stress parameters applied.

The liquidity stock consists of liquid securities, cash reserves and overnight deposits with banks and the ECB. The level of liquidity stock required is determined by scenario analyses, and also takes fulfilment of all requirements relating to pledges into account.

In addition, apoBank carries out reverse stress tests at least once a year in the normative and the economic perspective of the ILAAP to analyse events which would lead to the Bank's business model no longer being viable.

Non-viability of the business model occurs in the normative perspective if the regulatory liquidity requirements (LCR and NSFR) are no longer fulfilled.

In the economic perspective, the viability limit is reached if the internal warning threshold of the parameter “survival period” is not reached.

In the reverse stress tests, in addition to the effects of individual events, combinations of risk factors are also analysed and critically reflected upon with a view to potential sensitivities in the Bank’s risk profile.

Risk-specific sub-strategies

Credit risk

In credit risk management, the Bank distinguishes between the business areas of Retail Clients, Professional Associations, Corporate Clients, as well as Treasury. The unexpected loss (UEL) for credit risks as recognised in the capital adequacy calculation is determined based on portfolio data and taking into account concentration effects, and is limited at a Bank-wide level.

In addition, in the case of credit risk the volume is limited and monitored at individual borrower level and also at portfolio level, depending on the extent of control needed. Here, both individual risk and material risks from group exposures attributable to these customers or the risk group are taken into account.

apoBank uses a system of country limits to monitor the regional distribution of credit exposure at overall portfolio level. The risks are limited depending on fundamental country-specific macroeconomic data, the current creditworthiness of the respective country and apoBank’s equity situation.

Credit risk is measured based on sophisticated internal and external rating systems, the results of which are rendered comparable using a master scale. The quality of the internal rating systems is constantly monitored and is improved if required. The IRBA rating procedures are validated at least once a year.

apoBank regularly agrees on collateral with its customers in the lending business. In particular, eligible collateral includes mortgages, the pledging of securities, the assignment or pledging of deposits, the assignment of receivables (such as earned income) and life insurance entitlements as well as guarantees. A proportional valuation limit (loan-to-value ratio) is assigned to each bankable collateral which can be evaluated based on its properties and other factors.

To reduce the counterparty risk from derivative transactions, master netting agreements (offsetting of opposite positions) are concluded and apply across products. In addition, apoBank uses collateral management for derivatives.

Retail Clients business area

The Retail Clients business area primarily consists of loans to health care professionals, cooperations in outpatient care and smaller companies in the health care sector if these companies’ risks can be assigned to health care professionals.

To manage this business area, apoBank uses apoRate, a rating procedure which has been specially developed in-house and tailored to its customers, in addition to customer-specific economic analyses. On this basis and combined with our expertise in the health care professions sector, which we have established over many decades, these tools are suitable risk and early warning indicators. They are the basis for early detection of potential payment disruptions.

Standardised processes of intensive loan management and problem loan management are applied when dealing with customers in this business area. If the detected risk factors have an identifiable impact on the customers’ creditworthiness, these customers are subject to a process of intensive loan management with the objective of quickly transferring them back to standard loan management.

In special loan management, we work on a case-by-case basis with our customers to develop an action plan to resolve liquidity or earnings problems. The customers are looked after by special customer service teams in the back office. Their task is to support the customers during the recovery phase or – if a recovery is not possible – to pursue the termination of the commitment.

An analysis is performed on all customers who are transferred to special loan management to determine whether risk provisioning is necessary. If this is the case, the level is, in principle, determined automatically by the system and for each customer individually based on the debt they are capable of taking on. If no capacity for debt is identified or if it is unlikely that the loan can be repaid, the unsecured portion is generally used for risk provisioning. The same applies when the information on income or asset status as influencing factors is no more than 18 months old (income documents) or 24 months old (assets overview) and therefore does not provide a legitimate basis for calculation. Commitments where enforcement of claims is planned are generally assigned to receivables management, as termination has usually already been declared, which is a prerequisite for enforcement. Our special customer support advisors may make exceptions here in individual cases.

Professional Associations and Corporate Clients business areas

apoBank allocates loans it makes to institutional health care organisations, larger care structures, health care companies and other institutional clients to these business areas. Sophisticated rating models are used in both business areas.

Commitments to institutional organisations in the health care sector concern loans to legal entities of public law – mainly to professional organisations and associations of the health care professions. These professional organisations and associations are evaluated using Rating öR – a rating model designed by apoBank. Due to the special characteristics of these customers, the rating procedure focuses on the body responsible for the respective entity in addition to qualitative aspects.

Health care company loans are primarily granted to enterprises in the area of inpatient and outpatient health care, to manufacturers and retailers of pharmaceutical, dental or medical products as well as to private clearing centres in the medical sector. The rating model Corporates of CredaRate Solutions GmbH, Cologne, is applied to assess the risks of those companies.

apoBank uses CredaRate Solution GmbH’s Commercial Real Estate rating model for commercial real estate financing exposures. The model evaluates relevant corporation-specific and real estate-specific risk factors to accurately assess the borrower’s creditworthiness.

apoBank has an established process for early identification of risks, by which the economic circumstances of the customers of these business areas are regularly analysed, and are monitored using risk and early warning indicators. As is the case in the Retail Clients business area, the transfer into intensive support and problem loan management takes place as soon as risk and early warning indicators point to a deterioration in financial conditions. All customers who are transferred to problem loan management are captured in the risk provisioning application in the core banking system.

Treasury business area

apoBank invests funds in the money and capital markets mainly to manage its liquidity and balance sheet structure. These investments as well as derivative transactions are combined in the financial instruments portfolio. In addition to classical securities and money market instruments for liquidity management, this portfolio also includes derivatives to manage the Bank’s interest rate risk.

The issuers and counterparties of the financial instruments portfolio are almost exclusively allocatable to the central governments and banks exposure classes. Therefore, we primarily use external ratings and the VR rating “Banks” of DZ Bank to assess creditworthiness. apoBank also uses various early-risk detection tools and processes, which monitor the bid-ask spreads in our securities positions and the external ratings of our issuers and counterparties. Escalation processes are triggered if spreads increase or ratings deteriorate.

Market risk

Market risk control at apoBank is based on a sophisticated system of risk measurement and control. apoBank’s market risk is primarily determined by interest rate risk in the banking book, credit spread risk that results from the change in the credit spreads in the Treasury business area, and by market fluctuations in equity positions that mostly result from shareholdings.

Currency risks are hedged to the greatest extent possible. apoBank is not subject to any specific material foreign currency risk. Its business and risk strategy does not allow for active trading of securities, for example, to exploit short-term fluctuation in prices. To hedge its transactions and market risk, apoBank regularly employs interest and currency derivatives both at the level of individual transactions (micro hedges) and at Bank-wide level (strategic interest rate risk management). In addition, portfolio hedges cover the risks of multiple underlying transactions of the same type via one or more hedging instruments. Furthermore, the hedging transactions in strategic interest rate risk management serve to align the interest cash flow with a strategic benchmark.

Interest rate risk

Strategic interest rate risk management is based on an integrated management approach which includes both periodic and present-value parameters. Our objective here is to achieve a moderate interest rate risk position at Bank-wide level and thus a stabilisation of net interest income. The level of the interest rate risk position is determined using extensive interest rate simulations across multiple budget years. This is how both the impact on the Bank’s future net interest income and the associated present-value risks are determined. Here, the interest rate risk position, which results primarily from the Bank’s customer business, is managed on a long-term basis using derivative management instruments. The key component in determining the present-value risk is the value-at-risk (historic simulation), which is calculated based on a large number of possible interest rate scenarios over a long period of time. In combination with the risk appetite limit derived based on economic capital adequacy, this control parameter results in our interest rate risk position.

Another key tool for monitoring the present-value interest rate risk is the supervisory outlier test on economic value of equity (SOT EVE). It provides information on the loss of present value of the banking book in relation to the Bank’s core capital in the event of an interest rate shock.

The periodic interest rate risk is monitored using interest rate simulations that quantify the effects of adverse interest rate developments on the net interest income of the Bank. Here, precisely defined early warning limits allow for prompt counteraction to be taken if necessary. A further key monitoring tool is the periodic supervisory outlier test on net interest income (SOT NII).

Credit spread risk of financial instruments

We also carry out a value-at-risk calculation based on a historic simulation to measure the credit spread risk of the financial instruments. The metrics used here are the credit spreads of the securities. We differentiate between operational and strategic control. As is the case with interest rate risk parameters, the risk contribution of the credit spread risk in strategic control is calculated based on a long history, which also includes the financial market crisis. By contrast, in operational control the focus is on the development of the credit spreads in the previous ten years and the risk is calculated based on a one-month time horizon.

The strategic credit spread and the present-value interest rate risk are determined within a joint model using diversification effects.

Value fluctuation risk in equity positions

Equity positions are generally taken to mean investments in shareholdings by the Bank. The value fluctuation risk for equity positions describes the risk of possible burdens on the Bank as a result of its equity positions if the market value of these positions should change. Risk is calculated on the basis of a proxy model in the value-at-risk procedure, in which a historic simulation is used in the same way as when calculating other sub-risks as part of the market risk. The risk contribution of the equity position risk is part of market risk.

Liquidity risk

In addition to taking account of regulatory requirements, the highest priority of liquidity risk management at apoBank is to guarantee the solvency of the Bank at all times.

Against this backdrop, apoBank has a liquidity stock that on the one hand covers all payment obligations (economic liquidity stock) and on the other hand fulfils the regulatory requirements (normative liquidity stock). The securities in the liquidity stock can be sold or used as collateral at any time. This way, apoBank ensures the highest possible fungibility of its assets, both in the event of a regulatory as well as an economic crisis, and thus secures its solvency. To determine the required volume of the liquidity reserves, we compare the effects of the stress scenarios on the economic and the normative liquidity. The requisite with the highest liquidity outflows represents the bottleneck and determines the liquidity reserve that must be held. Refinancing planning is linked to the business planning process and the specifications of the business and risk strategy. Material aspects of refinancing planning are maintaining an adequate maturity structure, as well as sufficient diversification of the sources of refinancing. An important refinancing source for apoBank is covered bonds (Pfandbriefe). In order to fulfil the statutory requirements set for issuers of covered bonds, our ongoing solvency is monitored and controlled on a daily basis.

Suitable management and control instruments are used to ensure that the specifications set out in the risk appetite framework are fulfilled at all times. These include in particular a consistent limit system which enables continuous monitoring of the relevant management parameters.

Our liquidity contingency plan, which is revised annually, ensures a fast and coordinated response to possible crisis events.

The costs of the liquidity stock to be held by apoBank are to be borne by the business areas that generate business requiring excess liquidity. To assign the liquidity risks and costs according to their source and offset them, apoBank uses an internal liquidity price allocation system.

Business risk

Business risk encompasses margin risk, real estate risk and other business risk.

Margin risk includes the interest-dependent risk of a present-value loss of the margins in the banking book. It is quantified using a value-at-risk approach based on a historic simulation. It is calculated on the basis of a large number of possible interest scenarios over a long period of time.

Real estate risk is the threat of possible burdens that the Bank may be exposed to from the fluctuations in value (including resulting depreciation) of its own real estate. Potential losses in the value of these properties are derived on the basis of historical market price trends in the relevant real estate markets and compared with the existing hidden reserves.

As a material part of other business risk, administrative cost and commission risk measures the risk of present-value changes in actual administrative costs and commissions using a value-at-risk approach (variance-covariance method) on the basis of historic budget deviations.

Business risks are constantly monitored and controlled using defined cost management processes, among others. Business risks cannot be hedged by using market-tradable tools, for example.

Operational risk

In addition to operational risk in the narrower sense and legal risks, operational risk also includes the threat of possible burdens from information risk. The starting point for controlling operational risk is the identification of potential operational risks by the local risk managers, based on a self-assessment. They are also responsible for developing, implementing and monitoring measures to control all material operational risks identified.

The results of the self-assessment are checked for plausibility, compiled, analysed and presented to the Board of Directors. The key data on the loss events arising from operational risks are recorded in the central risk event database.

The effects of insurable risks are alleviated by obtaining the relevant insurance coverage if economically reasonable.

The information security officer/the officer for digital operational resilience within the risk control function evaluates the relevance of information risks, also with regard to the Digital Operations Resilience Act (DORA). Monitoring of risks within the context of third-party service providers as well as the central outsourcing officer is also the responsibility of central outsourcing management within risk control.

Unexpected losses (UEL) from operational risks in the economic capital adequacy calculation are measured based on the regulatory standard approach plus a risk buffer for reputation risks.

Concentrations

The Bank differentiates between risk, earnings, capital and demography concentrations.

We analyse and monitor risk concentrations both within the material risk types (intra-risk concentrations) and between the material risk types (inter-risk concentrations). To identify and monitor earnings concentrations, we analyse the earnings structure of the Bank and its development with regard to different dimensions, for example business areas or product types. To determine capital concentrations, the individual components of capital are examined. We analyse demography-related concentrations with reference to age structure, in particular that of members, customers and employees.

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Risk reporting

apoBank has a standardised reporting system in place that covers both developments in the material risks and cross-sectional risks of the Bank and in the business areas. It is the basis for detailed analyses of the risk position of the Bank, for deriving and evaluating alternative actions as well as for deciding on risk control and limitation measures.

The Bank's risk management report is a key component of risk reporting. It serves to inform the Board of Directors about the ICAAP and ILAAP results, including developments in the material risk types and cross-sectional risks. It also reports in detail about ESG risks including financed CO_2 emissions and developments in the Bank's business areas. Further addressees of the risk report are the Supervisory Board of the Bank as well as the Joint Supervisory Team of the banking supervision authority. In addition to the risk report, the ILAAP results are reported to the Board of Directors once a month.

Issues within the financial instruments portfolio that are relevant for early warning are reported on an ad hoc basis to a specific group of recipients.

As monitoring bodies, the Supervisory Board and its Loan and Risk Committee are informed regularly about the current economic situation and risk position of the Bank as well as about risk control and limitation measures. The Loan and Risk Committee advises on the granting of certain loans and also discusses material investment decisions, the sale and purchase of properties as well as new investments and divestments. The committee held a total of four ordinary meetings and one joint meeting with the Audit Committee in the 2025 financial year.

Organisation of risk management

Organisational principles

The risk management system at apoBank is organised according to the Three Lines of Defence model. It ensures that risks are identified, evaluated, controlled and monitored. In this process, relevant functions within the different lines of defence are kept functionally and organisationally separate from each other at all hierarchy levels in order to avoid conflicts of interest and maintain objectivity. For example, this applies to the separation of the front-office/sales functions from the back-office/risk management and risk control functions. For key decisions, the principle of dual control is applied up to the level of the Board of Directors to enhance the reliability of decision-making and processes.

The entire Board of Directors is responsible for the proper business organisation and derived from that alle essential elements of risk management, such as the risk inventory, and the ESG risk driver analysis, the business and risk strategy, as well as the proper organisation and design of risk management. It is also responsible for the adequate design of the internal capital and liquidity adequacy process, including limiting risk appetite with regard to the capital and liquidity position. In the case of new products or markets, it approves the launch plan and the start of ongoing business activities.

Together, the front-office, back-office and other functions that ensure the Bank's infrastructure is functioning make up the first line of defence. These are responsible for operational management. They monitor business operations on an ongoing basis and contribute by means of their original (control) tasks to recognising, evaluating and reducing risks. In addition, the back-office monitors credit risk in the customer, financial instruments and shareholdings portfolios at the levels of individual borrower, issuer and counterparty.

The risk control function is responsible for the methods and models used to identify, measure and limit risks, as well as for compliance with further requirements, independent monitoring and risk reporting. Together with the compliance function, whose focus is on securing that all regulatory and internal guidelines are adhered to by the Bank and its employees, the risk control function constitutes the second line of defence.

The internal auditing function is a material component of the Bank's independent monitoring system and constitutes the third line of defence. It checks whether the standards, regulations and processes established by the risk control and compliance function are adequate as well as downstream whether the agreed regulations and controls of the processes established by these two functions are being complied with.

Before any material changes are made to the organisational structure and processes or to the IT systems, the units responsible for organisation and IT at the Bank ensure that defined standards are used to make certain that the impact of planned changes is analysed both with regard to the organisation as well as the control procedures and level of intensity of control. These analyses include the organisational units which are operationally responsible for the work processes as well as those responsible for risk controlling, the compliance function and internal auditing tasks.

Recovery governance and resolution plan

Pursuant to the legal and regulatory requirements of the Recovery and Liquidation Act (Sanierungs- und Abwicklungsgesetz, SAG) as well as the Minimum Requirements for the Design of Recovery Plans (Mindestanforderungen an die Ausgestaltung von Sanierungsplänen, MaSanV), the Bank has a recovery plan in place that was further refined according to a regular schedule in the year under review, as well as corresponding governance.

As a Single Supervisory Mechanism Institute (SSM institute) supervised directly by the ECB, apoBank is subject to monitoring by the European authority for resolution planning, the Single Resolution Board (SRB), to which we supplied the necessary information during the year under review.

Accounting management and control

The Bank has its own internal control system for financial accounting. This consists of principles, procedures and measures that serve to ensure the effectiveness, efficiency and correctness of accounting and compliance with the relevant legal regulations. The internal control system for financial accounting ensures that business matters are recorded, processed and recognised properly and entered into the accounts correctly. Internal Auditing monitors the correctness and functional reliability of the processes and systems irrespective of the process applied, and in particular evaluates the effectiveness and appropriateness of the internal control system for financial accounting.

Details on changes in the risk position in 2025

Overall capital situation

Both in the normative perspective and in the economic perspective, the capital ratios were above the respective warning thresholds on each risk reporting date and were thus also above the regulatory capital recommendations and minimum requirements. The Bank-wide limits set by the Board of Directors were complied with at all times in the course of the year.

Capital situation – normative perspective

In 2025, apoBank's capital ratios were above the respective capital requirements and recommendations as well as above the early warning thresholds. That is also true for the rolling three-year capital forecast carried out on the same date.

Both the common equity tier 1 capital ratio and the total capital ratio increased as at 31 December 2025 compared to the previous year. As at the balance sheet date, apoBank's total capital ratio pursuant to the CRR amounted to 22.7% (31 December 2024: 18.3%) and the common equity tier 1 capital ratio was at 20.9% (31 December 2024: 17.1%). The tier 1 capital ratio is identical to the common equity tier 1 capital ratio as apoBank did not issue any additional tier 1 capital.

The Bank rates its capital situation as good overall, since the respective target ratios were exceeded in all capital categories, both as at the reporting date and in the capital forecast.

As at 31 December 2025, regulatory capital totalled €3,313 million, an increase on the previous year's figure (31 December 2024: €2,971 million). Here, common equity tier 1 capital rose to €3,058 million (31 December 2024: €2,778 million) and tier 2 capital to €255 million (31 December 2024: €194 million). The increase in common equity tier 1 capital was the result of higher eligible members' capital contributions amounting to €1,331 million (31 December 2024: €1,246 million), allocations to the funds for general banking risk and to the retained earnings from the 2024 annual result, as well as the half-year result already allocated as at 30 June 2025. In addition, the CET1 deduction items declined. Tier 2 capital rose due to a creditable impairment surplus in particular.

ICAAP – normative perspective

as at 31 December 2025	€m	Total capital ratio %
Normative perspective		
Regulatory capital	3,313.3	
Risk-weighted assets (RWA)	14,626.5	22.7

as at 31 December 2025	Actual risk €m	Utilisation warning thresholds[1] %
Risk positions		
Retail business	6,396.3	84.2
Corporates	3,266.4	82.7
Institutes	1,426.3	89.1
Other RWA[2]	3,537.6	114.2

1) The warning thresholds in the normative perspective are used as an internal tool to monitor the development in the individual risk positions.
2) RWA for credit risk positions in relation to sovereign states, as well as for shareholdings, operational risk, market risk positions, credit value adjustments (CVA) and settlement risk.

Risk-weighted assets amounted to €14,627 million as at 31 December 2025 (31 December 2024: €16,251 million). The utilisation of the normative Bank-wide limit of €16,250 million was 90.0% as at the balance sheet date. The decrease in risk-weighted assets is mainly the result of the refined LGD (loss given default) model for estimating the loss ratio for the retail portfolio.

