Schwäbisch Hall

Green Pfandbriefe

In Accordance with ICMA Green Bond Principles

Bausparkasse Schwäbisch Hall AG

2026

ENG 06/08/2026

Schwäbisch Hall

Bausparkasse Schwäbisch Hall at a Glance

One of the largest German mortgage lenders with **a customer loan book of** >**€65** billion and **the largest German Bausparkasse** (home savings and loan association) with a market share of >**30%**

Distinctive statutory mandate §1 BauSparkG*
Residential real estate financing with a clear focus on private individuals

~**6** million
customers in Germany

Since Pfandbrief license granted in 2019: >**€5.5** billion **Mortgage Pfandbriefe issued** – thereof **€1.5** billion **Green** under ICMA Green Bond Principles

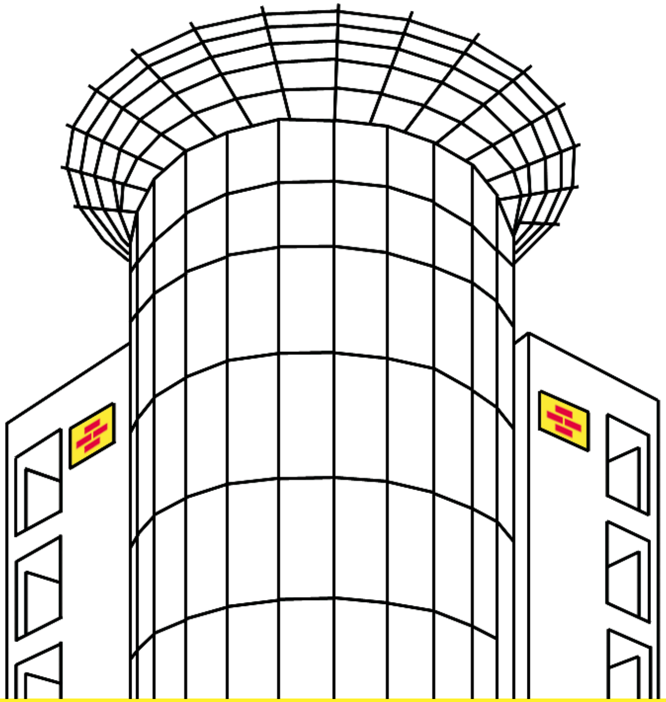
Aaa Pfandbriefe **Aa2** bank
ratings by Moody's Investors Service – outlook: **stable**

Integral part of the German **Cooperative Financial Network** Volksbanken Raiffeisenbanken with ~**645** cooperative banks and total assets of >**€1,250 billion** on an aggregated basis