The leverage ratio amounted to 5.6%; it was thus above the regulatory minimum requirement of 3.0%, and above the previous year's level (31 December 2024: 5.3%). The increase in tier 1 capital overcompensated the rise in leverage rate exposure.

The "Other RWA" cluster contains the first-time consideration of the output floor (€241 million), which in particular leads to the warning threshold being minimally exceeded.

Capital situation – economic perspective
The economic capital ratio, which represents the relation between the economic capital as risk cover potential and the economic risks, was at a comfortable 216.9% as at 31 December 2025 (31 December 2024: 222.2%).

As at the reporting date, the economic capital (risk cover potential) amounted to €5,582 million. It was thus higher than at the end of 2024 (31 December 2024: €4,774 million). This increase is driven in particular by the higher hidden reserves from the banking book items.

The utilisation rate of the economic Bank-wide limit of €2,890 million was 89.0% as at 31 December 2025 (31 December 2024: €2,490 million, 86.3%). This change is primarily due to the increased market risk.

ICAAP – economic perspective

as at 31 December 2025	€m	Economic capital ratio %
Economic perspective		
Risk cover potential	5,582.0	
Bank-wide risk position	2,573.1	216.9

as at 31 December 2025	Actual risk €m	Utilisation of warning thresholds[1] %
Material risks		
Credit risk	1,064.2	92.9
Market risk	555.8	79.4
Liquidity risk	0.0	0.0
Business risk	763.2	89.8
Operational risk	190.0	100.0

1) The warning thresholds in the economic perspective are used as an internal tool to monitor the development in the material risks.

Credit risk

The UEL from credit risks faced by apoBank was €1,064 million as at the end of December 2025 (31 December 2024: €796 million). This increase is mainly driven by adjustments to the risk measuring methodology and further investment of surplus liquidity in the Treasury business area. The warning threshold derived from the Bank-wide economic capital adequacy calculation limit for credit risk was complied with on all reporting dates.

The key developments in credit risks for the individual business areas of the Bank are presented below.

The rating system of apoBank

Meaning	Rating class (BVR master scale)	Probability of default %	External rating class[1]
Commitments with **excellent** creditworthiness, no risk factors (standard loan management)	0A	0.01	Aaa
	0B	0.02	Aa1
	0C	0.03	Aa2
	0D	0.04	
	0E	0.05	Aa3
Commitments with **good** creditworthiness, individual risk factors (standard loan management)	1A	0.07	A1
	1B	0.10	A2
	1C	0.15	
	1D	0.23	A3
	1E	0.35	Baa1
	2A	0.50	Baa2
Commitments with **low** risks (standard loan management)	2B	0.75	Baa3
	2C	1.10	Ba1
Commitments with **greater** risks (intensive loan management)	2D	1.70	Ba2
High-risk commitments (problem loan management)	2E	2.60	Ba3
	3A	4.00	B1
	3B	6.00	B2
Higher-risk commitments (problem loan management)	3C	9.00	B3
	3D	13.50	
	3E	30.00	Caa1 to C
Commitments **threatened by default** (according to CRR definition) – commitments overdue by more than 90 days – commitments with a loss provision from last or this year (problem loan management) – write-offs – insolvency – commitments of customers in the probationary period after all reasons for default have ceased to be valid (4W)	4A to 4E 4W	100.00 100.00	D
No rating			

1) According to Moody's rating system. The internal apoBank rating classes (BVR master scale) are compared with the external rating classes based on the probability of default. As the BVR master scale is broken down into very small categories and contains more rating classes than Moody's, not all external rating classes are matched with an internal one.

Retail Clients business area
In the Retail Clients business area, drawdowns rose last year to €30.7 billion (31 December 2024: €30.1 billion).

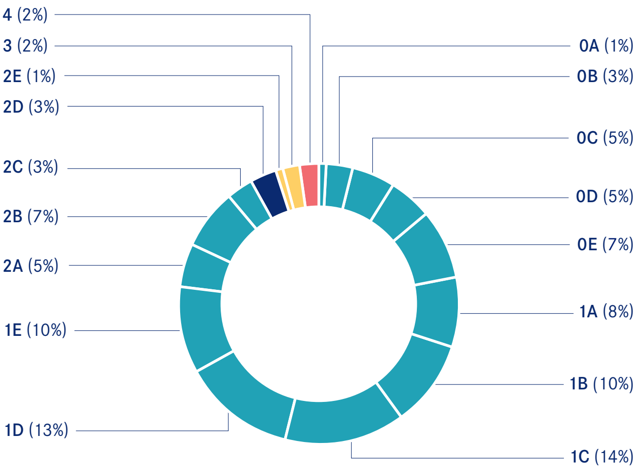
The rating structure shows a rating distribution with an emphasis on good and average rating classes, which is typical of this customer group. The rating coverage is complete. This business area is highly diversified: With around 235,000 borrowers, the largest individual risk accounts for only around 0.1% of the total drawdowns.

After offsetting new and no longer necessary precautionary measures, value adjustments to the amount of €39.1 million were made in the last financial year (31 December 2024: €73.4 million). Thus the value adjustments in this business area were slightly below the modelled budgeted figure.

Professional Associations and Corporate Clients business areas
Drawdowns in the Professional Associations and Corporate Clients business areas decreased to €5.2 billion as at 31 December 2025 (31 December 2024: €5.4 billion). The rating distribution of these business areas is balanced, and the rating coverage is complete. With around 1,300 borrowers, the largest individual risk has a share of 5.6% of the total drawdowns in this portfolio.

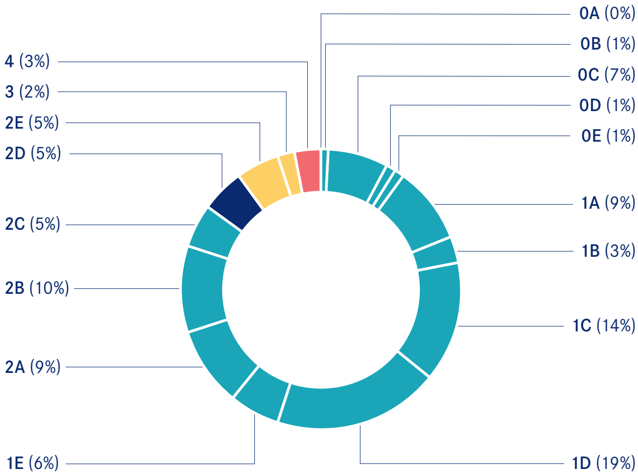
After offsetting new and no longer necessary precautionary measures, value adjustments to the amount of €36.0 million were made in these business areas in the last financial year (31 December 2024: €1.3 million). Thus the value adjustments in these business areas were significantly higher than the modelled budgeted figure.

Rating class distribution in the retail clients portfolio
Volume distribution based on drawdowns
Total of €30,676 million[1]



1) Percentages rounded.

Rating class distribution in the Professional Associations and Corporate Clients business areas
Volume distribution based on drawdowns
Total of €5,161 million[1]



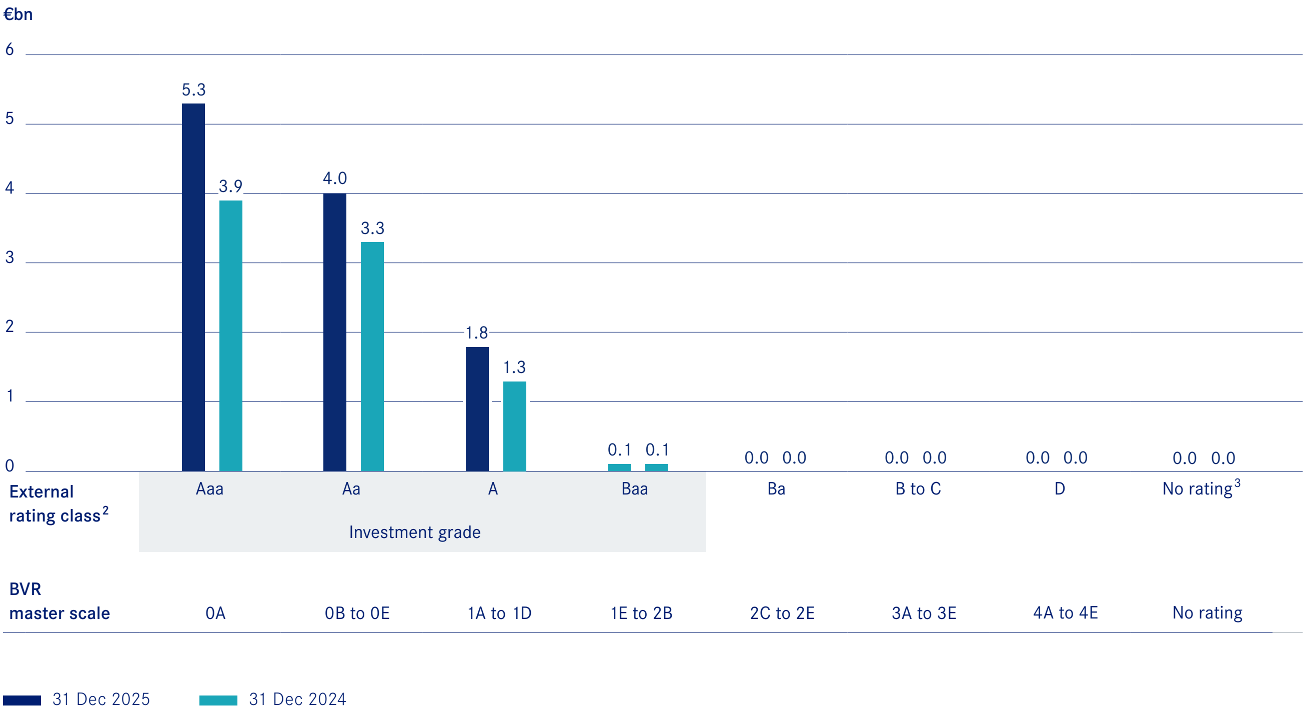
1) Percentages rounded.

Treasury business area
The risk volume of the financial instruments portfolio managed by the Treasury business area amounted to 11.2 billion on the reporting date. This is a rise compared to year-end 2024 of €2.5 billion (31 December 2024: €8.7 billion). apoBank used the positive market environment to increase its liquidity reserve, mainly via highly liquid securities and commercial paper.

The risk volume of the derivatives declined to €26.4 million (31 December 2024: €31.4 million). apoBank uses derivatives primarily to hedge against interest rate risks stemming from the customer business. As at the balance sheet date, the nominal volume amounted to €28.2 billion (31 December 2024: €24.8 billion).

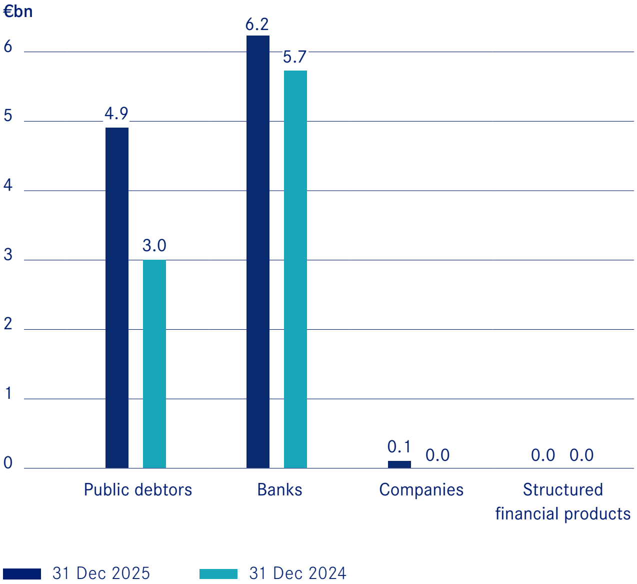
As at 31 December 2025, over 99% of the financial instruments portfolio was rated in the investment grade range. After offsetting, we made a risk provision amounting to €0.5 million as at the reporting date (31 December 2024: a risk provision of €1.0 million was released). Thus the value adjustments were significantly below the budgeted figure.

Total exposure of financial instruments portfolio by rating class[1]



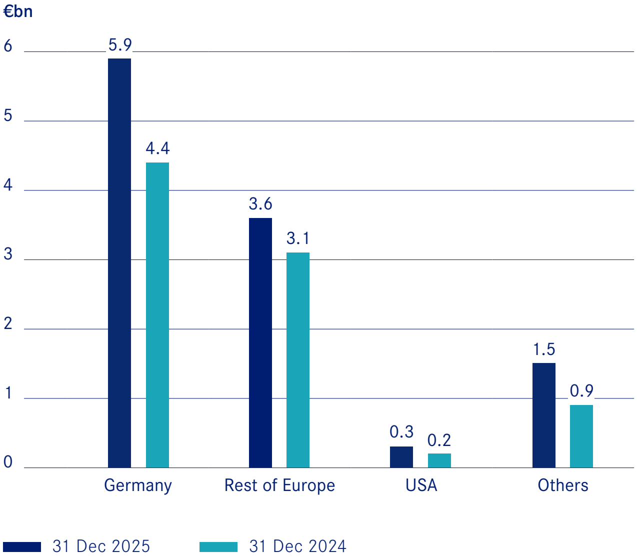
1) Total exposure is generally the book value (loan drawdowns or credit equivalent amount). The exposure for the INKA funds is determined by looking at the underlying assets; the exposure is accounted for on a cost value basis.
2) The letter ratings shown here comprise all rating classes of the respective rating segment (i.e. Aa comprises Aa1 to Aa3, for example).
3) The unrated exposures are mainly composed of interbank and fund items.

Total exposure of financial instruments portfolio by sector[1]



1) Deviations possible due to rounding differences.

Total exposure of financial instruments portfolio by country[1]



1) Deviations possible due to rounding differences.

Shareholdings business area
The book values of the shareholdings amounted to €0.3 billion as at the balance sheet date (31 December 2024: €0.2 billion). The increase is due to a higher shareholdings position.

After offsetting, the shareholdings portfolio achieved a positive result of €0.1 million as at the balance sheet date (31 December 2024: release of €12.4 million). The proceeds from the sale of a shareholding (€0.4 million) are set against the writedowns of two shareholding items due to the results from regular impairment tests. (-€0.4 million). No write-ups or write-downs had been planned.

Market risk

The UEL from market risks faced by apoBank amounted to €556 million as at 31 December 2025 (31 December 2024: €507 million). This increase is mainly due to higher credit spread risks resulting from purchases of securities.

The warning threshold derived from the Bank-wide economic capital adequacy calculation limit for market risk was complied with on all reporting dates.

The results of the present-value and periodic regulatory stress calculations, which are carried out monthly, confirm a moderate interest rate risk at Bank-wide level. apoBank remained within the regulatory reporting limits of 15% (SOT EVE) and 5% (SOT NII) of tier 1 capital throughout 2025. As at 31 December 2025, SOT EVE was at 10.8% (31 December 2024: 10.9%), and SOT NII was 2.7% (31 December 2024: 3.2%).

Present-value and periodic interest rate risks

	Change in economic value of equity		Change in net interest income	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Supervisory shock scenarios	€m	€m	€m	€m
Parallel shift upwards (parallel + 200 bp)	– 330	– 302	+ 27	+ 48
Parallel shift downwards (parallel – 200 bp)	+ 353	+ 363	– 82	– 89
Steepening (short –162,5 bp, long + 90 bp)	– 46	– 64	–	–
Flattening (short + 200 bp, long – 60 bp)	– 5	+ 17	–	–
Short-term shock upwards (short + 250 bp)	– 96	– 77	–	–
Short-term shock downwards (short – 250 bp)	+ 102	+ 83	–	–
		SOT EVE		**SOT NII**
Risk in % of tier 1 capital	10.8%	10.9%	2.7%	3.2%

When calculating the interest rate risks in the banking book, apoBank makes modelling assumptions for certain items of the customer business in order to determine the cash flows based on fixed-interest periods. On the assets side of the balance sheet, this affects in particular the drawing behaviour of customers with open credit lines, contractually agreed special redemption payments and statutory loan termination rights. For open credit lines and contractually agreed special redemption payments, we adjust the cash flows based on historical data. Statutory loan termination rights are modelled based on option models. On the liabilities side, we model the cash flows for customer balances without a specific interest rate adjustment date. Here, moving averages are used to generate cash flows based on fixed-interest periods for basic amounts that are derived from historical data.

Liquidity risk

The UEL from refinancing risk faced by apoBank was €0 million as at 31 December 2025 (31 December 2024: €0 million) as there were no refinancing gaps that needed to be evaluated within the risk horizon. The warning threshold derived from the Bank-wide economic capital adequacy calculation limit for refinancing risk was thus complied with on all reporting dates.

Business risk

The UEL from apoBank's business risk was €763 million as at 31 December 2025 (31 December 2024: €691 million). The rise is mainly due to the fact that the parameters for the deposit model were updated. The warning threshold derived from the Bank-wide economic capital adequacy calculation limit for the business risk was complied with on all reporting dates.

Operational risk

The UEL from apoBank's operational risk amounted to €190 million as at 31 December 2024 (31 December 2024: €154 million). In addition to the risk contribution of €161 million for original operational risks, this includes a reputation risk buffer of €29 million. This rise resulted from the requirements of the new standard approach in accordance with CRR III to calculate operational risks. The warning threshold derived from the Bank-wide economic capital adequacy calculation limit for operational risk was complied with on all reporting dates.

Gross losses from operational risks decreased significantly compared to the previous year.

Overall liquidity situation

Deposit inventories increased in the reporting year. The share of interest-bearing term deposits decreased following decreasing interest rates in the course of the year. The liquidity position further improved so that the liquidity situation was comfortable throughout the year under review.

Liquidity situation – normative perspective
As at 31 December 2025, apoBank's LCR was 237.0% (31 December 2024: 262.6%). The minimum requirement of 100% was met at all times in 2025. The LCR forecast also shows that the internal and external minimum limits for the observation periods defined will be complied with at all times.

The net stable funding ratio (NSFR), at 117.1% (31 December 2024: 120.0%), was above the minimum level of 100%.

Liquidity situation – economic perspective
The economic analyses centre around the liquidity gap analysis. Here, the expected development in liquidity is analysed in the basic scenario, and in addition it is limited in the combined stress scenario. In the 2025 reporting period, the limits of the liquidity gap analysis were complied with each day. This is also true for the Pfandbrief cover pool.

Disclosure of risk management objectives and policies pursuant to Article 435 CRR

Risk management declaration pursuant to Article 435 para. 1 e) CRR

apoBank's risk management system is geared towards our individual risk profile and the implementation of our risk strategy.

The risk management system, including the controlling and monitoring methods, takes all of apoBank's material risks into account, including the Bank's (risk) concentrations. Our risk management system is designed to ensure compliance with the risk guidelines set out in the risk strategy for each of the business areas, in addition to identifying, evaluating, limiting and monitoring the material risks.

Our capital adequacy concept and our liquidity adequacy concept consider all risks that are material for these concepts. These are set against the respective capital items and liquidity reserves in the corresponding adequacy calculations. The two adequacy concepts thus help apoBank to secure its long-term existence, which is the highest priority in risk management. We therefore consider our risk management system to be appropriate and effective.

The risk management objectives and the management of risks are described both at a Bank-wide level and in terms of the material risk types in the risk management report. It gives a comprehensive overview of our risk management, and it shows in the context of our two adequacy concepts how apoBank's risk profile and risk tolerance interact.

Disclosure pursuant to Article 435 para. 2 a) to c) CRR

Number of executive and supervisory functions held by members of apoBank's executive and supervisory bodies

The members of the Board of Directors do not hold any further executive mandates apart from their tasks on the Board; however, they held five supervisory board mandates as at the reporting date. In addition to their membership on the Supervisory Board of apoBank, the members of the Supervisory Board hold five executive mandates and four supervisory board mandates. These figures were determined based on the application of the simplification provisions pursuant to Sections 25c para. 2 (3) et seqq. and 25d para. 3 (3) et seqq. KWG (German Banking Act).

Strategy for the selection of members of apoBank's executive and supervisory bodies and their actual knowledge, expertise and professional experience

The members of the Board of Directors are selected by the Supervisory Board in compliance with the general law on equal treatment (Allgemeines Gleichbehandlungsgesetz) and on the basis of their professional qualifications. The shareholder representatives on the Supervisory Board are selected by the Annual General Meeting. The employee representatives on the Supervisory Board are selected by the employees. In both cases account is taken of the relevant legal requirements.

According to the legal requirements, the Supervisory Board must be configured such that its members collectively have the necessary knowledge, skills and professional experience to properly perform their duties. The management team must also collectively have an adequately broad spectrum of the knowledge, skills and experience necessary to understand the activities of the Bank. The strategy for selecting the members of the executive body was set down in the form of internal guidelines, and aims to ensure, maintain and further develop the individual and collective qualification of that body. One of the main ways the Supervisory Board achieved this is by preparing and approving role and competence profiles for the Board of Directors and the Supervisory Board. These profiles lay out the personal and professional requirements for each board member as well as for the boards as a whole. A detailed evaluation of the members' professional suitability and a corresponding targeted consolidation of competencies are the subject of the regular suitability evaluation in accordance with the guidelines of the European Banking Authority (EBA), which can also be carried out on an as-needed basis. To ensure that future members of the Supervisory Board and Board of Directors fulfil the requirements placed on them to the greatest extent possible, the role profiles are to be used as essential tools when selecting members of these boards. The relevant documents can be made available to potential Supervisory Board members, the workforce and the Annual General Meeting before the election.

The principle of parity co-determination is followed at apoBank, i.e. its Supervisory Board consists of an equal number of employee and shareholder representatives. The employee representatives contribute to the committee work first and foremost their practical expertise and comprehensive experience of the internal processes of apoBank, based on their many years of experience in positions of responsibility within the Bank. On the shareholder side, the representatives of the health care professions hold or have held leading positions in major organisations in the health care sector (such as associations, chambers and pension funds), in finance or in auditing. They have extensive knowledge in leading large organisations and with respect to the capital market, risk management and accounting. They also have many years of experience from their service both on the Supervisory Board of apoBank and on committees of other companies. In addition, Supervisory Board members receive systematic training and targeted professional development on a regular or as-needed basis by both external and internal experts in specific bank management and legal issues.

The professional careers of the members of the Board of Directors are presented in detail on the apoBank website. Pursuant to Section 25c KWG, the executives of an institution must be professionally competent to manage it and be suitably reliable, and are required to dedicate a sufficient amount of time to their responsibilities. Professional competence generally implies that members of the Board of Directors have sufficient theoretical and practical knowledge in the relevant businesses, or that they expand their knowledge through training as needed in addition to having leadership experience. The responsible supervisory authority has confirmed this via its decisions on the professional competence and reliability of the members of the Board of Directors.

Diversity strategy for selecting members of apoBank's executive and supervisory bodies, targets and relevant objectives of the strategy as well as level of target achievement

Diversity is a material prerequisite for apoBank's successful management and future viability. Based on its diversity policy for the Board of Directors and the Supervisory Board, apoBank therefore considers diversity in education and professional background, gender and age in its selection of suitable candidates for the two boards.

When defining its diversity goals, apoBank draws upon relevant benchmark results, such as those published by the EBA. In its annual suitability evaluation, apoBank assesses and documents the fulfilment of its qualitative and quantitative goals. We state the targeted proportion of women on the Board of Directors and Supervisory Board in our external reporting as required by law.

Forecast Report

Overall economy and health care market

Pace of growth in global economy picks up slightly

We expect that the international financial markets will benefit from favourable global economic conditions. Global growth will speed up slightly in 2026, as industrialised countries and emerging markets benefit from favourable financing conditions and a more expansive fiscal policy. At the same time, global inflation momentum will decrease further, while the USA will be able to avoid a tariff-induced inflation shock. Growth in the USA will be supported by continued loosening of monetary policy by the Federal Reserve and the fiscal package approved in summer 2025. In our view, the weak point in the US economy will be a cooling of the labour market. However, waves of redundancies will be unlikely. For Germany, we expect growth stimuli to come from the debt package passed in spring 2025, so that the country can temporarily overcome a lengthy period of economic stagnation. The euro area will not benefit meaningfully from this historic financial package, since investments will mainly boost domestic demand.

Setting the course for medical care: Focus on financial stability and efficiency

The nursing care reform is expected to bring stability to nursing care insurance by the end of 2026. In primary care, the new graduated lump-sum stand-by payment will take effect from January, supplemented by “de-budgeting”, i.e. offering full reimbursement for medical services rendered, and surcharges for structured services such as house calls, vaccinations and video consultations. The primary-care doctor system anchored in the coalition agreement is also on the agenda. It is meant to bolster primary-care practices as a central point of contact. Emergency care is to be reorganised by way of integrated control and emergency centres; hospitals must meet standards in the different shifts. Now that the hybrid diagnosis-related group catalogue has been expanded from 22 to 69 hybrid DRGs, and following the expansion of the catalogue of operations and procedure codes, more previously inpatient interventions are to take place on an outpatient basis. The government is thus focusing on efficiency, easing the burden on practices and ensuring a sustainable funding basis for medical care.

Economic prospects for health care professionals: From disillusionment to higher fees

Among pharmacists, initial euphoria in response to the planned measures in the coalition agreement has given way to disillusionment. When the cabinet decision was communicated, the planned fee increase was off the table for the time being. Instead, the German Health Ministry is sticking to the highly controversial power of representation of pharmacy owners by pharmaceutical assistants, albeit in watered-down form.

The 2026 fee agreement for doctors will lead to additional income for them of 2.8% in the area of statutory health insurance. The statutory health insurance volume to be distributed to doctors amounts to about €52 billion. This means a calculated increase in fees per licence for self-employed panel doctors and psychotherapy practices in outpatient care of about €9,900. If the new fee schedule for doctors, as adopted by the German Medical Assembly in Leipzig, were to be implemented, an increase in private health insurance expenditures of 13.2% (€1.9 billion) would be expected during the first three years. Taking all fields of specialisation together, this would go hand in hand with increased income from private health insurance for doctors.

For dentists, the regulation of dental medical care centres operated by investors from outside the field continues to be a main concern. The law on regulating investor-operated medical care centres announced in the coalition agreement should therefore continue to meet with strong interest among dentists.

Hospitals and nursing care in 2026: Reforms and new structures

By the end of October 2026, hospitals will receive an inflation compensation from the federal government to stabilise their economic situation for the short term. To implement the hospital reform, financing of up to €5 billion p. a. will be made available from the transformation fund between 2026 and 2035. In the long term, these funds are intended to lead to pooling of services as well as increased specialisation and regional collaboration.

Despite strong demand, the nursing care sector remains under pressure. The structural problems are driven by a shortage of skilled personnel and rising costs. A comprehensive nursing care reform is in preparation, with a national and state-level working group developing proposals to limit patients' copayments, bolster outpatient services, and simplify access to services.

Driving forward the expansion of digital infrastructure

The digitalisation of the health care system is gaining speed. Since October 2025, the electronic patient record ("ePA") has been compulsory, and since January 2026 penalties such as fee reductions have been in place if practices fail to use it. The German Health Ministry's Digitalisation Strategy 2.0 provides for stabilisation of the electronic data transmission infrastructure (TI), extended powers for gematik GmbH, Berlin, and an expansion of ePA functions. These include an electronic medication schedule, full text search, and a data connection to the research data centre. There are also plans for e-referrals, more digital support in primary care, and increased use of artificial intelligence (AI) by health insurance companies as well as a connection to the European Health Data Space. Telemedicine will be expanded, with TI stability remaining a key challenge.

Business performance

The speed of change in the banking sector is likely to remain high. In addition to the current challenges, the German economy and society are undergoing structural, economic and demographic change, which may also impact on banks' business models. It will be important for banks to broaden and deepen their range of products and services, and to expand their advisory expertise, particularly with regard to the use of new technologies. This is likely to require significant investments. Economic growth, which is expected to increase only slowly in 2026, together with the rise in prices in recent years, could lead to more company insolvencies and thus increased risk costs for banks. In this context, restrictive handling of resources (including balance sheet optimisation and RWA efficiency), a stable deposit business and comfortable liquidity and capital planning remain important for banks. Digital transformation and the targeted use of AI are likely to be a further major success factor.

During fiscal 2026, apoBank will begin to implement its new strategy programme Primus 2028. Its goal is to further expand the Bank's market position among self-employed health care professionals and make it more attractive for employees in the health care professions. One focal point will be to realign the support provided to employed health care professionals.

We strive to continuously optimise the Bank's structures and processes and improve our operating performance. We aim to increase our earnings and limit our expenditure in order to become more profitable, enhance our capital efficiency for the long term, and create space for further growth. An important aspect in this regard will be to further improve customer satisfaction by offering state-of-the-art and even more customer-friendly services, especially in online and mobile banking.

In fiscal 2026, we will also continue to work on implementing our sustainability strategy and smooth the way towards achieving the goals set down in the strategy.

Positive outlook on fiscal 2026

For fiscal 2026, we expect operating profit before risk provisioning to develop positively and remain stable compared to 2025. We will focus on our core areas of expertise and continue along our current path of growing business start-up financing, expanding asset and pension planning for our retail clients, and a strong construction financing business.

In the professional associations and corporate clients business, we are still following a selective growth path. With institutional clients, we focus on specialised products and services. In the case of corporate clients, we concentrate more on enterprises in the health care market, hospitals, nursing care facilities and medical care structures.

The balance sheet total is expected to remain at the 2025 level.

Earnings situation in 2026

Our earnings planning is based on the macroeconomic factors that were current when the plans were formulated in autumn 2025, as well as on how these factores are expected to develop going forward. Trends in money and capital market interest rates play a key role here, in combination with inflation expectations. Given the Bank's business model, the impact of geopolitical trends will mainly be felt in asset management, whereas trends within the German health care market will influence the Bank's lending business. Against this backdrop, we expect that the current geopolitical developments will have a relatively minor impact on our earnings situation.

The Bank and eleven other parties were notified of the intention to file a declaratory action for alleged damages in the course of a customer's application to determine the competent court. Based on the customer's statements to date, we believe that a claim against the Bank is currently not justifiable. Therefore, apoBank does not currently anticipate any significant impact on its net assets, financial position, and results.

According to our forecast for 2026, the key items in the income statement are likely to develop as follows compared to the previous year:

Net interest income is forecast to increase slightly. We expect to see lower conditions contributions from the deposit business. This contrasts with factors such as a growing volume in the customer lending business.

In the commission-based business, we anticipate a slight rise in our customers' deposit volume in 2026. Brokerage commissions are also expected to see a clear increase. By contrast, we expect a markedly higher negative balance in the lending business. Net commission income should remain stable overall.

The balance of other operating income and expenditure is very likely to decrease and reach an amount in the low single-digit millions. In 2025, the balance benefited from higher revenues from the release of provisions.

Administrative expenses are still characterised by operating and investment costs, but should remain stable overall. Personnel expenses should remain at the level of the previous year, while operating expenditure including depreciation is expected to rise slightly.

Taking the development of all income and expenditure into consideration, the cost-income ratio, as a financial performance indicator, will remain at the previous year's level.

On balance, operating income for 2026 as a whole, i.e. the financial performance indicator profit before risk provisioning, should remain at the previous year's level.

The same will apply to risk provisioning for the Bank's operating business, according to our model-based calculations.

The Bank plans to keep its risk provisioning with reserve character approximately at its 2025 level.

With a distinct fall in tax expenditure, net profit in 2026 will rise slightly. The background to this is a tax audit that took place in 2025, as a result of which tax expenditure rose.

Capital and liquidity situation

We expect to be able to continue complying comfortably with external capital requirements and recommendations during this financial year. The common equity tier 1 capital ratio will be significantly higher than our internal early warning threshold of 11.6%, and the financial performance indicator total capital ratio will be markedly above our early warning threshold of 15.3%.

We also expect our comfortable liquidity situation to continue in the further course of 2026. The forecast liquidity coverage ratio (LCR) shows that apoBank will exceed the internal and external minimum limits for the defined forecast periods at all times. The existing deposit surplus and the broadly diversified customer and investor base have a material impact here.

For apoBank, completing implementation of the requirements of the European Banking Package (CRR III/CRD VI) and the associated output floor rule means an increasingly standardised and thus less risk-oriented calculation of capital requirements. The new regulations put restrictions on capital relief from the application of our internal regulatory risk measuring models; multi-year transition periods cushion this regulatory capital increase. The Bank continues to respond actively to these changed conditions, and has implemented measures to counter the increase in capital requirements induced by regulation and to fulfil the CRR III/CRD VI requirements based on a solid capital position. Initial actions have already been implemented. We will develop further actions to secure our capital base with our strategic programme Primus 2028.

Opportunities and risk report

Economic conditions

Overall economic conditions remain challenging, partly because of continued global geopolitical uncertainties. Then there are other challenges such as ageing populations in western industrialised countries and the structural transformation of economies, for example in China. Demographic change in Germany will also aggravate the existing shortage of skilled labour that companies are experiencing. What this means for apoBank is that it must continue to strengthen its appeal as an employer. It is already developing appropriate HR strategies for this purpose.

IMF estimates indicate only low growth for the global economy through to 2030, with Germany being one of the weaker G7 countries. Due to the nature of apoBank's business model, however, we expect that this will still have only moderate consequences for our net assets, financial position and results, as well as for our risk situation. However, we cannot reliably predict how this will look in the future. We consider our medium-term planning to be conservative and therefore believe we can cushion unexpected developments to a degree.

The armed conflict between the USA and the State of Israel on the one side, and the Islamic Republic of Iran on the other, which is now also affecting other Middle Eastern countries, may pose risks to the global development of inflation and to economic growth. As our business model is focused on the domestic market and we do not conduct any direct business with the warring parties, we expect the conflict to only indirectly impact on apoBank's business performance. However, due to the uncertainty of future developments, the extent of this impact cannot be fully assessed at present. In addition to risks relating to the development of inflation and the economy, turmoil on the financial markets could have negative effects on our securities business with our customers and our own investments. Nonetheless, based on the information available to date, we expect to be able to achieve the planned targets for our financial performance indicators. We are closely monitoring how the situation develops. Forecast accuracy, however, especially for the current financial year, is subject to increased uncertainty.

While there has been an increase in lending since the ECB reduced its interest rates in mid-2024, levels were still distinctly below their long-term average and also below the level prior to the increase in mid-2022. One reason for this is likely to be the geopolitical uncertainties and the continued weak economic growth in Germany. A further uncertainty factor in view of the federal government's debt package continues to be the changes in long-term interest rates, which are central to construction financing. With the normalisation of monetary policy and the tangible positive effects of the fiscal package, however, the lending business should experience a further recovery in the medium term. Competition for customer deposits, especially by setting conditions for overnight and term deposits, as well as the multiple key interest rate reductions actioned by the ECB, increasingly reduce earnings potential.

US tariff policy is another uncertainty factor. It is increasing volatility on the financial markets and may lead our customers to take a more reserved approach towards securities, resulting in a drop in our deposit volume.

One potential consequence of this more difficult market environment overall is that both retail clients and corporate and institutional customers of apoBank will require more extensive advisory services with regard to both investing their assets and their financing wishes.

Strategic environment

In the context of our new strategic programme Primus 2028, we will further optimise the Bank's processes and structures, and thus limit our cost base moving forward. In the previous Agenda 2025 programme, we had already oriented our sales approach more to the assets business, and here in particular the mandated business, i.e. asset management, to complement our core expertise of offering financing to health care professionals. This is linked to opportunities for higher profitability in the future as well as improved capital and cost efficiency going forward. Expanding the commission-bearing asset management business is also important from a strategic perspective because that could enable us to reduce our dependence on interest rates in our lending and deposit business. These actions, however, come with investment costs that will temporarily burden our income statement.

The topic of sustainability is in focus in society, among policy makers and in industry, and is also continuing to grow in importance for banks. Legislators see financial players in a key role in terms of financing the transformation towards a sustainable, and, in particular, a climate-friendly economy. This is an opportunity to generate new business. In addition, there are numerous requirements imposed by regulators and supervisory authorities, especially in terms of dealing with climate and environmental risks. The supervisory authorities call for sufficient attention to be paid to this subject in banks' business strategies, risk management and disclosures. Ever more customers are also expecting to be offered an attractive range of products and services that comply with environmental and social criteria. Banks are also under increasing observation from consumer protection organisations, non-governmental organisations and specialised sustainability rating agencies. In parallel, legislators and supervisory authorities are stepping up their requirements to avoid greenwashing. All these aspects necessitate further adaptations to internal bank processes and control systems, in addition to considerable investments. Insufficient implementation of regulatory specifications and/or customer wishes could, for example, lead to a loss of reputation for apoBank.

Climate change also presents potential risks. These would be both physical risks to assets in the bank balance sheets as a direct consequence of climate change, as well as transition risks, i.e. potential financial consequences due to national economies having to adapt to a changing climate. In addition, new and more extensive regulatory requirements can increase transition risks.

apoBank acknowledges the growing importance of sustainability by expanding its products and services. At the same time, this creates new business potential. For example, we promote green construction loans and energy-efficient retrofits by offering interest rate reductions. We also provide support for start-ups that are based on sound environmental and economic principles. Since January 2025, we have offered asset investment in the form of the apoVV FUTURE fund, which goes beyond the standard application of minimum exclusion criteria and sustainability filters by applying positive criteria in the selection of shares and involving an external ESG circle of experts. In addition, we give our advisors comprehensive training on climate protection and climate adaptation, so they can support their customers responsibly and reliably during this increasingly challenging time.

Digitalisation in the banking business

Opportunities and risks for apoBank also arise from the ongoing digital transformation of the banking business, both with regard to banking processes and the resulting opportunities for future-proof business models. The internet and digital applications provide users with a vast supply of information, and in the process create transparency and opportunities to compare the prices, conditions and performance of bank products and services. In addition, users of digital applications online are accustomed to being able to carry out their transactions in real time and without complications. Customers increasingly expect the same of banks. That also applies with growing frequency to more sophisticated advisory services. This trend requires higher investment in banking IT systems. At the same time, well designed digital banking services can generate new sales opportunities.

Technological innovations are emerging at a rapid pace as part of the digital transformation process. Using technologies such as Robotic Process Automation, banks can automate standardised, high-volume processes involving frequent repetition. Powerful IT systems systematically analyse banks' customer data in line with privacy regulations, adding value for customers and also for the banks themselves in the form of smart data. For example, linking data with customer requirements can accurately identify customers who might have an interest in particular products and services (predictive analytics). This gives banks the opportunity to bring their customers' attention to suitable products and services individually and at the right time. On the downside, however, there is higher risk of data abuse.

Digital innovations are breaking up the integrated value chain of banks. The value chain is separated into different service components which are performed by different providers, without customers perceiving any break between the various parties involved. This goes for the IT infrastructure or the outsourcing of data to a cloud operated by specialist providers, for example. Banks can thus reduce the degree of vertical integration in their value chain by outsourcing areas that are not relevant to their competitive position and focus on customer-related activities and processes. On the one hand, this increases the chance of implementing more efficient processes, while on the other hand these developments require investments.

Lasting changes to the banking business are expected to result from advances in the use of AI. By using AI, banks can achieve significant efficiency improvements and cost savings, and can realise sales potentials along the entire value chain. Financial institutions currently use AI mainly to optimise their internal processes. Here too, there is a trade-off between the opportunities provided by new products and services and more efficient processes on the one hand and investment costs and higher operating expenditure on the other. apoBank has also taken some initial steps in this regard and developed an AI strategy that will be implemented in the coming years.

The developments described above intensify competition among banks. Moreover, as a consequence of the digitalisation of banking business, new providers (neobanks/neobrokers) have entered the banking market. Global internet corporations such as Alibaba, Apple, Alphabet, as well as comparison portals, also offer banking services. Due to their direct customer access, their technological skills and their financial room for manoeuvre, they are potentially powerful competitors to banks. With their platforms, they could establish themselves as central customer interfaces in the banking business. Traditional banks thus run the risk of losing their original customer access and being forced into the role of product suppliers. To avoid any competitive disadvantages as a result of these trends, banks are often forced to invest considerable amounts in digital transformation. apoBank's new strategy programme Primus 2028 includes initiatives aimed, among other things, at increasing the performance of apoBank's applications and constantly refining the digital customer experience, while meeting customers' expectations of a modern bank. This results in opportunities for the Bank.