Capital Resources

>**€4** billion equity

>**25%** total capital ratio

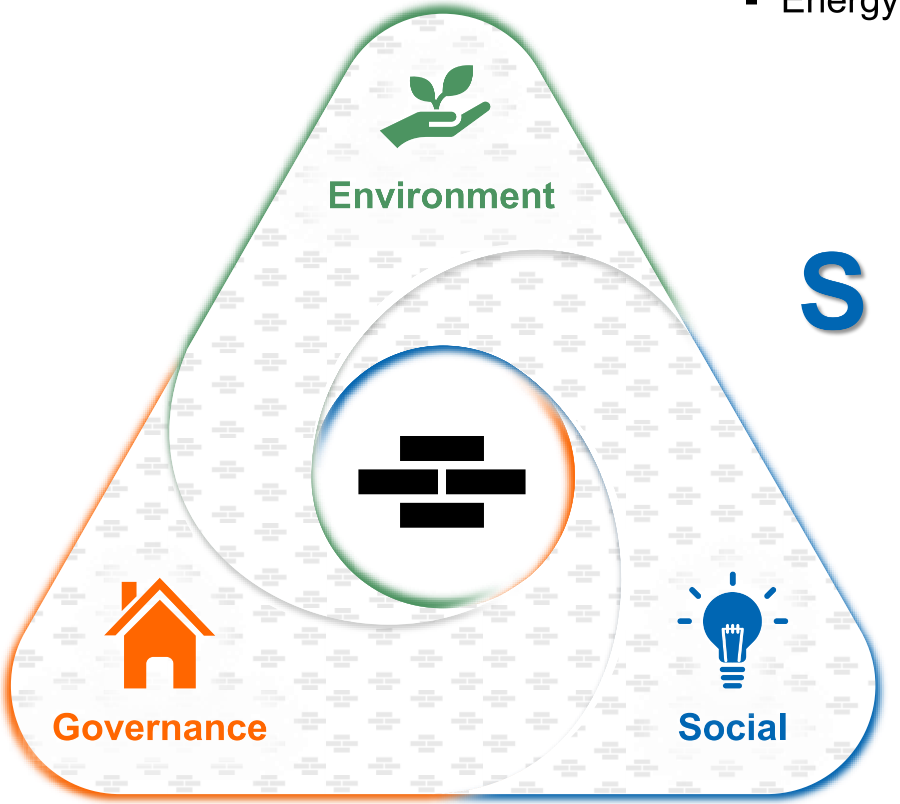


* German Building and Loan Associations Act

Data as of 12/31/2025 or later

Schwäbisch Hall

Sustainability is Part of the DNA of a Cooperative Bausparkasse



E

Financing of…

- Energy-efficient **residential real estate**
- Energy-efficient **renovations & modernisations**

S

- Easy-accessible, secure and long-term **wealth creation** by promoting private home ownership
- Access to **government support** (e.g. housing subsidy) for broad sections of the population
- Property-based private **retirement provision**

G

- **Value-based business model** for the benefit of the cooperative bank members as ultimate owners
- **Bauspar collective**: Strong community of Bauspar customers enables mutual real estate savings

The Sustainable Values of the Cooperative Financial Network are an Integral Part of Schwäbisch Hall

Stronger Together
We belong to the Volksbanken Raiffeisenbanken Cooperative Financial Network - Did you know? The cooperative idea is UN World Heritage

Our Customers are our Owners
We are committed to the millions of members of cooperative banks that own our parent company DZ BANK

Since 1931
we have been focused on long-term success

For Future Generations
We finance the climate and energy transition in private residential real estate

Creating and Preserving Homes
We support our clients in long-term wealth creation and private retirement provision through owner-occupied residential property

~30 million customers
German Cooperative Financial Network

Ownership ↓ ↑ Customer Relationship

>17 million members
are owners of

~645 cooperative banks
in Germany

Ownership ↓ ↑ Products & Services

finanzgruppe.de — Genossenschaftliche FinanzGruppe Volksbanken Raiffeisenbanken

Schwäbisch Hall | Union Investment | R+V | easyCredit
Volksbanken Raiffeisenbanken | DZ BANK
DZ PRIVATBANK | VR Smart Finanz | DZ HYP | MünchenerHyp

Data as of 12/31/2025

Economic Stability of the German Cooperative Financial Network

- Bausparkasse Schwäbisch Hall is a member of the **German Cooperative Protection Scheme** established in 1934.
- **No member bank ever declared bankruptcy**: German Cooperative **Institutional Protection** aims to prevent or resolve economic difficulties faced by member institutions in advance (preventive avoidance of bankruptcy).

Bausparen for the benefit of the Society

Bausparen as Enabler of Home Ownership

- **Bauspar savings** system enables **targeted savings** for housing
- Encouraging home ownership through **predictable low-interest** mortgage loans
- Owner-occupied housing provides **financial security** and wealth creation for individuals and society

Bausparen as Market Stabilizer

- Bausparen offers the opportunity to **build up own capital** and fix **interest rates** on mortgage loans **long-term**
- Improving **creditworthiness through regular savings plans**
- Steady Bausparen, with public subsidies, contributes to the long-term **stability of the residential real estate market**

Bausparen as Source of Wealth – Across Generations

- Long-term wealth creation through **savings in bauspar-deposits**
- Secure **retirement provision** with robust property values of owner-occupied homes
- **Rent-free owner-occupied housing** during retirement phase and intergenerational wealth transfer through **inheritance** of real estate properties

BSH’s Contribution Supports the Climate Challenge

Buildings account for >30% of all CO2 emitted in the EU

Schwäbisch Hall can make a difference:
As one of Germany’s largest mortgage lenders BSH can make a difference by financing the climate and energy transition of private residential buildings.