In addition, growing IT and cyber risks have become more significant for the entire economy, including for banks and the supervisory authorities, due to the increasing digitalisation of processes and customer interfaces as well as continuing geopolitical uncertainties. Banks are therefore pressing ahead with efforts to make themselves more operationally resilient and reliably manage operational risks. The clear requirements of the supervisory authorities also contribute to this process. For example, the EU's Digital Operational Resilience Act (DORA) requires all participants in the financial system to have the necessary security precautions in place to curb cyberattacks as well as other information and communication technology risks. apoBank has therefore also expanded its management of operational risks and established extensive control and monitoring processes for data security, business continuity management, information risk management and third-party management.

Challenges due to transformation in health care provision

Complex prevailing conditions

The number of self-employed health care professionals has been declining for years, while the number of salaried health care professionals is on the rise. At the same time, new opportunities are emerging for practice, branch and cooperative models. Outpatient and inpatient care are dovetailing more and more, in the form of hybrid DRGs, for example, or disease management programmes and integrated emergency centres. Digitalisation and AI are becoming increasingly usable in medical care and research. The tangible benefit of telematic applications such as electronic prescriptions and electronic patient records is improving the level of patient acceptance for digital solutions. We are integrating these trends into our new strategy programme Primus 2028, among other things to generate further business with salaried health care professionals.

The federal government still faces the need to stabilise the finances of statutory health insurance (GKV) and social nursing care insurance, as well as a shortage of skilled workers and a care landscape in transformation.

Digitalisation in the health care market

By expanding our advisory services for practices, we support and advise their owners intensively in their professional practice – from starting up their businesses to optimising and/or digitalising their practices right through to transferring them to others. In addition, we cover the specific advisory and financial needs of outpatient and inpatient medical care companies, and apoBank's new strategic alignment places a greater focus on salaried health care professionals, with the aim of generating additional business potential.

Inspiration for players in the health care industry comes from the digital transformation, from ever more powerful AI systems, and from the trends towards greater sustainability and larger cooperative medical care units. The challenge is to integrate digital applications in a way that will simplify day-to-day practice instead of creating additional complexity. If this succeeds, these players will have the opportunity to make workflows faster and to stand out from the competition.

Sustainability is becoming more important and is making the task of managing practices and companies in an economically, environmentally and socially successful manner more challenging. It also opens up opportunities for new practice and business models.

The development of larger medical care structures offers both opportunities and risks: Larger units benefit from scale effects, but there is also the risk of creating shortages in rural areas. Innovative concepts are being developed in such areas, such as the multi-sector medical care facilities planned as part of the hospital reform. Our advisors support our customers in addressing all of these challenges.

We are convinced that with our business model and our specialisation in the health care market that forms part of it, we have the skills necessary to continue evolving in a changing environment and thus to continue positioning ourselves for further competitive success.

4

Annual Financial Statements

Balance Sheet

Assets

	(Notes)	31 Dec 2025 €	31 Dec 2024 €
1. Cash reserves	**(2)**	**398,432,741.99**	**334,877,306.28**
a) Cash on hand		21,036,634.38	25,904,691.89
b) Cash in central banks		377,396,107.61	308,972,614.39
Including: in the German Federal Bank (Bundesbank)		(377,396,107.61)	(308,972,614.39)
c) Cash in post office giro accounts		0.00	0.00
2. Debt instruments of public agencies and bills of exchange, eligible for refinancing with central banks		**0.00**	**0.00**
3. Loans and advances to banks	**(3, 16, 17)**	**5,358,778,166.89**	**7,671,872,441.45**
a) Mortgage loans		0.00	0.00
b) Local authority loans		0.00	0.00
c) Other receivables		5,358,778,166.89	7,671,872,441.45
Including: due on demand		(4,281,291,894.83)	(6,759,414,334.79)
Including: lending against securities		(0.00)	(0.00)
4. Loans and advances to customers	**(3, 16, 17, 29, 51)**	**35,035,398,181.77**	**34,743,479,809.36**
a) Mortgage loans		8,165,884,262.50	8,575,575,609.26
b) Local authority loans		122,676,722.17	93,389,189.64
c) Other receivables		26,746,837,197.10	26,074,515,010.46
Including: lending against securities		(0.00)	(0.00)
5. Debt securities and other fixed-interest securities	**(4, 6, 17, 18, 19, 20, 22, 25, 29, 50, 51)**	**7,723,159,807.46**	**5,165,707,189.68**
a) Money market instruments		814,007,284.99	301,079,635.90
aa) of public issuers		0.00	0.00
Including: acceptable as collateral by the Bundesbank		(0.00)	(0.00)
ab) of other issuers		814,007,284.99	301,079,635.90
Including: acceptable as collateral by the Bundesbank		(814,007,284.99)	(301,079,635.90)
b) Bonds and debt securities		6,909,152,522.47	4,864,627,553.78
ba) of public issuers		3,356,644,899.92	2,394,210,264.68
Including: acceptable as collateral by the Bundesbank		(3,356,644,899.92)	(2,394,210,264.68)
bb) of other issuers		3,552,507,622.55	2,470,417,289.10
Including: acceptable as collateral by the Bundesbank		(3,471,282,381.17)	(2,402,642,344.70)
c) Own debt securities		0.00	0.00
Nominal amount		(0.00)	(0.00)
6. Shares and other non-fixed-interest securities	**(4, 6, 19, 20, 21, 22, 25)**	**3,274,447,350.85**	**3,271,865,244.84**
6a. Trading assets	**(5, 19)**	**0.00**	**0.00**
7. Investments and capital shares in cooperatives	**(7, 17, 19, 23, 25, 33)**	**262,651,164.40**	**231,794,341.92**
a) Investments		262,629,767.01	231,622,944.53
Including: in banks		(7.96)	(113,185.48)
Including: in financial services institutions		(13,944,583.39)	(13,944,583.39)
Including: in securities institutions		(0.00)	(0.00)
b) Capital shares in cooperatives		21,397.39	171,397.39
Including: in cooperative banks		(0.00)	(0.00)
Including: in financial services institutions		(0.00)	(0.00)
Including: in securities institutions		(0.00)	(0.00)
8. Shares in affiliated companies	**(7, 17, 19, 23, 25, 33)**	**5,184,736.21**	**5,542,259.72**
Including: in banks		(0.00)	(0.00)
Including: in financial services institutions		(0.00)	(0.00)
Including: in securities institutions		(1,292,236.21)	(1,292,236.21)
9. Trust assets	**(24)**	**51,130.18**	**25,565.59**
Including: fiduciary loans		(0.00)	(0.00)
10. Compensation claims against the public sector including debt securities from their exchange		**0.00**	**0.00**
11. Intangible assets	**(8, 25)**	**93,576,896.87**	**115,595,972.32**
a) Internally-generated industrial and similar rights and assets		0.00	0.00
b) Concessions, industrial property rights and similar rights and assets acquired for a consideration, as well as licenses to such rights and assets		93,576,896.87	115,595,972.32
c) Goodwill		0.00	0.00
d) Payments in advance		0.00	0.00
12. Tangible assets	**(9, 25, 51)**	**102,474,179.80**	**103,988,018.12**
13. Other assets	**(26)**	**170,564,224.69**	**154,470,471.51**
14. Prepayments and accrued income	**(10, 27)**	**13,048,736.44**	**12,594,783.12**
a) from issuing and loan transactions		4,012,600.90	5,592,170.98
b) Others		9,036,135.54	7,002,612.14
15. Deferred tax assets	**(28)**	**0.00**	**0.00**
Total assets		**52,437,767,317.55**	**51,811,813,403.91**

Liabilities

	(Notes)	31 Dec 2025 €	31 Dec 2024 €
1. Liabilities to banks	**(11, 32, 33, 50)**	**11,759,021,393.35**	**11,500,840,134.55**
a) Registered mortgage bonds issued		135,906,730.56	176,047,099.12
b) Registered public covered bonds issued		0.00	0.00
c) Other liabilities		11,623,114,662.79	11,324,793,035.43
Including: due on demand		(386,872,018.74)	(508,399,577.93)
Including: mortgage bonds and registered public covered bonds delivered to the lender as collateral		(0.00)	(0.00)
2. Liabilities to customers	**(11, 32, 33, 50)**	**33,150,960,398.01**	**30,278,898,361.27**
a) Registered mortgage bonds issued		869,793,333.05	877,830,935.96
b) Registered public covered bonds issued		0.00	0.00
c) Savings deposits		92,426,236.21	91,331,121.37
ca) with an agreed notice period of three months		92,292,336.84	91,184,765.18
cb) with an agreed notice period of more than three months		133,899.37	146,356.19
d) Other liabilities		32,188,740,828.75	29,309,736,303.94
Including: due on demand		(25,226,665,428.94)	(23,644,297,970.81)
Including: mortgage bonds and registered public covered bonds delivered to the lender as collateral		(0.00)	(0.00)
3. Securitised liabilities	**(11, 32, 33, 50)**	**3,288,160,141.71**	**5,768,301,596.01**
a) Debt securities issued		3,288,160,141.71	5,768,301,596.01
aa) Mortgage bonds		2,554,399,010.97	3,116,809,847.59
ab) Public covered bonds		0.00	0.00
ac) Other debt securities		733,761,130.74	2,651,491,748.42
b) Other securitised liabilities		0.00	0.00
Including: money market instruments		(0.00)	(0.00)
Including: own acceptances and promissory notes outstanding		(0.00)	(0.00)
3a. Trading liabilities	**(5)**	**0.00**	**0.00**
4. Trust liabilities	**(34)**	**51,130.18**	**25,565.59**
Including: fiduciary loans		(0.00)	(0.00)
5. Other liabilities	**(11, 35)**	**83,034,066.58**	**260,520,723.74**
6. Prepayments and accrued income	**(13, 36)**	**6,671,412.20**	**9,640,515.04**
a) from issuing and loan transactions		2,600,601.51	3,982,614.81
b) Others		4,070,810.69	5,657,900.23
6a. Deferred tax liabilities		**0.00**	**0.00**
7. Provisions	**(12)**	**484,571,623.28**	**524,911,822.80**
a) Provisions for pensions and similar obligations		284,620,895.87	270,266,511.38
b) Tax provisions		34,654,772.16	66,454,269.16
c) Other provisions		165,295,955.25	188,191,042.26
8. - - -		**0.00**	**0.00**
9. Subordinated liabilities	**(11, 33, 37)**	**187,259,356.18**	**188,282,103.52**
10. Participating certificate capital		**0.00**	**0.00**
Including: due within two years		(0.00)	(0.00)
11. Fund for general banking risks		**1,273,214,441.38**	**1,186,522,441.38**
Including: special items pursuant to Section 340e para. 4 of the HGB		(0.00)	(0.00)
11a. Special items from currency translation		**0.00**	**0.00**
12. Capital and reserves	**(38, 48, 54)**	**2,204,823,354.68**	**2,093,870,140.01**
a) Subscribed capital		1,392,839,312.96	1,305,679,779.65
b) Capital reserves		0.00	0.00
c) Revenue reserves		712,151,787.67	692,151,787.67
ca) Legal reserves		481,730,000.00	471,730,000.00
cb) Other revenue reserves		230,421,787.67	220,421,787.67
d) Balance sheet profit		99,832,254.05	96,038,572.69
Total liabilities		**52,437,767,317.55**	**51,811,813,403.91**

	(Notes)	31 Dec 2025 €	31 Dec 2024 €
1. Contingent liabilities	**(39, 40)**	**373,321,169.56**	**375,578,935.62**
a) Contingent liabilities from rediscounted, settled bills		0.00	0.00
b) Liabilities from guarantees and indemnity agreements		373,321,169.56	375,578,935.62
c) Liabilities arising from the provision of collateral for third-party liabilities		0.00	0.00
2. Other obligations	**(39)**	**3,329,904,935.77**	**2,695,998,003.52**
a) Obligations under optional repurchasing agreements		0.00	0.00
b) Placement and underwriting obligations		0.00	0.00
c) Irrevocable loan commitments		3,329,904,935.77	2,695,998,003.52

Income Statement

Income statement

	(Notes)	1 Jan – 31 Dec 2025 €	1 Jan – 31 Dec 2024 €
1. Interest income from	(42)	**1,516,632,062.77**	**1,803,118,053.98**
a) lending and money market transactions		1,399,572,759.42	1,737,576,183.73
b) fixed-interest securities and debt register claims		117,059,303.35	65,541,870.25
Including: from negative interest rates		(–19,645.85)	(–13,178.39)
2. Interest expenses	(43)	**–561,098,693.18**	**–902,977,730.45**
Including: from positive interest rates		(2,552,864.32)	(2,805,189.99)
3. Current income from		**20,817,315.09**	**71,291,942.94**
a) shares and other non-fixed-interest securities		236,311.47	56,599,870.21
b) participating interests and capital shares in cooperatives		19,303,003.62	14,674,072.73
c) shares in affiliated companies		1,278,000.00	18,000.00
4. Income from profit pooling, profit transfer agreements and partial profit transfer agreements		**703,393.38**	**537,137.31**
5. Commission income	(44)	**273,146,686.10**	**237,334,294.04**
6. Commission expenses	(44)	**–75,412,061.07**	**–60,140,398.52**
7. Net trading revenues		**0.00**	**0.00**
8. Other operating income	(45)	**51,663,066.18**	**69,818,576.52**
Including: from discounting		(542,550.30)	(472,541.57)
9. ---		**0.00**	**0.00**
10. General administrative expenses		**–753,310,268.26**	**–702,382,883.79**
a) Personnel expenses		–300,031,796.53	–267,835,475.99
aa) Wages and salaries		–236,602,963.45	–222,970,047.98
ab) Social security contributions and expenses for pensions and benefits		–63,428,833.08	–44,865,428.01
Including: for pensions		(–26,037,021.63)	(–12,103,416.86)
b) Other administrative expenses		–453,278,471.73	–434,547,407.80
11. Depreciation, amortisation and write-downs in respect of intangible and tangible assets		**–30,302,855.31**	**–28,746,685.85**
12. Other operating expenses	(45)	**–29,524,943.78**	**–79,695,822.16**
Including: from discounting		(–5,503,886.32)	(–4,489,462.64)
13. Write-downs and value adjustments in respect of receivables and specific securities and allocations to provisions for credit risks		**–90,966,996.05**	**–5,847,658.51**
14. Income from write-ups in respect of receivables and specific securities and from the release of provisions for credit risks		**0.00**	**0.00**
15. Write-downs and value adjustments in respect of participating interests, shares in affiliates and securities treated as fixed assets		**0.00**	**0.00**
16. Income from write-ups in respect of investments, shares in affiliates and securities treated as fixed assets		**226,342.86**	**13,270,517.28**
17. Expenses from the assumption of losses		**0.00**	**0.00**
18. ---		**0.00**	**0.00**
19. Operating surplus		**322,573,048.73**	**415,579,342.79**
20. Extraordinary income	(46)	**0.00**	**0.00**
21. Extraordinary expenses	(46)	**0.00**	**0.00**
22. Extraordinary result	(46)	**0.00**	**0.00**
23. Taxes on income	(47)	**–135,747,161.97**	**–215,291,973.39**
24. Other taxes not reported in item 12		**–306,636.76**	**–392,093.68**
24a. Allocations to the fund for general banking risks		**86,692,000.00**	**103,862,135.13**
25. Net profit	(48)	**99,827,250.00**	**96,033,140.59**
26. Profit carried forward from the previous year	(48)	**5,004.05**	**5,432.10**
27. Withdrawals from revenue reserves	(48)	**0.00**	**0.00**
a) From legal reserves		0.00	0.00
b) From other revenue reserves		0.00	0.00
28. Allocations to revenue reserves	(48)	**0.00**	**0.00**
a) To legal reserves		0.00	0.00
b) To other revenue reserves		0.00	0.00
29. Balance sheet profit	(48)	**99,832,254.05**	**96,038,572.69**

Statement of Changes in Equity

Development of capital and reserves

In the reporting year 2025, the amounts shown under liability item 12, “Capital and reserves”, developed as follows:

Capital development

	Subscribed capital		Capital reserves	Revenue reserves		Balance sheet profit/loss
	Members’ capital contributions[1]	Contributions of silent partners		Legal reserves	Other revenue reserves	
	€thous	€thous	€thous	€thous	€thous	€thous
1 Jan 2025	1,305,680	0	0	471,730	220,422	96,039
Withdrawals	35,852	0	0	0	0	20,000
Additions	123,012	0	0	10,000	10,000	99,827
Distribution of annual result	0	0	0	0	0	76,034
31 Dec 2025	**1,392,839**	**0**	**0**	**481,730**	**230,422**	**99,832**

1) The changes in members’ capital contributions are composed of disposals due to (partial) termination, (partial) transfer, death or exclusion, as well as additions due to new memberships or investments.

Cash Flow Statement

Cash flow statement

	31 Dec 2025 €m	31 Dec 2024 €m
Result for the period (net profit/loss)	**99.8**	**96.0**
Write-downs, value adjustments and write-ups in respect of receivables and fixed assets	133.1	44.9
Increase/decrease in provisions	– 40.3	– 38.6
Other non-cash expenses/income	85.2	166.8
Profit/loss from the sale of fixed assets	0.0	– 0.9
Other adjustments (on balance)	– 0.1	– 0.1
Increase/decrease in loans and advances to banks	2,311.4	– 1,616.6
Increase/decrease in loans and advances to customers	– 377.6	563.5
Increase/decrease in securities (unless financial assets)	– 512.9	– 203.7
Increase/decrease in other assets from operating activities	174.0	119.7
Increase/decrease in liabilities to banks	208.8	166.5
Increase/decrease in liabilities to customers	2,880.1	815.8
Increase/decrease in securitised liabilities	– 2,476.4	– 220.6
Increase/decrease in other liabilities from operating activities	– 463.4	– 186.0
Interest expenses/interest income	– 955.5	– 900.1
Current income from shares, non-fixed-interest securities, investments, capital shares in cooperatives and shares in affiliated companies	– 20.8	– 71.3
Expenses/income from extraordinary items	0.0	0.0
Income tax expense/income	135.7	215.3
Interest payments and dividend payments received	1.536.9	1,867.7
Interest paid	– 500.9	– 848.7
Extraordinary deposits	0.0	0.0
Extraordinary payments	0.0	0.0
Income tax payments	– 135.5	– 50.8
Cash flow from operating activities	**2,081.6**	**– 81.2**
Deposits from the sale of financial assets	741.9	872.5
Payments for investments in financial assets	– 2,768.9	– 702.8
Deposits from the sale of tangible assets	7.7	0.9
Payments for investments in tangible assets	– 8.7	– 6.4
Deposits from the sale of intangible assets	0.0	0.0
Payments for investments in intangible assets	– 0.2	– 9.3
Deposits from the sale of consolidated companies	0.0	0.0
Payments for additions to the scope of consolidation	0.0	0.0
Fund changes from other investment activities (on balance)	0.0	0.0
Deposits from extraordinary items	0.0	0.0
Payments for extraordinary items	0.0	0.0
Cash flow from investment activities	**– 2,028.2**	**154.9**
Payments from increases in equity capital by partners	123.0	89.3
Payments for decreases in equity capital to partners	– 35.9	– 61.9
Deposits from extraordinary items	0.0	0.0
Payments for extraordinary items	0.0	0.0
Dividends paid to partners	– 76.0	– 75.2
Fund changes from other capital (on balance)	– 1.0	– 1.0
Cash flow from financing activities	**10.1**	**– 48.8**
Cash changes in liquid assets	63.5	24.9
Changes to liquid assets due to foreign currency and valuation	0.0	0.0
Changes in liquid assets due to the scope of consolidation	0.0	0.0
Liquid funds at the start of the reporting period	334.9	310.0
Liquid funds at the end of the reporting period	**398.4**	**334.9**

Notes

A. General information

1. Framework for the preparation of the annual financial statements

The annual financial statements of Deutsche Apotheker- und Ärztebank eG (apoBank), Dusseldorf (Local Court of Dusseldorf, GnR 410), as at 31 December 2025 were prepared according to the regulations of the German Commercial Code (HGB) as well as the Accounting Ordinance for Banks, Financial Services Institutions and Investment Firms (RechKredV). At the same time, the annual financial statements meet the requirements of the Cooperative Societies Act (GenG), the German Pfandbrief Act (PfandBG) and the Articles of Association of apoBank.

Pursuant to Section 244 of the HGB, the annual financial statements are drawn up in German and in euros. apoBank exercises the option to provide information in the notes rather than in the balance sheet.

Due to rounding, small deviations can occur in the totals stated in the tables and in the calculation of percentages.

B. Accounting, valuation and translation methods

In preparing the balance sheet and income statement, the following accounting, valuation and translation methods were used.

2. Cash reserve

The cash reserve denominated in euros was carried at nominal value.

3. Loans, advances and risk provisioning

Loans and advances to banks and customers were carried at nominal value or acquisition cost, with the difference between the higher nominal value and the amount disbursed being posted to accruals and deferred income.

Identifiable default risks in loans and advances to customers are covered by individual loan loss provisions. Loan loss provisions are determined using a sustainable debt analysis that calculates the recoverable amount of each doubtful debt based on an assessment using institution-specific empirical values and market-based creditworthiness parameters. All influencing factors are considered, especially collateral, length of payment default, residual term, expected returns, and interest and repayment schedules. For all doubtful debts, an individual valuation is carried out on the basis of Section 252 para 1 no. 3 in conjunction with Section 253 of the HGB. The loan loss provisions calculated in this way are shown in the balance sheet as the amount at risk of default netted against the loans and advances to customers.

apoBank made a general value adjustment for latent credit risks. The general value adjustment is calculated based on the requirements of the relevant IDW-Stellungnahme zur Rechnungslegung (Statement by the German Institute of Public Auditors on accounting principles, IDW RS BFA 7), “Risikovorsorge für vorhersehbare, noch nicht individuell konkretisierte Adressenausfallrisiken im Kreditgeschäft von Kreditinstituten (Pauschalwertberichtigungen)” (Provisions for credit risks that are foreseeable but not yet individually identified in the lending business of credit institutions (general value adjustments)). Here, apoBank uses a simplified procedure at portfolio level, whereby the expected loss is determined over an observation period of 12 months, as long as there is no major deterioration in loan quality at portfolio level. The calculation is based on receivables and loans to credit institutions and loans and advances to customers with no individual loss provision, as well as contingent liabilities and other liabilities to be disclosed off-balance sheet in accordance with Sections 26 and 27 of the Accounting Ordinance for Banks, Financial Services Institutions and Investment Firms (RechKredV), including irrevocable loan commitments plus revocable credit limits granted. The portfolios are formed in accordance with customer group-specific rating procedures used by apoBank in its risk controlling. This approach is based on the assumption that, when granting loans, credit risk and the credit risk premiums considered when defining the terms and conditions are in alignment with each other. This assumption is reviewed at regular intervals. If alignment at portfolio level were no longer given, a lifetime expected loss would be applied for the portfolio.

4. Securities

Securities in the liquidity reserve were valued according to the strict lower-of-cost-or-market principle, while fixed-asset securities were valued according to the moderate lower-of-cost-or-market principle. The exchange or market prices provided by Bloomberg or Reuters were taken as a basis for this.

Acquisition costs for securities of the same type were calculated using the averaging method.

Securities that are transferred as part of securities lending continue to be recognised in the balance sheet item “Debt securities and other fixed-interest securities”, as the significant opportunities and risks that result from the securities remain with apoBank. The book value of the securities accordingly labelled and lent amounts to €200 million (31 December 2024: €151 million). Throughout the lending period of the securities, the lending fee agreed upon for the borrowed securities will be periodically collected within commission income and will be stated in other assets until it matures.

All interest-bearing securities have been measured at amortised cost according to the effective interest method. Existing premiums and discounts that are similar in nature to interest are amortised using the effective interest method and recognised in net interest income.

5. Trading assets and liabilities

The internally defined criteria for including financial instruments in trading assets and liabilities are unchanged compared to the previous year.

6. Valuation units

At apoBank, micro-hedge units and portfolio valuation units are formed to hedge risks. Micro-hedge units are used in the context of asset swap packages and to cover part of the Bank’s own issuances. This hedges against interest change risks.

In the case of the micro-hedge units, the effective portion of the valuation units formed is presented in the balance sheet according to the cost method. For some of the portfolio valuation units, the fair value method is applied. A prospective and a retrospective effectiveness test is performed.

apoBank carries out the prospective effectiveness test for the micro-hedge units using the critical terms match method. Effectiveness is assumed if the essential value drivers for the hedged risks of the underlying transaction and the hedging transaction correspond.

In the case of micro-hedge units with underlying transactions on the asset side, changes in the market value of the underlying transaction and the hedging transaction are determined and netted in relation to the last reporting date. If there is an excess loss resulting from unhedged risks, a specific write-down with respect to the underlying transaction is made in this amount, if the excess loss is considered permanent.

For micro-hedge units with underlying transactions on the liabilities side, apoBank applies the fixed valuation method as long as it is considered a perfect hedge. The Bank's own issuance is posted at the repayment amount and is not valued. Accordingly, the hedging derivative is not valued either.

In the case of portfolio valuation units, the risks of multiple underlying transactions of the same type are covered by one or more hedging instruments. The underlying transactions have similar terms (currency, maturity, coupon).

As at the balance sheet date, the total volume of the risks hedged amounted to €440 million (31 December 2024: €408 million). These risks result from an omitted depreciation of assets, an omitted appreciation of debt or omitted provisions for contingent losses, and are quantified based on the gross net present values of the derivative transactions. The majority of the changes in value and of the payment flows are likely to balance each other out over a period of up to ten years.

As at the reporting date, apoBank had designated a total of 224 micro hedges with a nominal value of €5,233 million:

- 208 hedges on the Bank's own issuances against the interest rate risk with a nominal value of €5,002 million and a book value of €4,701 million, including
  - nine caps with a nominal value of €146 million,
  - 11 floors with a nominal value of €156 million,
  - 188 swaps with a nominal value of €4,700 million,
- 16 asset swaps to hedge against the interest rate risk of 14 acquired securities with a nominal value of €232 million and a book value of €231 million.

7. Investments and shares in affiliated companies

Investments and capital shares in cooperatives as well as shares in affiliated companies were reported at acquisition cost or at fair value, if lower. In the case of purchase transactions, acquisition costs comprise the purchase price including directly attributable additional costs and, in the case of swaps, the application of general swap principles.

8. Fixed assets/intangible assets

Intangible assets were valued at acquisition cost and depreciated on a straight-line basis as planned. To determine the average useful life of the intangible assets, we generally use the letter of the Federal Ministry of Finance dated 18 November 2005 as a basis ("Bilanzsteuerrechtliche Beurteilung von Aufwendungen zur Einführung eines betriebswirtschaftlichen Softwaresystems" (ERP software)). The underlying useful life of the intangible assets is three to five years. One exception is the software license of our core bank system. Its average useful life was derived based on the ten-year minimum term of the corresponding maintenance contracts. Thus, the license is depreciated over a period of ten years.

9. Fixed assets/tangible assets

Tangible assets were carried at acquisition cost and depreciated over their average useful life as planned. To determine the average useful life, we generally use the depreciation tables for banks published by the German financial authorities ("Afa-Tabelle für den Wirtschaftszweig 'Kreditwirtschaft'"). If the depreciation tables for banks cannot be applied, we use the "Afa-Tabelle für die allgemein verwendbaren Anlagegüter (Afa-Tabelle "AV"). With the exception of buildings, the underlying useful life of the tangible assets is three to 25 years.

Deviating from this, buildings were written down on a straight-line basis or using declining-balance rates throughout their useful life. This corresponds to the specifications of Section 7 para. 4 sentence 2 of the German Income Tax Act (EstG). Their useful life is between 25 and 50 years. Low-value assets within the meaning of Section 6 para. 2 EStG were fully depreciated. Art objects were classified as non-depreciating assets and carried at amortized costs.

10. Prepayments and accrued income (assets)

The difference between the repayment amount und the lower issue price of the liabilities was reported under "Prepayments and accrued income (assets)". The differences were spread across the terms of the liabilities as planned.

11. Liabilities

Liabilities were generally carried at their repayment amounts, taking account of accrued interest. Differences between the lower issue price and the repayment amount of the liabilities were reported under "Prepayments and accrued income" and dissolved on an accrual basis. Zero bonds and commercial papers were carried as liabilities at their issue price plus accrued interest.

12. Provisions

The provisions for pension liabilities as at 31 December 2025 were calculated based on the actuarial tables "Richttafeln 2018 G" (Heubeck) using the projected unit credit method. The calculation was based on an interest rate of 2.06% (average over the past ten financial years), a wage increase trend of 3.00% and a pension increase trend of 2.02%. As at 31 December 2025, the difference pursuant to Section 253 para. 6 of the HGB subject to a bar on distribution amounted to -€5.3 million. There was no bar on distribution because of the negative amount.

apoBank recorded the releases and allocations to the balance sheet item "Provisions for pensions and similar obligations" in relation to the interest effects under other operating income and otherwise as a net item under "Personnel expenses". Pension provisions and the provision for deferred compensation were netted with the corresponding plan assets (initially under "Other assets") pursuant to Section 246 para. 2 sentence 2 of the HGB. The fair value amounting to €13.0 million is equivalent to the acquisition costs of the plan assets. In conjunction with IDW RH FAB 1.021, the capitalisation values of the reinsurance for pension obligations are aligned with the corresponding provision amounts for these pension obligations (primacy of the liabilities side). The remaining amount of €9.4 million was offset with the corresponding pension obligations.

The balance of income amounting to €0.7 million and expenses of €0.4 million in connection with the reinsurance for pension obligations was netted with the expenses from the compounded interest of pension provisions amounting to €5.2 million.

There were no provisions for part-time retirement on the balance sheet date. The provisions for anniversary payments are calculated based on the projected unit credit method. They were made on the basis of an interest rate of 2.22%, a wage increase trend of 3.00% as well as the actuarial tables "Richttafeln 2018 G" (Heubeck). The provisions for early retirement were made on the basis of an interest rate of 2.22% and a wage increase trend of 3.00% in accordance with the law and under consideration of the agreements made in the individual contracts.

Provisions with a residual term of more than one year are discounted or compounded pursuant to Section 253 para. 2 of the HGB and posted at this amount (net method). The current profit/loss from discounting and compounding is posted to “Other operating income” or “Other operating expenses”. The results from the change in the discount rate on provisions for pensions and similar obligations are taken into account in the item “Personnel expenses”. The results from the change in the discount rate on other provisions are shown in the item “Other operating income” or “Other operating expenses”.

apoBank also made adequate provisions for the other uncertain liabilities.

13. Prepayments and accrued income (liabilities)

“Prepayments and accrued income (liabilities)” mainly includes discounts that are deducted when receivables are extended, as well as premiums from liabilities. The differences are spread across the terms of the receivables as planned.

14. Derivative financial instruments

Derivative financial instruments are generally valued individually in accordance with the general valuation provisions of German commercial law (Sections 252 et seqq. of the HGB) and taking the realisation and imparity principle into account, unless valuation units are formed to a permissible extent in order to hedge balance sheet items or the derivatives are used for controlling the overall bank interest rate risk.

Provisions for contingent losses are recorded if apoBank anticipates a claim.

In the balance sheet, apoBank accounts for structured financial instruments with an embedded derivative component uniformly in accordance with IDW RS HFA 22.

As a basic principle, apoBank uses all tradeable interest rate derivatives in its overall bank management. They are used to hedge the interest rate risks in the banking book and for P&L control.

Pursuant to IDW RS BFA 3 n.F., apoBank is required to provide proof of a loss-free valuation of interest-bearing banking book transactions. For all interest-bearing transactions (on-balance-sheet and off-balance-sheet) in the banking book, proof was provided that no losses will occur in future as a result of contracted interest rate positions. The analysis was based on the net present value/book value method, which compares the book values of the interest-bearing transactions of the banking book with the net present values attributable to interest rates, taking account of risk and portfolio management costs. apoBank did not identify any need for provisioning.

15. Currency translation

Items based on amounts that are or were originally denominated in foreign currency are in principle valued pursuant to Section 340h in conjunction with Section 256a of the HGB.

apoBank considers the special coverage pursuant to Section 340h of the HGB as given when the total item is financially balanced for each foreign currency as at the balance sheet date. Since special coverage existed in all cases, income and expenditure from currency translation are shown in the income statement under the items “Other operating income” or “Other operating expenses”.

C. Notes to the balance sheet

Notes to assets

16. Breakdown of loans and advances by residual terms and other items

The receivables shown in the balance sheet have the following residual terms:

Breakdown of loans and advances by residual terms

	Loans and advances to banks (A3) €thous		Loans and advances to customers (A4) €thous	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Accrued interest	97,890	99,630	6,939	8,390
Up to 3 months	4,510,888	6,982,413	1,193,152	1,065,834
More than 3 months to 1 year	750,000	589,830	3,593,776	3,536,112
More than 1 year to 5 years	0	0	16,152,124	16,154,474
More than 5 years	0	0	12,288,770	12,094,782

Loans and advances to banks (assets, 3) include receivables from the relevant central cooperative bank (DZ BANK AG) of €1,372,366 thousand (31 December 2024: 1,516,577 thousand).

Loans and advances to customers (assets, 4) include receivables with unspecified maturities of €1,800,637 thousand (31 December 2024: €1,883,888 thousand).

17. Affiliated and associated companies

Loans and advances include the following amounts which are also loans and advances to affiliated or associated companies:

Affiliated and associated companies

	Loans and advances to banks (A3) €thous		Loans and advances to customers (A4) €thous		Debt securities and other fixed-interest securities (A5) €thous	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Loans and advances to affiliated companies	0	0	11,725	12,724	0	0
Loans and advances to associated companies	1,372,366	1,516,577	345,319	329,926	67,417	67,775

18. Debt securities and other fixed-interest securities

Of the debt securities and other fixed-interest securities (assets, 5) reported in the balance sheet, €1,527,107 thousand (31 December 2024: €1,058,716 thousand) will mature during the financial year following the balance sheet date. These amounts do not include accrued interest.

19. Non-negotiable, negotiable, quoted and unquoted securities as well as negotiable securities not valued at the lower of cost or market

The items “Debt securities and other fixed-interest securities”, “Shares and other non-fixed-interest securities” and “Trading portfolio” are comprised as follows:

Non-negotiable, negotiable, quoted and unquoted securities as well as negotiable securities not valued at the lower of cost or market

	Debt securities and other fixed-interest securities (A5) €thous		Shares and other non-fixed-interest securities (A6) €thous		Trading assets (A6a) €thous	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Non-negotiable	0	0	3,274,447	3,271,865	0	0
Negotiable	7,723,160	5,165,707	0	0	0	0
Quoted	6,726,468	4,717,773	0	0	0	0
Unquoted	996,692	447,934	0	0	0	0
Negotiable securities not valued at the lower of cost or market	5,992,246	3,881,400	0	0	n/a	n/a

	Participating interest and capital shares in cooperatives (A7) €thous		Shares in affiliated companies (A8) €thous	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Non-negotiable	262,651	231,681	5,185	5,542
Negotiable	0	113	0	0
Quoted	0	0	0	0
Unquoted	0	113	0	0

In inventory accounting, negotiable securities not valued at the lower of cost or market are held in separate custodian accounts or are marked accordingly.

20. Securities portfolio/receivables by purpose

The securities portfolio and selected receivables are divided into the following categories according to their purpose (statements include accrued interest):

Securities portfolio/receivables by purpose

	31 Dec 2025 €thous	31 Dec 2024 €thous
Debt securities and other fixed-interest securities		
Fixed assets	6,909,153	4,864,628
Liquidity reserve	814,007	301,080
Total	**7,723,160**	**5,165,708**

	31 Dec 2025 €thous	31 Dec 2024 €thous
Shares and other non-fixed-interest securities		
Fixed assets	3,274,447	3,271,865
Liquidity reserve	0	0
Total	**3,274,447**	**3,271,865**

21. Shares in special investment funds

apoBank holds more than 10% of shares in the following domestic investment funds in accordance with Section 1 para. 10 of the German Capital Investment Code (KAGB) or in comparable international investments.

Shares in special investment funds

Name of fund	Investment objective	Value in accordance with Sections 168, 278 or 286 para. 1 KAGB or comparable international regulations (fair value) €thous	Difference to book value €thous	Distributions made for the total financial year €thous	Restriction of daily redemption
APO 1 Union	Domestic and international bonds	3,038,164	287,948	0	no
APO 2 Union	Domestic and international bonds	548,336	43,336	0	no
BlackRock apo Global Healthcare Private Equity Fund, S.C.A., SICAV-RAIF	Investments in unquoted companies, domestic and international funds	18,252	1,721	0	no

22. Financial instruments classified as fixed assets

Financial instruments classified as fixed assets[1]

	Book value as at 31 Dec 2025 €thous	Fair value as at 31 Dec 2025 €thous	Omitted depreciation €thous
Banks	2,402,817	2,350,526	52,291
Public debtors	2,907,104	2,774,686	132,417
Companies	372,199	365,706	6,493
Total	**5,682,120**	**5,490,918**	**191,201**

1) Includes only financial instruments classified as fixed assets that showed hidden burdens as at the balance sheet date.

The omitted depreciations concern above all bonds in fixed assets with largely interest-induced price drops but no long-term decrease in value. In fiscal 2025, the hidden burdens decreased to €191,201 thousand (31 December 2024: €202,668 thousand) due to shorter residual terms and changes in the yield curve.

23. List of holdings

The following list includes significant investments pursuant to Section 285 para. 11 of the HGB. Pursuant to Section 286 para. 3 of the HGB, the list does not include investments that are of minor importance for apoBank's net assets, financial position and earnings situation.

List of holdings

Company	Share in company capital on 31 Dec 2025 %	Financial year	Capital and reserves of the company €thous	Result of the past financial year €thous
APO Asset Management GmbH, Dusseldorf	70	2024	35,262	4,327
APO Data-Service GmbH, Dusseldorf [1]	100	2025	4,031	369
apoDirect GmbH, Dusseldorf [1]	100	2025	1,525	334
ARZ Haan AG, Haan	38	2024	72,580	8,519
Deutsche Ärzte Finanz Beratungs- und Vermittlungs-Aktiengesellschaft, Cologne	49	2024	23,108	10,090
DZR Deutsches Zahnärztliches Rechenzentrum GmbH, Stuttgart	16	2024	33,476	21,708
HCL Technologies gbs GmbH, Ratingen	49	2024	3,729	2,154
medisign GmbH, Dusseldorf	50	2024	3,366	2,178
PROFI Erste Projektfinanzierungs- und Beteiligungsgesellschaft AG, Zurich [2]	50	2025	22,310	8,339
RiOsMa GmbH, Dusseldorf	90	2024	1,586	413
Treuhand Hannover Steuerberatung und Wirtschaftsberatung für Heilberufe GmbH, Hanover	26	2024	53,769	8,840
WGZ Beteiligungs GmbH & Co. KG, Dusseldorf	5	2024	3,188,356	121,067
ZA Zahnärztliche Abrechnungsgesellschaft Düsseldorf AG, Dusseldorf	25	2024	10,210	2,892
ZPdZ – Zahnpraxis der Zukunft GmbH, Dusseldorf	50	2024	968	8

1) Before profit transfer or loss absorption.
2) The financial year ends on 30 June of the respective year.

apoBank had investments in large corporations pursuant to Section 340a para. 4 of the HGB with more than 5% of voting rights in Treuhand Hannover Steuerberatung and Wirtschaftsberatung für Heilberufe GmbH, Hanover, Deutsche Ärzte Finanz Beratungs- und Vermittlungs-Aktiengesellschaft, Cologne, and DZR Deutsches Zahnärztliches Rechenzentrum GmbH, Stuttgart.