Our Contribution:

- Targeted customer **advice to drive modernization,** e.g. modernisation and subsidy advisors
- **Targeted products**, e.g. “FuchsEco” Bauspar tariff and benefits for energy-efficient mortgages
- **Modernization of the headquarters** office buildings in the town of Schwäbisch Hall

01 I Bausparkasse Schwäbisch Hall

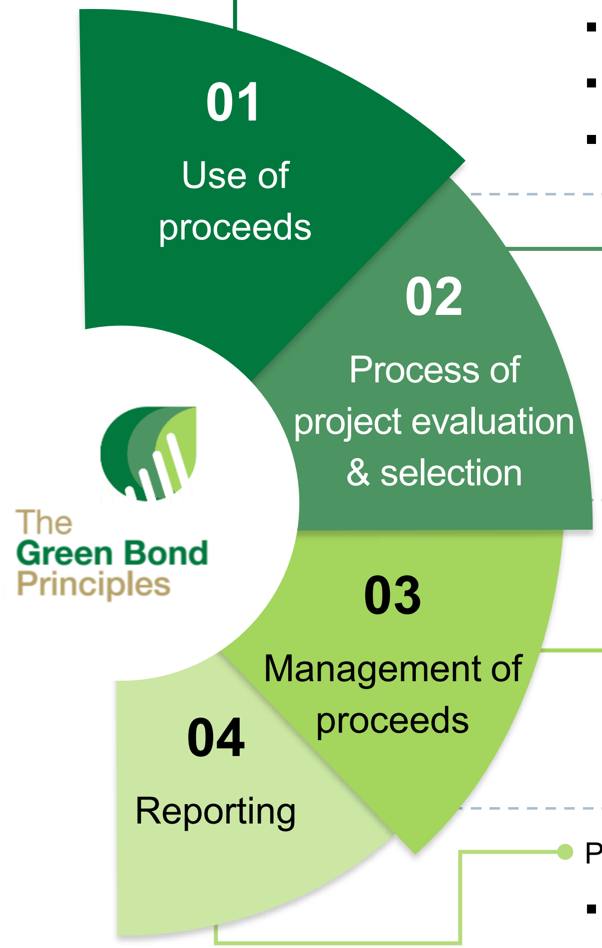
02 I Sustainability at Schwäbisch Hall

03 I Green Pfandbriefe by Schwäbisch Hall

04 I Green Cover Pool

05 I Positive Impact Contribution

Green Bond Framework Based on ICMA Green Bond Principles



(Re-)Financing of Eligible Green Assets (mortgage loans) for **energy-efficient residential real estate**

- **Top 15%** of the German national residential building stock*
- **NZEB -10%:** For buildings 2021 onwards primary energy demand at least 10% better than nearly zero energy buildings (NZEB)**
- **Modernization**: At least 30% improvement of energy consumption/demand

Admission of Eligible Green Loans to the **Green Cover Pool** based on Eligibility Criteria defined in the Green Bond Framework

- **Selection** of Green Mortgage Loans supported by IT systems
- Review and refinement of the eligibility criteria by a dedicated team of **sustainability and funding experts**

Proceeds from Green Bonds are managed on a **portfolio basis**

- Earmarking of Eligible Green Loans and creation of a **dynamic sub-portfolio** from the Pfandbrief cover pool
- Monitoring to ensure that the volume of Eligible Green Loans permanently exceeds the volume of Green Bonds outstanding (**Green Overcollateralization**)

Periodical releases of **investor reports**

- **Allocation:** Information on Green Assets and outstanding Green Bonds
- **Impact:** Information on energy savings and avoided carbon emissions