Finanz-Service GmbH of APO-Bank, Dusseldorf, and Deutsche Ärzte Finanz Beratungs- und Vermittlungs-Aktiengesellschaft, Cologne (DÄF), were merged into DÄF, whereby apoBank increased its shareholding in DÄF to 49%.

In accordance with Section 290 para. 5 of the HGB combined with Section 296 para. 1 no. 1 and Section 296 para. 2 of the HGB, apoBank has not prepared consolidated financial statements, as either significant and lasting constraints limit the exercise of the rights of apoBank with regard to the net assets or the management of the subsidiary, or the relevant companies are of minor importance overall in terms of presenting a realistic picture of the net assets, financial position and earnings situation.

At the start of 2026, apoBank raised its shareholding in DZR Deutsches Zahnärztliches Rechenzentrum GmbH, Stuttgart, to 20%. It also acquired a 10% shareholding in both Optica Abrechnungszentrum Dr. Güldener GmbH, Stuttgart, and Apotheken- und Ärzte-Abrechnungszentrum Dr. Güldener GmbH, Stuttgart.

24. Trust assets

The trust transactions shown on the assets side of the balance sheet are fiduciary loans (investments) totalling €51 thousand (31 December 2024: €26 thousand).

apoBank holds in trust exclusively limited partnership shares for the holders of share certificates in various Medico funds.

25. Development of fixed assets

The item “Tangible assets” (assets, 12) includes in particular:

Tangible assets

	31 Dec 2025 €thous	31 Dec 2024 €thous
Land and buildings used within the scope of apoBank’s own operations	76,923	81,835
Office furniture and equipment	24,462	21,036

Development of fixed assets[1]

	Acquisition/ production costs as at 1 Jan 2025	Changes in the reporting period Additions	 Disposals	 Transfers	Acquisition/ production costs as at 31 Dec 2025
	€thous	€thous	€thous	€thous	€thous
Intangible assets	228,350	184	0	0	228,534
Tangible assets					
Land and buildings	206,852	298	9,308	0	197,842
Office furniture and equipment	116,073	8,343	10,977	0	113,439
Fixed-asset securities	8,106,150		2,001,454		
Participating interests and capital shares in cooperatives	233,299		29,352		
Shares in affiliated companies	6,108		– 923		

1) We have exercised the option to summarise the disclosures in the table “Development of fixed assets” according to Section 34 para. 3 sentence 2 RechKredV.

	Amortisation/ depreciation (accumulated) as at 1 Jan 2025	Amortisation/ depreciation	Write-ups	Changes in total amortisation/depreciation as a result of additions	disposals	transfers	Amortisation/ depreciation (accumulated) as at 31 Dec 2025	Book values at the balance sheet date
	€thous	€thous	€thous	€thous	€thous	€thous	€thous	€thous
	– 112,754	– 22,203	0	0	0	0	– 134,957	93,577
	– 123,899	– 3,227	0	0	7,296	0	–119,830	78,012
	– 95,037	– 4,872	0	0	10,931	0	– 88,978	24,462
								10,107,604
								262,651
								5,185

26. Other assets

The item “Other assets” includes the following larger amounts:

Other assets

	31 Dec 2025 €thous	31 Dec 2024 €thous
Receivables from asset management	94,171	79,383
Tax receivables	28,229	668
Receivables from the custody business	17,105	15,470
Capitalised premiums from options and caps	10,335	12,566

27. Prepayments and accrued income (assets)

The prepayments and accrued income item includes discount amounts from assumed liabilities of €4,013 thousand (31 December 2024: €5,592 thousand) and upfront payments of €2,242 thousand (31 December 2024: €4,891 thousand).

28. Deferred tax assets

Deferred tax assets were calculated based on the total difference between the valuations in the trading and the tax accounts. The option to capitalise these under Section 274 para. 1 sentence 2 of the HGB was not exercised.

The deferred taxes were essentially due to differences between the valuations in the trading and the tax accounts for loans and advances to customers, shares and other non-fixed-interest securities, other assets, provisions for pensions and other provisions.

In view of the gradual reduction in the corporation tax rate under the Act on an Immediate Tax Investment Programme to Strengthen Germany as a Business Location (Gesetz für ein steuerliches Investitionssofortprogramm zur Stärkung des Wirtschaftsstandorts Deutschland), a conservative approach was taken in the calculation by assuming that temporary deferred tax liabilities leading to a future tax burden will be reduced in the following year (corporation tax at a rate of 31.49%, including the solidarity surcharge and trade tax) and that temporary deferred tax assets leading to a future tax benefit will be reduced from 2032 onwards (corporation tax at a rate of 26.21%, including the solidarity surcharge and trade tax).

The total net surplus of deferred tax assets amounted to €218,607 thousand, including deferred tax assets of €221,572 thousand and deferred tax liabilities of €2,965 thousand.

29. Subordinated assets

Subordinated assets are included in the following items:

Subordinated assets

	31 Dec 2025	31 Dec 2024
	€thous	€thous
Loans and advances to customers	142,883	147,026
Debt securities and other fixed-interest securities	67,417	67,775
Total	**210,300**	**214,801**

30. Repurchase agreements

Genuine repurchase agreements did not exist at the balance sheet date.

31. Foreign currency items

Assets include foreign currency items with a value of €144,716 thousand (31 December 2024: €158,096 thousand).

Notes to liabilities

32. Breakdown of liabilities by residual terms and other items

The liabilities shown in the balance sheet have the following residual terms:

Breakdown of liabilities by residual term

	Liabilities to banks (L 1) €thous		Savings deposits (L2c) €thous		Liabilities to customers without savings deposits (L 2a, 2b, 2d) €thous		Securitised liabilities (L 3) €thous	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Accrued interest	86,435	37,026	0	0	65,285	73,276	8,955	12,670
Up to 3 months	456,596	651,749	91,997	90,839	27,245,895	25,454,905	905	929,584
More than 3 months to 1 year	336,349	308,701	126	137	4,043,202	2,521,303	228,500	1,547,748
More than 1 year to 5 years	3,694,351	3,454,847	283	324	1,096,142	1,443,573	2,809,800	3,018,300
More than 5 years	7,185,291	7,048,517	21	32	608,011	694,510	240,000	260,000

Liabilities to banks include €471,718 thousand (31 December 2024: €533,778 thousand) of liabilities to the relevant central cooperative bank (DZ BANK AG).

Of the liabilities to banks, €10,917,727 thousand (31 December 2024: €10,484,463 thousand) are secured by transfer of assets of at least the same amount. These liabilities are mainly publicly refinanced loans.

Irrespective of liabilities to be assigned, apoBank deposited cash collaterals of €229,936 thousand (31 December 2024: €150,485 thousand) within the framework of our collateral management for interest rate derivatives. Moreover, securities with a book value of €270,013 thousand (31 December 2024: €270,013 thousand) were pledged as collateral for margin obligations at futures and options exchanges and to secure payment obligations from securities transactions.

Of the debt securities issued (liabilities, 3.a)), €228,500 thousand (31 December 2024: €2,476,426 thousand) will mature in the year following the balance sheet date.

33. Liabilities due from affiliated or associated companies

The liabilities due from affiliated or associated companies can be broken down as follows:

Liabilities due from affiliated or associated companies

	Liabilities to affiliated companies €thous		Liabilities to associated companies €thous	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Liabilities to banks (L1)	0	0	471,718	533,778
Liabilities to customers (L2)	22,921	24,504	46,570	47,665
Securitised liabilities (L3)	0	0	0	0
Subordinated liabilities (L9)	0	0	0	0

34. Trust liabilities

The trust transactions shown on the liabilities side of the balance sheet are liabilities for contributions (investments) held in trust (liabilities to customers) of €51 thousand (31 December 2024: €26 thousand).

apoBank holds in trust almost exclusively limited partnership shares for the holders of share certificates in various Medico funds.

35. Other liabilities

The item “Other liabilities” includes the following larger amounts:

Other liabilities

	31 Dec 2025 €thous	31 Dec 2024 €thous
Tax liabilities	32,861	215,273
Trade payables	13,080	20,956
Premiums from options and caps	1,618	2,405

36. Prepayments and accrued income (liabilities)

"Prepayments and accrued income (liabilities)" includes:

Prepayments and accrued income (liabilities)

	31 Dec 2025 €thous	31 Dec 2024 €thous
Accrued upfront payments	3,896	5,418
Premium from liabilities (securitised or unsecuritised)	1,798	2,834
Discount from claims	802	1,149

37. Subordinated liabilities

Interest expenses for the subordinated liabilities of €4,299 thousand were incurred in the past financial year (1 January to 31 December 2024: €4,379 thousand). Early redemption of the subordinated liabilities is excluded in the case of four subordinated promissory note bonds.

Subordination has been arranged as follows: In the event of the insolvency or liquidation of apoBank, these liabilities are repayable only after all higher-ranking creditors have been satisfied. The liabilities have a residual term of two to 18 years.

Subordinated liabilities with a nominal value of €185,500 thousand (31 December 2024: €186,500 thousand) carry the following interest rates:
- one subordinated bearer bond with a 6-month Euribor variable rate plus 1.00%,
- 16 subordinated promissory note bonds with fixed interest rates of 1.60 to 4.96%.

As at the balance sheet date, borrowings exceeding 10% of the total balance sheet item amounted to €120,000 thousand (31 December 2024: €120,000 thousand). Their interest rates and maturities were as follows:
- subordinated promissory note bond with a nominal value of €35,000 thousand, due on 26 November 2030, interest rate of 1.60%,
- subordinated promissory note bond with a nominal value of €30,000 thousand, due on 30 November 2037 (early repayment as at 30 November 2032 possible), interest rate of 1.84%,
- subordinated promissory note bond with a nominal value of €35,000 thousand, due on 30 November 2037, interest rate of 1.82%,
- subordinated promissory note bond with a nominal value of €20,000 thousand, due on 23 February 2042 (early repayment as at 23 February 2038 possible), interest rate of 2.63%.

38. Capital and reserves

The amounts shown under “Subscribed capital” (liabilities, 12.a) are structured as follows:

Subscribed capital

	31 Dec 2025 €thous	31 Dec 2024 €thous
Members’ capital	**1,392,840**	**1,305,680**
Of remaining members	1,360,157	1,285,342
Of departing members	30,956	19,136
Of terminated cooperative shares	1,727	1,202
Compulsory contributions due on shares in arrears	130	45

In the reporting year, the capital contributions of the remaining members increased by €74,815 thousand (2024: increased by €30,005 thousand).

The revenue reserves (liabilities, 12.c) developed as follows in the past financial year:

Revenue reserves

	Legal reserves €thous	Other revenue reserves €thous
As at 1 Jan 2025	471,730	220,422
Transfers		
from balance sheet profit of the previous year	10,000	10,000
from net profit of the financial year	0	0
Withdrawals	0	0
As at 31 Dec 2025	**481,730**	**230,422**

39. Foreign currency items

Foreign currency items are included in liabilities with an equivalent value of €130,481 thousand (31 December 2024: €138,751 thousand) and in off-balance-sheet contingent liabilities and other obligations with an equivalent value of €47,433 thousand (31 December 2024: €50,175 thousand).

40. Contingent liabilities

Acute risks of claims in connection with off-balance-sheet contingent liabilities and open loan commitments are covered by provisions. The liabilities shown mainly refer to guarantee agreements or open loan commitments to customers. The amounts stated do not show the actual expected future payment flows from these agreements, since we anticipate that the large majority of the contingent liabilities will expire without being drawn down. The risks were assessed in the context of an individual evaluation of the creditworthiness of these customers. They are subject to the risk identification and controlling procedures which apply to all loan agreements and guarantee a timely identification of the risks. We anticipate that most of the open loan commitments will be claimed.

Derivative financial instruments

41. Derivative financial instruments

The volume of unsettled forward transactions affected by a settlement risk or currency, interest rate and/or other market risks arising from open positions, and in the event of counterparty default also from closed positions, amounted to €28,155 million as at 31 December 2025 (31 December 2024: €24,844 million). As at 31 December 2025, the following types of transactions were included therein:

Distribution of traded derivatives/types of transactions

Interest rate-related transactions

- Interest rate swaps
- Swaptions
- Caps/floors

apoBank enters into these forward transactions, which are subject to fluctuations in interest rates, exchange rates and market prices, to hedge positions, and for asset liability management. Existing derivatives contracts are broken down according to their risk structure and shown in the table on the following page. The nominal volumes are stated in accordance with standard international practice; however, these figures are not identical with the default risk value.

apoBank calculated the fair values shown using the following valuation models: Interest rate swaps were measured at their net present value on the balance sheet date. The variable interest payment flows were calculated based on forward rates derived from the current yield curve and then discounted with the swap curve in the same way as fixed payment flows.

Interest limit agreements were measured on the basis of the Bachelier model, swaptions on the basis of the Hull-White model.

Risk structure

		Nominal value €m		Fair value[1] €m
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Interest rate-related transactions[2]				
Time to maturity up to 1 year	3,139	5,094	22	71
more than 1 year to 5 years	12,762	11,399	74	19
more than 5 years	12,254	8,347	38	259
Subtotal	**28,155**	**24,840**	**134**	**349**
Currency-related transactions				
Time to maturity up to 1 year	0	4	0	0
more than 1 year to 5 years	0	0	0	0
more than 5 years	0	0	0	0
Subtotal	**0**	**4**	**0**	**0**
Total	**28,155**	**24,844**	**134**	**349**

1) Netted, taking into account pro rata interest, where applicable.
2) Interest rate-related transactions are reported under the items “Other assets” (€10.3 million), “Prepayments and accrued income (assets)” (€2.2 million), and “Prepayments and accrued income (liabilities)” (€3.9 million).

The derivative financial instruments are used to hedge interest rate fluctuations as part of valuation units (see note 6) as well as within the scope of asset liability management.

D. Notes to the income statement

42. Interest income

The “Interest income” item includes negative interest income from deposits with other banks as well as loans to customers amounting to €20 thousand (1 January to 31 December 2024: €13 thousand).

43. Interest expenses

The item “Interest expenses” includes €2,553 thousand in positive interest expenses from borrowings from other banks and specific customer groups (1 January to 31 December 2024: €2,805 thousand).

44. Commission income and commission expenses

Commission income from services rendered to third parties relating to management and brokerage, in particular in the securities and the custodian businesses, asset management and asset advisory services as well as insurance brokerage, amounts to approximately 0.4% (2024: approx. 0.3%) of the average balance sheet total.

45. Other operating income and expenses, or income and expenses related to other periods

Other operating income of €51,663 thousand (1 January to 31 December 2024: €69,819 thousand) includes, among other things:

Other operating income

	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
	€thous	€thous
Release of reserves (related to other periods)	29,796	26,443
Income from the sale of tangible assets (related to other periods)	5,589	0
Rental income	4,867	5,223
VAT reimbursement (related to other periods)	4,705	4,294
Income from currency translation	511	1,332
Settlement payment of a potential indemnity debtor	0	16,000
Income from assets sold	0	8,430

Other operating expenses of €29,525 thousand (1 January to 31 December 2024: €79,696 thousand) result primarily from the following items:

Other operating expenses

	1 Jan – 31 Dec 2025 €thous	1 Jan – 31 Dec 2024 €thous
Expenses for litigation risks	10,172	2,383
Expenses from compounding	5,504	4,489
Default interest on tax reassessments (related to other periods)	2,901	46,852
Expenses from currency translation	51	844
Provisions for service provider transition	0	10,558

46. Extraordinary income and expenses

As in the previous year, no extraordinary income or extraordinary expenses were incurred in 2025.

47. Taxes on income

Income taxes apply to the operating result as well as to adjustments, reimbursements and back taxes of previous years. Taxes on income were calculated largely on the basis of actual figures and the current tax rate. The item “Taxes on income” includes other material income related to other periods of €1,275 thousand from tax refunds for previous years (1 January to 31 December 2024: €5,893 thousand), and expenses related to other periods of €15,370 thousand from tax arrears for previous years (1 January to 31 December 2024: €74,890 thousand).

The introduction of the global minimum tax in Germany does not result in any extra tax expense for apoBank. Although apoBank is generally subject to the stipulations of the Minimum Tax Act (Mindeststeuergesetz, MinStG), the exception outlined in para. 83 of the Minimum Tax Act applies. According to para. 83 of the Minimum Tax Act, corporations are exempt from the minimum tax (para. 2) in the first five years if their international activity is subordinate.

48. Proposal for the appropriation of the balance sheet profit

In 2025, apoBank recorded a net profit of €99,827,250, the profit carried forward from the previous year amounted to €5,004. The Supervisory Board and the Board of Directors will propose the following appropriation of profit at the Annual General Meeting:

Appropriation of balance sheet profit

	31 Dec 2025 €	31 Dec 2024 €
Net profit	99,827,250.00	96,033,140.59
Profit carried forward from the previous year	5,004.05	5,432.10
Balance sheet profit	99,832,254.05	96,038,572.69
Allocations to legal reserves	10,000,000.00	10,000,000.00
Allocations to other revenue reserves	10,000,000.00	10,000,000.00
Dividends (6.0%/in the previous year 6.0%)	79,826,460.61	76,033,568.64
Carried forward to new account	5,793.44	5,004.05

E. Other notes

49. Events after the reporting date

Since 28 February 2026, i.e. between the balance sheet date and the date on which the annual financial statements were drawn up, an armed conflict has been taking place between the USA and the State of Israel on the one side, and the Islamic Republic of Iran on the other (the Middle East War), which is now also affecting other Middle Eastern countries. The Middle East War is increasing pressure on supply chains as well as energy costs, and is triggering reactions on the commodity and financial markets. As our business model is focused on the domestic market and we do not conduct any direct business with the warring parties, we expect the conflict to only indirectly impact on apoBank’s business performance. In addition to risks relating to the development of inflation and the economy, turmoil on the financial markets could have negative effects on our securities business with our customers and our own investments. Due to the uncertainty of future developments, the extent of this impact on apoBank’s business development cannot be fully assessed at present. Nonetheless, based on the information available to date, we expect to be able to achieve the planned targets for our financial performance indicators. We are closely monitoring how the situation develops. Forecast accuracy, however, especially for the current financial year, is subject to increased uncertainty.

50. Disclosures pursuant to Section 28 of the PfandBG

The following information is provided with respect to the mortgage bonds included in the items “Liabilities to banks”, “Liabilities to customers” and “Securitised liabilities” pursuant to Section 28 of the PfandBG:

Total amount and maturity structure

	Nominal value		Net present value		Risk net present value[1]	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Total amount of outstanding covered bonds (€m)	3,549	4,157	3,260	3,912	3,107	3,721
Total amount of cover pool (€m)	7,320	8,037	7,255	8,009	6,981	7,696
Overcollateralisation (€m)	3,771	3,880	3,995	4,098	3,874	3,975
Overcollateralisation in % of outstanding covered bonds	106	93	123	105	125	107
Statutory overcollateralisation (€m)	141	167	65	78	n/a	n/a
Contractual overcollateralisation (€m)	–	–	–	–	n/a	n/a
Voluntary overcollateralisation (€m)	3,631	3,713	3,930	4,020	n/a	n/a

	Maturity structure of outstanding covered bonds		Maturity profile of cover pool		Postponement of maturity (12 months)	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
	€m	€m	€m	€m	€m	€m
Up to 6 months	10	598	452	519	0	0
More than 6 months to 12 months	0	10	590	522	0	0
More than 12 months to 18 months	533	10	467	438	10	598
More than 18 months to 2 years	500	0	484	584	0	10
More than 2 years to 3 years	550	1,033	903	967	1,033	10
More than 3 years to 4 years	1,030	550	849	875	550	1,033
More than 4 years to 5 years	0	1,030	1,097	854	1,030	550
More than 5 years to 10 years	115	110	1,979	2,762	110	1,140
More than 10 years	811	816	500	516	816	816

1) The risk net present value is calculated on the basis of the dynamic method in accordance with the Pfandbrief Net Present Value Regulation (PfandBarwertV).

Information on the postponement of the maturity of covered bonds pursuant to Section 28 para. 1 no. 5 PfandBG[1]

	31 Dec 2025	31 Dec 2024
Prerequisites for the postponement of the maturity of covered bonds pursuant to Section 30 para. 2a PfandBG	The postponement of maturity is necessary to avoid the insolvency of the Pfandbrief bank with limited activity (prevention of insolvency), the Pfandbrief bank with limited activity is not over-indebted (no existing over-indebtedness) and there is reason to believe that the Pfandbrief bank with limited activity will be able to meet its liabilities then due at any rate after the expiry of the maximum possible postponement period, taking into account further postponement possibilities (positive fulfilment forecast). See also Section 30 para. 2b PfandBG.	The postponement of maturity is necessary to avoid the insolvency of the Pfandbrief bank with limited activity (prevention of insolvency), the Pfandbrief bank with limited activity is not over-indebted (no existing over-indebtedness) and there is reason to believe that the Pfandbrief bank with limited activity will be able to meet its liabilities then due at any rate after the expiry of the maximum possible postponement period, taking into account further postponement possibilities (positive fulfilment forecast). See also Section 30 para. 2b PfandBG.
Powers of the cover pool administrator in the event of postponement of the maturity of the covered bonds under Section 30 para. 2a PfandBG	The cover pool administrator may postpone the due dates of the redemption payments if the relevant requirements under Section 30 para. 2b PfandBG are met. The period of postponement, which may not exceed twelve months, shall be determined by the cover pool administrator as needed.	The cover pool administrator may postpone the due dates of the redemption payments if the relevant requirements under Section 30 para. 2b PfandBG are met. The period of postponement, which may not exceed twelve months, shall be determined by the cover pool administrator as needed.
	The cover pool administrator may postpone the due dates of redemption and interest payments, which become due within one month after their appointment, to the end of this monthly period. If the cover pool administrator decides to make such a postponement, it shall be irrefutably presumed that the requirements of Section 30 para. 2b PfandBG have been met. Such a postponement shall be taken into account within the framework of the maximum postponement period of 12 months.	The cover pool administrator may postpone the due dates of redemption and interest payments, which become due within one month after their appointment, to the end of this monthly period. If the cover pool administrator decides to make such a postponement, it shall be irrefutably presumed that the requirements of Section 30 para. 2b PfandBG have been met. Such a postponement shall be taken into account within the framework of the maximum postponement period of 12 months.
	The cover pool administrator may only exercise their authority uniformly for all covered bonds of an issue. In this context, the maturities may be postponed in full or on a pro rata basis. The cover pool administrator must postpone the maturity of a covered bond issue in such a way that the original sequence of servicing of the covered bonds which could be overtaken by the post-ponement is not changed (prohibition of overtaking). This may mean that the maturities of issues falling due at a later date must also be postponed in order to comply with the prohibition on overtaking. See also Section 30 para. 2a and 2b PfandBG.	The cover pool administrator may only exercise their authority uniformly for all covered bonds of an issue. In this context, the maturities may be postponed in full or on a pro rata basis. The cover pool administrator must postpone the maturity of a covered bond issue in such a way that the original sequence of servicing of the covered bonds which could be overtaken by the post-ponement is not changed (prohibition of overtaking). This may mean that the maturities of issues falling due at a later date must also be postponed in order to comply with the prohibition on overtaking. See also Section 30 para. 2a and 2b PfandBG.

1) Effects of a maturity shift on the maturity structure of the covered bonds/shift scenario: 12 months. This is an extremely unlikely scenario which could only come into effect after the appointment of a cover pool administrator.

There are no derivates or foreign currencies included in the cover pool.

Composition of the cover pool

Total amount of receivables used as cover	31 Dec 2025 €m	31 Dec 2024 €m	Share in the total amount of cover pool 31 Dec 2025 %	 31 Dec 2024 %
By size class				
Up to €300 thousand	4,554	5,092	62	63
More than €300 thousand to €1 million	1,209	1,248	17	16
More than €1 million to €10 million	643	742	9	9
More than €10 million	305	345	4	4
By type of use (I) in Germany				
Residential	5,483	6,002	75	75
Commercial	1,227	1,425	17	18
By type of use (II) in Germany				
Flats	1,585	1,747	22	22
Single- and two-family homes	3,108	3,419	42	43
Multi-family homes	790	836	11	10
Office buildings	683	845	9	11
Retail buildings	71	63	1	1
Industrial buildings	0	0	0	0
Other commercially used buildings	472	517	6	6
Unfinished new buildings not yet ready to generate a return as well as building sites	0	0	0	0
of which building sites	0	0	0	0

There are no mortgage cover assets outside Germany.

Other cover assets

	31 Dec 2025 €m	31 Dec 2024 €m
Receivables pursuant to Section 19 para.1 (1) no. 2a) and b) PfandBG	0	0
of which covered bonds pursuant to Article 129 Regulation (EU) No. 575/2013	0	0
Receivables pursuant to Section 19 para. 1 (1) no. 3a) to c) PfandBG	0	0
of which covered bonds pursuant to Article 129 Regulation (EU) No. 575/2013	0	0
Receivables pursuant to Section 19 para. 1 (1) no. 4 PfandBG[1]	610	610

1) Most debtors have their headquarters in Germany. The European Union is the issuer of a bond with a nominal value of €110 million.

Key figures for covered bonds outstanding

		31 Dec 2025	31 Dec 2024
Covered bonds outstanding	(€m)	3,549	4,157
of which share of fixed-interest covered bonds Section 28 para. 1 no. 13 PfandBG (weighted average)	(%)	100	99
Cover pool	(€m)	7,320	8,037
of which total amount of claims pursuant to Section 12 para. 1 PfandBG exceeding the limits pursuant to Section 13 para. 1 (2), 2nd half-sentence	(€m)	0	0
of which total amount of values according to Section 19 para.1 PfandBG exceeding the limits pursuant to Section 19 para. 1 (6) PfandBG	(€m)	0	0
Receivables exceeding the limit according to Section 19 para. 1 no. 2 PfandBG	(€m)	0	0
Receivables exceeding the limit according to Section 19 para. 1 no. 3 PfandBG	(€m)	0	0
Receivables exceeding the limit according to Section 19 para. 1 no. 4 PfandBG	(€m)	0	0
of which share of fixed-interest cover assets	(%)	95	94
Volume-weighted average age of receivables (elapsed term since granting of loan, “seasoning”)	(years)	7	7
Average weighted loan-to-value ratio	(%)	54	54

Key liquidity figures

		31 Dec 2025	31 Dec 2024
Largest negative amount arising within the next 180 days within the meaning of Section 4 para. 1a sentence 3 PfandBG for covered bonds (liquidity requirement)	(€m)	1	498
Day on which the largest negative sum arises	Day (1 – 180)	26	76
Total amount of cover assets that meet the requirements of Section 4 para. 1a sentence 3 PfandBG (liquidity cover)	(€m)	562	554
Proportion of cover assets in the cover pool for which or in respect of whose debtor is deemed to have defaulted in accordance with article 178 (1) CRR	(%)	–	–

Overview of overdue receivables

	31 Dec 2025	31 Dec 2024
	€m	€m
Total amount of receivables more than 90 days in arrears	0	0
Total amount of receivables in arrears if the respective arrears amount to at least 5% of the receivable	0	0

Other information

		Residential		Commercial
	2025	2024	2025	2024
Number of foreclosure and receivership proceedings pending on the closing date	0	0	0	0
Number of foreclosures carried out during the financial year	0	0	0	0
Number of properties taken over during the financial year to prevent losses	0	0	0	0
Total amount of interest in arrears (€m)	0	0	0	0

Mortgage bonds – publication according to Section 28 para. 1 (1) no. 2 PfandBG

	31 Dec 2025	31 Dec 2024
ISIN	XS1535054891, XS1693853944, XS1852086211, XS1957516252, XS2022175249, XS2079126467, XS2113737097	XS1195587941, XS1535054891, XS1693853944, XS1760108198, XS1770021860, XS1852086211, XS1957516252, XS2022175249, XS2079126467, XS2113737097

51. Cover statement mortgage bonds

Cover statement mortgage bonds

	31 Dec 2025 €thous	31 Dec 2024 €thous
Loans and advances to customers		
Mortgage loans	6,710,039	7,426,991
Tangible assets (land charges on the Bank’s own property)	0	0
Debt securities and other fixed-interest securities (book value as at 31 Dec 2025: €612,847 thousand, 31 Dec 2024: €613,109[1] thousand)	610,000	610,000
Total cover assets	7,320,039	8,036,991
Total mortgage bonds requiring cover	3,548,600	4,156,600
Overcollateralisation	3,771,439	3,880,391

1) Previous year’s figure corrected.

52. Other financial obligations

Other financial obligations amounted to €109,020 thousand at the end of 2025 (31 December 2024: €112,020 thousand) and result from an optional obligation to purchase shares in a company within the scope of a lending transaction. This obligation did not pose a risk at the reporting date.

apoBank is a member of the protection scheme with a guarantee fund and a guarantee network operated by the National Association of German Cooperative Banks (Deutsche Volksbanken und Raffeisenbanken e.V., BVR). Within the scope of the guarantee network, apoBank has assumed a guarantee obligation that amounted to €61,115 thousand as at the end of 2025 (31 December 2024: €59,695 thousand).

A premium guarantee in favour of BVR Institutssicherung GmbH (BVR-ISG) is also in force. This relates to annual contributions to reach the target level and payment obligations, special contributions and special payments in the event that the available cash funds are not sufficient to compensate the depositors of a CRR bank belonging to a bank-related protection scheme as well as replenishment obligations pursuant to cover measures.

53. Average number of employees

The average number of employees in 2025 was 1,802 (2024: 1,782) full-time and 482 (2024: 476) part-time employees. In addition, apoBank also employed an average of 90 apprentices (2024: 79).

54. Changes in membership

Changes in membership

	Number of members	Number of company shares
Beginning of 2025	111,472	856,922
Additions 2025	3,114	82,067
Departures 2025	2,995	32,131
End of 2025	111,591	906,858

The value of the company share amounts to €1,500 each.

55. Auditors' fees

The expenses for the audit of the annual financial statements, other certification services, tax advice and other services of the auditor GV (Genoverband e.V.) were €3,516 thousand in the year under review (2024: €3,512 thousand).

The expenses can be broken down as follows:

Auditors' fees

	2025	2024
	€thous	€thous
Audit of the annual financial statements[1]	3,012	2,924
Other assurance services[2]	495	493
Tax advice	10	10
Other services	0	85

1) Of which €22 thousand for auditing the 2024 annual financial statements.
2) Of which services in connection with the German Securities Trading Act (WpHG) in 2023/2024 amounting to €50 thousand.

56. Board compensation

According to Section 285 sentence 1 no. 9a of the HGB, the total remuneration granted to the Board of Directors amounted to €6,577 thousand in 2025 (2024: €6,330 thousand); the performance-related share of this total remuneration was 42.3% (2024: 42.5%). The total remuneration paid to Board members in 2025 amounted to €4,811 thousand (2024: €4,211 thousand).

According to the remuneration structure for members of the Board of Directors agreed upon by the Board of Directors and the Supervisory Board, variable remuneration is paid to Board members on top of the basic salary. This amounts to 35.0% of the aggregate salary if all goals are achieved. If the agreed goals are exceeded or not met, the variable payment for the year is increased or decreased accordingly. However, if the results fall short of the goals by more than 50.0%, no variable remuneration will be paid, and if the goals are exceeded by more than 50.0%, the variable remuneration will not increase further.

A remuneration structure that takes account of the legal and regulatory requirements – in particular the provisions of the German Ordinance on the Supervisory Requirements for Institutions' Remuneration Systems (InstitutsVergV) – has been agreed upon.

The total remuneration for former members of the Board of Directors and their surviving dependants amounted to €2,399 thousand (2024: €2,191 thousand). Pension provisions for this group of persons as at the balance sheet date amounted to €53,371 thousand (2024: €56,239 thousand).

The total remuneration for members of the Supervisory Board was €1,577 thousand (2024: €1,531), which was divided up as follows: annual remuneration €814 thousand (2024: €777 thousand), attendance fees €670 thousand (2024: €661 thousand) and other benefits €93 thousand (2024: €93 thousand).

57. Amounts due from Board members

On the balance sheet date, amounts due to and from contingent liabilities incurred for Board members were as follows:

Amounts due from Board members

	31 Dec 2025 €thous	31 Dec 2024 €thous
Members of the Board of Directors	9	6
Members of the Supervisory Board	4,121	2,893

58. Additional notes pursuant to Article 434 para. 2 of the Capital Requirements Regulation (CRR)

Some of the disclosures required pursuant to Part 8 of the CRR (Articles 435 to 455) are included in the management report. apoBank publishes the remaining disclosures in a separate disclosure report and in the remuneration report on its website. The disclosure report is also published on the European Banking Authority's publication platform.

59. Board of Directors

Members of the Board of Directors

- Matthias Schellenberg, Chair, responsible for Legal, Boards and Committees & Data Protection, Corporate Development, Communications & Brand, Human Resources, Internal Auditing, Health Care Market, Professional Organisations, Treasury, Institutional Clients & Asset Management, apoAsset
- Heiko Drews, responsible for Sales
- Thomas Runge, responsible for Products, Processes & IT
- Dr. Christian Wiermann, responsible for Finance, Controlling & Bank Operations
- Sylvia Wilhelm, responsible for Risk

60. Supervisory Board

Members of the Supervisory Board
- Dr. med. dent. Karl-Georg Pochhammer, Chair, Deputy Chair of the National Association of Statutory Health Insurance Dentists KdöR
- Sven Franke[1], Deputy Chair, bank employee
- Fritz Becker (until 30 April 2025), pharmacist and owner of Nordstadt-Apotheke Pforzheim
- Marcus Bodden[1], bank employee
- Dietke Bungenstock[1,2], bank employee
- Martina Burkard[1], bank employee
- Mechthild Coordt[1], bank employee
- Stephanie Drachsler[1], bank employee
- Dr. med. Andreas Gassen, Chair of the Board of the German National Association of Statutory Health Insurance Physicians KdöR
- Günter Haardt[1], General Manager Asset Management at Vereinte Dienstleistungsgewerkschaft (ver.di) GmbH
- Thorsten Heit[1] (since 1 January 2026), bank employee
- Dr. med. Torsten Hemker, Chair of the Administrative Committee of the Versorgungswerk der Ärztekammer Hamburg KdöR
- Gerhard Hofmann, Member of the Board of the Federal Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V., BVR) (retired) and Director of Deutsche Bundesbank (retired)
- Lukas Kaster[1] (until 31 December 2025), bank employee
- Carsten Padrok[3] (until 30 June 2025), bank employee
- Thomas Preis (since 30 April 2025), President of ABDA – Bundesvereinigung Deutscher Apothekerverbände e.V.
- Ulrich Pukropski, auditor
- Christian Scherer[1], bank employee
- Lutz Schirmacher[3] (since 3 July 2025), bank employee
- Friedemann Schmidt, pharmacist and owner of the Seume-Apotheke OHG Leipzig
- Dr. Thomas Siekmann, former Deputy Chair of the Board of Deutsche Apotheker- und Ärztebank eG
- Dr. med. dent. Reinhard Urbach, dentist and Chair of the Managing Committee of the Altersversorgungswerk der Zahnärztekammer Niedersachsen KdöR
- Susanne Wegner, General Manager of the Verwaltungsgesellschaft Deutscher Apotheker mbH

1) Employee representative.
2) Formerly Dietke Schneider.
3) Representative of the executive staff.

61. Seats on supervisory boards held by members of the Board of Directors and employees

In 2025, members of the Board of Directors and employees of the Bank held seats on the supervisory boards or comparable boards of the following joint-stock companies pursuant to Section 267 para. 3 of the HGB or comparable organisations:

Name	Company	Function
Matthias Schellenberg	Apo Asset Management GmbH, Dusseldorf	Deputy Chair of the Supervisory Board until 31 December 2025, Chair of the Supervisory Board since 1 January 2026
	Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR), Berlin	Member of the Association Council (personal deputy of an ordinary member)
	Deutsche Ärzte Finanz Beratungs- und Vermittlungs-Aktiengesellschaft (DÄF), Cologne[1]	Member of the Supervisory Board, since 17 September 2025 Deputy Chair of the Supervisory Board
	Deutsche Ärzteversicherung AG, Cologne[1]	Second Deputy Chair of the Supervisory Board and Member of the Audit Committee
	Marburger Bund-Stiftung, Berlin	Deputy Chair of the Board of Trustees
	PROFI Erste Projektfinanzierungs- und Beteiligungsgesellschaft AG, Zurich	Member of the Administrative Board
Heiko Drews	Deutsche Ärzte Finanz Beratungs- und Vermittlungs-Aktiengesellschaft (DÄF), Cologne[1]	Member of the Supervisory Board, until 17 September 2025 Deputy Chair of the Supervisory Board
Thomas Runge	Apo Asset Management GmbH, Dusseldorf	Member of the Supervisory Board
	PROFI Erste Projektfinanzierungs- und Beteiligungsgesellschaft AG, Zurich	Member of the Administrative Board
Dr. Christian Wiermann	ARZ Haan AG, Haan	Member of the Supervisory Board
Verena Dierks	Treuhand Hannover Steuerberatung und Wirtschaftsberatung für Heilberufe GmbH, Hanover[1]	Deputy Chair of the Supervisory Board since 17 June 2025
Christina Fabich	Finanz-Service GmbH der APO-Bank, Dusseldorf	Member of the Supervisory Board until 1 September 2025
Dr. Garsten Gubelt	Deutsche Ärzte Finanz Beratungs- und Vermittlungs-Aktiengesellschaft (DÄF), Cologne[1]	Member of the Supervisory Board since 6 August 2025
Steffen Kalkbrenner	Treuhand Hannover Steuerberatung und Wirtschaftsberatung für Heilberufe GmbH, Hanover[1]	Deputy Chair of the Supervisory Board until 30 April 2025
Linda Mende	Finanz-Service GmbH der APO-Bank, Dusseldorf	Member of the Supervisory Board until 1 September 2025
Carsten Padrok	Finanz-Service GmbH der APO-Bank, Dusseldorf	Deputy Chair of the Supervisory Board until 31 July 2025
Reinhard Pfingsten	Apo Asset Management GmbH, Dusseldorf	Member of the Supervisory Board
Peter Schlögell	Apotheken-Rechen-Zentrum GmbH, Darmstadt	Chair of the Administrative Board
Daniel Zehnich	ARZ Haan AG, Haan	Deputy Chair of the Supervisory Board
	ZA Zahnärztliche Abrechnungsgesellschaft Düsseldorf AG, Dusseldorf	Member of the Supervisory Board

1) Disclosure required pursuant to Section 340a para. 4 no. 1 of the HGB.

62. Name and address of the responsible auditing association

Genoverband e.V.
Ludwig-Erhard-Allee 20
40227 Dusseldorf, Germany

Dusseldorf, 10 March 2026
Deutsche Apotheker- und Ärztebank eG
The Board of Directors

Matthias Schellenberg	Heiko Drews	Thomas Runge	Dr. Christian Wiermann	Sylvia Wilhelm

Annex to the Annual Financial Statements Pursuant to Section 26a KWG as at 31 December 2025

Deutsche Apotheker- und Ärztebank eG, 40547 Dusseldorf

Country-by-country reporting pursuant to Section 26a of the KWG as at 31 December 2025

In Section 26a para. 1 (2) of the KWG, the requirement of the 2013/36/EU Capital Requirements Directive (CRD IV) was implemented in German law.

According to this, CRR institutions must publish a country-by-country reporting that includes the following information:
1. company name, nature of activities and geographical location of the branches,
2. turnover,
3. number of employees on a full-time equivalent basis,
4. profit or loss before tax,
5. tax on profit or loss, as well as
6. public subsidies received.

Deutsche Apotheker- und Ärztebank eG is headquartered in Dusseldorf and is active Germany-wide.

The purpose of the cooperative as a lending institute with a focus on the health care market is to support its members – specifically health care professionals as well as their organisations and institutions – and their economic development. Its business is to conduct all customary bank transactions within the framework of legal provisions for members as well as non-members. The head office, the branches and the advisory offices of Deutsche Apotheker- und Ärztebank are all located in Germany.