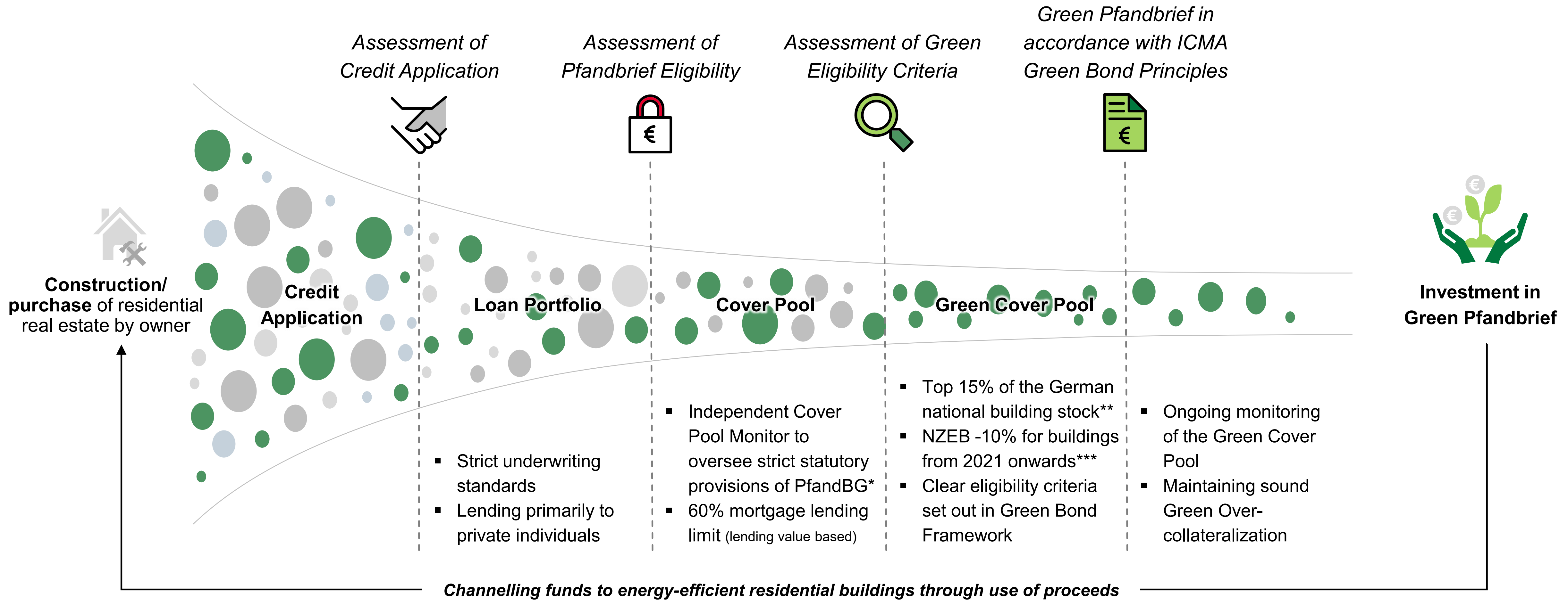
BSH issues Green Bonds solely as **Mortgage Pfandbriefe** in accordance with the Minimum Standards for Green Pfandbriefe of the Association of German Pfandbrief Banks (vdp) and the German Pfandbrief Act

* Drees & Sommer study for member institutes of the Association of German Pfandbrief Banks (vdp)

** NZEB criterium included with update of Green Bond Framework dated 06/30/2025

Sound Process for Admitting Loans to the Green Cover Pool

Credit Underwriting: From Residential Real Estate to Covered Bond Investment



* PfandBG: German Covered Bond Act (Pfandbriefgesetz)
** Drees & Sommer study for member institutes of the Association of German Pfandbrief Banks
*** NZEB: nearly zero energy building (NZEB criterium included with update of Green Bond Framework dated 06/30/2025)

Second Party Opinion by ISS-Corporate Confirms the Framework's Alignment With ICMA Green Bond Principles

Eligibility Criteria for Energy-Efficient Residential Properties

…that are (re-)financed by mortgage loans via Green Bonds

Construction / Acquisition At least one of the criteria must be met	**Buildings 2012** or newer (complying with German Building Energy Standard of **EnEV 2009** or newer)	Buildings **2020** and earlier
	Energy Efficiency Class **A or better**	
	Energy use/demand of **50 kWh/m²a or less**	
	Primary energy demand at least **10% below** nearly zero energy buildings national standard (**NZEB**)*	Buildings **2021** and later
Renovation / Modernization	**Reduction** of energy consumption/demand of at least **30%**	

Contribution to the UN Sustainable Development Goals

UN SDG 7:
Affordable and clean energy

UN SDG 13:
Climate action

Second Party Opinion on BSH's Green Bond Framework

ISS-Corporate confirms:

- Compliance of Green Bond Framework with ICMA Green Bond Principles (GBP)
- Sustainability impact contribution to the UN SDGs

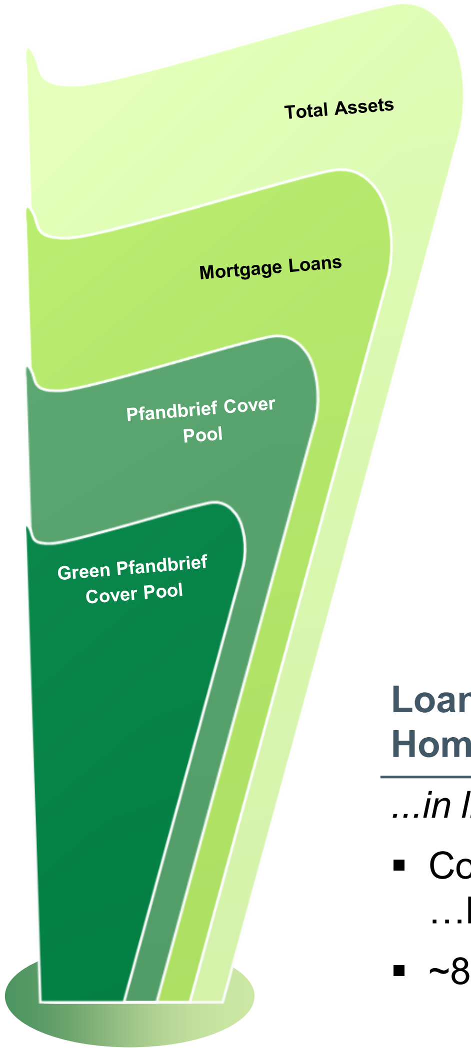
"The environmental and social risks associated with the use of proceeds categories and the financial institution are managed.

The Issuer can contribute to the achievement of the SDGs by providing specific services/products that help address global sustainability challenges."

ISS-Corporate, Second Party Opinion (SPO), 07/23/2025

* NZEB criterium included with update of Green Bond Framework dated 06/30/2025

Proceeds Primarily (Re-)Finance Single-Family Detached Homes



Illustrative images - for data protection reasons, no actual (re-)financed properties are shown.

Loans for Single-family Homes form Primary Cover of the Green Pool

...in line with the corporate strategy

- Corporate mission with purpose: “creating and preserving homes“
  …by specialised mortgage lending to provide funds for private residential real estate
- ~80% of the green cover pool (re-)finances energy-efficient single- and two-family houses

Quality of the Green Cover Pool is Ensured by Broadly Diversified and Highly Granular Green Loan Portfolio

€2.5 bn.

Green Cover Pool

thereof €0.8 bn. according to the Green Bond Framework dated 06/30/2025

€1.5 bn.

Green Pfandbriefe Outstanding

thereof €0.5 bn. according to the Green Bond Framework dated 06/30/2025

High weight (>50% of loans) in **economically strongest German regions**

High-Quality Loan Portfolio

- Focus on **private residential real estate financing**
- **Highly granular** and broadly diversified throughout Germany

Selection of the **Top 15%** of the national building stock*

NZEB -10% for buildings from 2021 onwards**

>11,000 Green Residential Buildings
Low concentration: approx. €225,000 per building in pool on average

Owner-occupied only

Sound Eligibility Criteria

- **Green Eligibility Criteria** according to Green Bond Framework
- Strict statutory requirements of **Pfandbrief Act**

Pure Play
Real estate exclusively in **Germany**

Information related to the entire Green Covered Bond Programme of Bausparkasse Schwäbisch Hall (Green Bond Framework dated 06/30/2023 & Green Bond Framework dated 06/30/2025)

Data as of 12/31/2025

* Drees & Sommer study for member institutes of the Association of German Pfandbrief Banks
** NZEB: nearly zero energy building (NZEB criterium included with update of Green Bond Framework dated 06/30/2025)

BSH Green Bonds pursuant to ICMA Green Bond Principles Enable Energy-Savings and Avoidance of CO_2 Emissions

Step 1: Determining the Footprint

What are the energy consumption and CO_2 emissions of the energy-efficient residential buildings (re-)financed by Green Bonds?

Step 2: Determining the Baseline for Comparison

What are the energy consumption and CO_2 emissions of an average comparable building?

Step 3: Determining the Impact Contribution

How much energy and CO_2 do the energy-efficient residential properties (re-)financed by Green Bonds save compared to the baseline?

18,443.4 t

Annual Avoidance of CO_2 emissions

78.3 GWh

Annual Energy Savings

The contribution to CO_2 avoidance and energy savings has been estimated using a data-based model. This model reflects established industry-wide methodologies where appropriate, such as those suggested by the **Partnership of Carbon Accounting and of Financials Initiative** (**PCAF**).

Schwäbisch Hall