Reporting on turnover, profit or loss before tax as well as tax on profit or loss is based on the individual financial statement. The turnover is calculated based on the operating result, excluding risk provisioning, depreciation of intangible and tangible assets and general administrative expenses.

The number of employees is expressed in full-time equivalents based on the average number of employees in 2025.

Overview of country-by-country reporting

Country	Turnover €m	Number of FTEs	Profit/(loss) before tax €m	Tax on profit or loss €m	Public subsidies received €m
Germany	1,226.5	2,147	322.6	135.7	-

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Certifications

Report of the Independent Auditor

to Deutsche Apotheker- und Ärztebank eG, Dusseldorf

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

Audit opinions

We have audited the annual financial statements of Deutsche Apotheker- und Ärztebank eG, Dusseldorf (hereinafter referred to as the "Cooperative"), comprising the balance sheet as at 31 December 2025, the income statement, the cash flow statement and the statement of changes in equity for the fiscal year from 1 January to 31 December 2025, as well as the notes to the financial statements, including the accounting and valuation methods. We also audited the management report of the Cooperative for the fiscal year from 1 January to 31 December 2025. In accordance with German legal requirements, we did not audit the content of the parts of the management report referred to in its "Other information" section. The management report makes reference to the publication of the separate non-financial report pursuant to Sections 289b to 289e of the German Commercial Code (HGB) on the Cooperative's website. In line with German legal requirements, our audit does not cover this separate non-financial report.

According to the findings obtained within the scope of our audit

- the attached annual financial statements comply with applicable German commercial law requirements for cooperative banks in all key aspects and, in consideration of German standard accounting practice, give a true and fair view of the net assets and financial position of the Cooperative as at 31 December 2025 as well as of the results of operations for the fiscal year from 1 January to 31 December 2025 and
- the attached management report as a whole gives an accurate picture of the Cooperative's position. This management report is consistent with the annual financial statements in all key aspects, complies with German legal requirements and gives a true and fair view of the opportunities and risks associated with future developments. Our audit opinion on the management report does not cover the content of the parts of the management report referred to in its "Other information" section. Nor does our audit opinion cover the content of the above-mentioned separate non-financial report.

In accordance with Section 322 para. 3 (1) of the HGB, we declare that our audit did not lead to any objections regarding the correctness of the annual financial statements and the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and the management report in accordance with Section 53 para. 2 of the Cooperative Societies Act (GenG), with Sections 340k and 317 of the HGB and with the European Union Auditing Regulation (No. 537/2014, hereinafter referred to as EU-APrVO), in consideration of the German standards for the proper auditing of financial statements issued by the Institute of Public Auditors in Germany (IDW). Our responsibilities under these provisions and principles are described in further detail in the section "Responsibility of the auditor in auditing the annual financial statements and the management report" of our auditor's report. We are independent of the Cooperative in accordance with European law, German commercial law and provisions governing the auditing profession and have fulfilled all other professional duties valid in Germany in accordance with these requirements. Moreover, in accordance with Article 10 para. 2 f) of the EU-APrVO in conjunction with Sections 55 para. 2 and 38 para. 1a of the GenG, we declare that nobody in our employment who could influence the result of the audit has provided non-audit services that are prohibited under Article 5 para. 1 of the EU-APrVO. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinions on the annual financial statements and the management report.

Key audit matters in auditing the annual financial statements
Key audit matters are matters that, after due consideration, we found to be the most important in our audit of the annual financial statements in the fiscal year from 1 January to 31 December 2025. These matters were taken into account in our audit of the annual financial statements as a whole and in the formation of our audit opinion. We do not issue any separate audit opinions on these matters.

In the following, we present the audit matter “Valuation of loans and advances to customers”, which we consider as key:

a) Matter and issue at hand
Loans and advances to customers amount to €35.0 billion when netted with the risk provisions made; this corresponds to 66.8% of the balance sheet total. In addition, contingent liabilities exist in the amount of €0.4 billion and irrevocable loan commitments in the amount of €3.3 billion.

The identification of impairments as well as the calculation of loan loss provisions, provisions for contingent liabilities and irrevocable loan commitments are subject to significant estimation uncertainties and scope for discretion. With respect to the annual financial statements, the risk is that the need for impairment and/or for provisions is not recognised in time or that the amount of the impairment and/or the provisions is influenced by the economic situation and development of the respective borrower as well as by the valuation of the collateral. As a result, it is essential for the annual financial statements and in particular the earnings situation that loans and advances to customers as well as contingent liabilities, especially in the commercial lending business, are correctly assessed. We believe that this constitutes a key audit matter.

b) Audit procedures and findings
We initially assessed whether the Cooperative’s systems and processes relevant for the valuation of loans and advances to customers are designed so that acute risks are recognized with reasonable assurance in good time, and risk provisions are formed in a sufficient amount, if needed. We then verified the functionality of the regulations and processes by auditing selected individual cases. This audit process was based on the relevant controls put in place by the Cooperative.

We also conducted analytical audit procedures. In this context, the Cooperative’s data pool was assessed according to predefined audit criteria. This process took into account ratings and in particular the amount of unsecured loan components, the level of value at risk and the total loan commitment.

On the basis of the different audit procedures mentioned before, we conducted individual reviews of loan exposures selected deliberately as well as by chance with regard to the need for and, if applicable, the appropriateness of risk provisions.

c) Reference to further information
Further disclosures by the Cooperative on the accounting and valuation of receivables in the lending business are included in particular in notes 3, 16, 36 and 40 of the notes to the annual financial statements.

Other information
The legal representatives or the Supervisory Board are responsible for other information.

Other information comprises the following parts of the management report, the content of which is not audited:
- the corporate governance statement pursuant to Section 289f para. 4 of the HGB (disclosures concerning the proportion of women).

Other information also encompasses the following:
- the separate non-financial report pursuant to Sections 289b to 289e of the HGB,
- the remaining parts of the annual report, without further cross-references to external information, with the exception of the audited annual financial statements and the management report as well as our audit report.

Our audit opinions on the annual financial statements and the management report do not extend to other information. Accordingly, we do not issue any audit opinion or any other form of audit conclusion in this regard.

In the context of our audit, it is our responsibility to read other information and assess whether it
- contains any material discrepancies to the annual financial statements, the audited content of the disclosures made in the management report, or the findings we obtained during the audit or
- appears to have been otherwise incorrectly presented.

Responsibility of the legal representatives and the Supervisory Board for the annual financial statements and the management report
The Cooperative's legal representatives are responsible for preparing the annual financial statements in accordance with the applicable German provisions under commercial law for cooperative banks in all key aspects and for ensuring that the annual financial statements provide a true and fair view of the Cooperative's net assets, financial position and results in accordance with standard German accounting practice. In addition, the legal representatives are responsible for the internal controls they deem necessary in accordance with standard German accounting practice to allow the preparation of annual financial statements that are devoid of material misstatements due to fraudulent actions (i.e. manipulation of the accounts and damage to assets) or errors.

In preparing the annual financial statements, the legal representatives are responsible for assessing the Cooperative's ability to continue as a going concern. Furthermore, they are responsible for disclosing any and all relevant matters associated with the continuation of the Cooperative as a going concern. They are also responsible for drawing up the balance sheet on the basis of the going-concern principle unless prevented from doing so by any actual circumstances or legal affairs.

In addition, the legal representatives are in charge of preparing the management report, which provides a true and fair view of the Cooperative's situation and also corresponds to the annual financial statements in all key aspects, complies with German legal requirements, and accurately presents the opportunities and risks associated with future developments. Moreover, the legal representatives are responsible for the precautions and measures (systems) they considered necessary to prepare a management report that complies with applicable German legal requirements and to provide sufficient appropriate evidence of the statements made in the management report.

The Supervisory Board is responsible for monitoring the Cooperative's accounting process in the preparation of the annual financial statements and the management report.

Auditor's responsibility for auditing the annual financial statements and the management report

We aim to determine with a reasonable degree of assurance whether the annual financial statements as a whole are free of material misstatements due to fraudulent actions or errors, and whether the management report as a whole gives a true and fair view of the Cooperative's situation and also corresponds in all key aspects to the annual financial statements and the findings gathered during the audit, has been drawn up in accordance with Sections 289 and 289f of the HGB, and accurately presents the opportunities and risks associated with future development, and also to issue an auditor's report that includes our audit opinions concerning the annual financial statements and the management report.

Reasonable assurance is understood to be a high level of assurance, but not a guarantee, that an audit conducted in accordance with Section 53 para. 2 of the GenG, Sections 340k and 317 of the HGB and the EU-APrVO, taking into consideration the German standards for the proper auditing of financial statements issued by the Institute of Public Auditors in Germany (IDW), will always uncover material misstatements. Misstatements can result from fraudulent actions or errors and are considered to be material if, taken individually or as a whole, they could be rationally expected to impact the financial decisions of readers of the annual financial statements and the management report made on the basis of these.

During the audit, we exercise our discretionary duty and take a critical approach. In addition:

- we identify and assess the risks of material misstatements in the annual financial statements and the management report due to fraudulent actions or errors, plan and organise audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinions. The risk of material misstatements due to fraudulent actions not being detected is higher than the risk that misstatements resulting from errors are not detected, as fraudulent actions can include collusive collaboration, forgery, intentionally incomplete disclosures, misleading statements, and the circumvention of internal controls;
- we gain an understanding of the internal controls relevant for auditing the annual financial statements and of the precautions and measures relevant for auditing the management report in order to plan audit procedures that are appropriate under the given circumstances. However, this is not aimed at issuing an audit opinion on the effectiveness of these precautions and measures;
- we assess the appropriateness of the accounting methods applied by the legal representatives and the acceptability of the estimated figures presented by the legal representatives as well as related disclosures;
- we draw conclusions on the appropriateness of the going-concern accounting principle applied by the legal representatives and, on the basis of the audit evidence, whether any material uncertainty exists in relation to events or circumstances that could cast significant doubt on the Cooperative's ability to continue to operate as a going concern. If we conclude that material uncertainty exists, we are obliged to draw attention to the corresponding disclosures in the annual financial statements and the management report in our auditor's report or, if these disclosures are inappropriate, to modify our auditor's opinion. We draw conclusions on the basis of the audit evidence obtained up to the date of our auditor's opinion. Future events or circumstances can, however, lead to the Cooperative being unable to operate as a going concern;
- we evaluate the overall presentation, structure, and content of the annual financial statements, including the notes to the financial statements, and whether the annual financial statements present the underlying transactions and events in a manner that gives a true and fair view of the net assets, financial position and results of the Cooperative in consideration of German standard accounting practice;
- we assess the consistency of the management report with the annual financial statements, its compliance with legal requirements, and the impression it gives of the Cooperative's situation;
- we conduct audit procedures concerning the forward-looking statements made by the legal representatives in the management report. Based on the existence of sufficient and appropriate audit evidence, we verify in particular the significant assumptions that underpin the forward-looking statements made by the legal representatives and assess whether the forward-looking statements have been properly derived from these assumptions. We do not issue a separate audit opinion on the forward-looking statements or the underlying assumptions. There is a significant and unavoidable risk that future events will deviate from the forward-looking statements.

We discuss with the Supervisory Board for example the planned scope and time frame for the audit as well as significant audit findings, including any significant deficiencies found in the internal control system that we determine during our audit.

We issue a statement to the Supervisory Board that we have complied with the relevant independence requirements, discuss with them all relationships and matters that can be reasonably expected to affect our independence, and insofar as they are relevant, the actions or countermeasures taken to remove risks to our independence.

Of the matters discussed with the Supervisory Board, we determine the ones that were most significant for auditing the annual financial statements of the current reporting period and which therefore qualify as key audit matters. We describe these matters in the auditor's report unless we are prevented from disclosing this information due to statutory or legal requirements.

Other statutory and legal requirements

Report on the audit of the electronic rendering of the annual financial statements and the management report for the purposes of disclosure pursuant to Section 317 para. 3a of the HGB

Audit opinion (subject matter of the audit and audit opinion)
In accordance with Section 317 para. 3a of the HGB, we reviewed with reasonable assurance whether the rendering of the annual financial statements and the management report contained in the provided file **"Jahresfinanzbericht_apoBank_2025_ESEF.xhtml"** and prepared for the purposes of disclosure (called "ESEF documents" in the following) is in all key aspects in compliance with the specifications of Section 328 para. 1 of the HGB regarding the electronic format of reporting ("ESEF format"). In line with German legislation, this review extends solely to the transfer of information from the annual financial statements and the management report to the ESEF format. Thus, it does not extend to either the information contained in these renderings nor to other information contained in the above-mentioned file.

In our opinion, the rendering of the annual financial statements and the management report contained in the above-mentioned file and prepared for purposes of disclosure complies in all key aspects with the specifications of Section 328 para. 1 of the HGB regarding the electronic format of reporting. Beyond this audit opinion as well as our audit opinions contained in the above "Report on the audit of the annual financial statements and the management report" on the attached annual financial statements and the attached management report for the financial year from 1 January to 31 December 2025, we provide no audit opinion on the information contained in these renderings nor on the other information contained in the above-mentioned file.

Basis for our audit opinion
We carried out our audit of the renderings of the annual financial statements and the management report contained in the above-mentioned file in compliance with Section 317 para. 3a of the HGB under consideration of the draft of the IDW auditing standard on auditing of the electronic rendering of financial statements and management reports for the purposes of disclosure pursuant to Section 317 para. 3a of the HGB (IDW PS 410 (06.2022)). Our responsibility according to this is described in detail in the section "Responsibility of the auditors for auditing the ESEF documents". In our audit practice, we applied the requirements of the quality assurance system of the IDW quality assurance standard regarding quality assurance requirements in audit practice (IDW QS 1).

Responsibility of the legal representatives and the Supervisory Board for the ESEF documents
The legal representatives of the Cooperative are responsible for preparing the ESEF documents including the electronic renderings of the annual financial statements and the management report in compliance with Section 328 para. 1 (4) number 1 of the HGB.

Furthermore, the legal representatives of the Cooperative are responsible for the internal controls they deem necessary to enable the preparation of the ESEF documents, which are free from intentional or unintentional material breaches of the specifications of Section 328 para. 1 of the HGB regarding the electronic format of reporting.

In addition, the legal representatives of the Cooperative are responsible for submitting to the operator of the Federal Gazette (Bundesanzeiger) the ESEF documents together with the auditor's report and the attached audited annual financial statements and audited management report as well as further documents for disclosure.

The Supervisory Board is responsible for monitoring the preparation of the ESEF documents as part of the financial reporting process.

Responsibility of the auditors for auditing the ESEF documents
We aim to determine with a reasonable degree of assurance whether the ESEF documents are free of intentional and unintentional breaches of the requirements of Section 328 para. 1 of the HGB. During the audit, we exercise our discretionary duty and take a critical approach. In addition:
- we identify and assess the risks of material intentional and unintentional breaches of the requirements of Section 328 para. 1 of the HGB, plan and organise audit procedures as a response to these risks and obtain audit evidence that is sufficient and suitable to serve as a basis for our audit opinions;
- we gain an understanding of the internal controls relevant to the audit of the ESEF documents in order to plan audit procedures that are appropriate under the given circumstances but are not aimed at issuing an audit opinion on the effectiveness of these controls;

- we assess the technical validity of the ESEF documents, i.e. whether the file that contains the ESEF documents complies with the specifications of the Commission Delegate Regulation (EU) 2019/815 in the version valid on the closing date regarding the technical specification for this file;
- we review whether the ESEF documents enable XHTML rendering, identical in its content, of the audited annual financial statements and the audited management report.

Other disclosures pursuant to Article 10 of the EU-APrVO

As the responsible audit association, we are the statutory auditor of the Cooperative.

We hereby declare that the audit opinions in this auditor's report correspond to the report to the Supervisory Board pursuant to Article 11 of the EU-APrVO in conjunction with Section 58 para. 3 of the GenG (audit report).

Persons employed by us who could influence the result of the audit performed the following services that were not disclosed in the annual financial statements or the management report of the audited Cooperative in addition to the audit of the annual financial statements for the Cooperative and for the companies it controls:

- audit of the securities services and custody business pursuant to Section 89 para. 1 (1) and (2) of the German Securities Trading Act (WpHG) as well as its custodian function pursuant to Section 68 para. 7 of the German Capital Investment Code (KAGB),
- review of the non-financial declaration pursuant to Section 340a para. 1a of the HGB in conjunction with 289b to 289e of the HGB,
- issuance of a letter of comfort,
- review of the abridged interim financial statements and the interim management report as at 30 June 2025 pursuant to Section 115 para. 5 of the WpHG,
- audit of reporting obligations to the settlement authority to calculate the contributions to the settlement fund (bank levy),
- other separate certification services to the Federal Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V.),
- assessment during the project of selected questions in connection with the requirements of the CSRD (Corporate Sustainability Reporting Directive).

Other matters – use of the auditor's report

Our auditor's report should always be read in combination with the audited financial statements and the audited management report as well as the audited ESEF documents. The financial statements and management report provided in ESEF format, including the versions to be published in the Federal Gazette (Bundesanzeiger), are merely electronic renderings of the audited financial statements and management report. They do not replace them. In particular, the ESEF certificate and our audit opinion contained therein may only be used in combination with the audited electronic ESEF documentation.

Responsible auditor

The German Public Auditor responsible for the engagement is Karsten Ernstberger.

Dusseldorf, 27 March 2026
Genoverband e.V.

Dirk Berkau	Karsten Ernstberger
Auditor	Auditor

Responsibility Statement by the Legal Representatives

To the best of our knowledge we assure that the annual financial statements give a true and fair view of the net assets, financial position and results of the company in accordance with the applicable accounting principles and that the management report gives a true and fair account of the development of the business including the company's performance and position as well as the material opportunities and risks associated with the company's expected development.

Dusseldorf, 10 March 2026
Deutsche Apotheker- und Ärztebank eG
The Board of Directors

Matthias Schellenberg	Heiko Drews	Thomas Runge	Dr. Christian Wiermann	Sylvia Wilhelm

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In Memoriam

Rudolf Reil

The deceased was member of the Management Board
from 1 April 1993 to 31 March 2000.

Johannes Hermes, pharmacist

Dr. med. dent. Gunther Iben

Dr. med. dent. Christian Junge

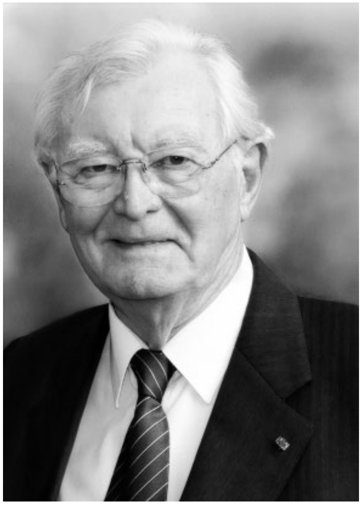
Stephan Kock

Pharmazierat Dietrich Wolff

The deceased were closely associated with Deutsche Apotheker- und Ärztebank
as members of our boards and committees.

We have lost good friends and estimated companions in our endeavours to
advance the Bank.

We will cherish our memories of the deceased.



Dr. med. dent. Wilhelm Osing

*** 13 July 1932**
† 2 March 2026

Former Chair of the Supervisory Board
Honorary Chair of the Supervisory Board
Honorary member
Member of the Honorary Senate of Deutsche Apotheker- und Ärztebank

With the passing of Dr. Wilhelm Osing, the German health care sector has lost an outstanding personality who was closely associated with Deutsche Apotheker- und Ärztebank for many years.

Dr. Osing had been a member of the Supervisory Board of our bank since 1993 and was its chair from 1997 to 2009. He was Honorary Chair of the Supervisory Board, honorary member and member of the Honorary Senate from 2009 onwards.

We will always remember Dr. Osing as a very special person and honour his exceptional services to our company. His work on behalf of the German dental profession and his upstanding character will never be forgotten.

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Information about apoBank's locations is available online at
www.apobank.de/ueber-uns/filialen.html.

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The German version is legally binding.

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