Taking it to the next level

Annual Report 2024

Key figures

Statement of profit and loss in EUR m	01/01–31/12/2024	01/01–31/12/2023	01/01–31/12/2022
Net interest income	598.6	509.4	435.8
Net commission income	133.3	120.6	114.8
Operating income	741.8	644.6	577.8
Personnel expenses	- 178.1	- 140.1	- 145.8
Non-personnel expenses	- 135.6	- 99.9	- 73.4
Operating expenses	- 342.6	- 263.1	- 244.3
Risk provisioning in the lending business	- 71.1	- 41.0	- 44.7
Result before taxes	365.0	335.4	277.2
Result after taxes (profit)	270.4	230.4	197.7

	31/12/2024	31/12/2023	31/12/2022
Balance sheet in EUR m			
Total assets	34,269.8	25,878.60	24,082
Tier 1 capital	1,815.9	1,533.80	1,416
Risk assets	12,749.3	9,975.30	9,363
Ratios in %			
Return on equity post tax	16.2 (17.1)*	15.8 (16.9)*	14.9 (15.1)*
Cost-income ratio	46.2 (42.6)**	40.8 (36.9)**	42.3 (41.6)**
Tier 1 capital ratio	14.2	15.4	15.1
Common Equity Tier 1 capital ratio (CET1 ratio)	13.1	14.4	13.6
NPL ratio	1.9	1.5	1.5
Customer business			
Number of customers	≈ 1,000,000	≈ 665,000	≈ 612,000
Customer credit volume in EUR bn	25.4	19.7	18.0
Total customer deposits in EUR bn	22.3	16.9	16.2

* *Normalised return on equity based on the average IFRS equity less accrued dividends and excluding the net one-off effect of the acquisition of Degussa Bank; all figures based on the new calculation method (see page 126)*

** *Normalised CIR excluding regulatory expenses and non-recurring expenses relating to the acquisition of Degussa Bank*

New record profit

365

With a result before taxes of EUR 365.0 million, we have achieved our goal of surpassing the previous year's record, not least thanks to the migration of Degussa Bank.

Risks under control

71.1

Thanks to our consistent risk management, we managed to keep risk provisions at the expected level of EUR 71.1 million, even in a difficult economic environment.

Top-level return

16.2

The normalised return on equity post tax of 16.2 % puts us above our previously announced target range of 14 % to 16 % and is also an attractive return by market standards.

Successful retail business

~1.0

The fact that we have now reached around one million customers and our rising volumes of loans and deposits are proof of our successful operating business.

	31/12/2024	31/12/2023	31/12/2022
Ratings			
Counterparty rating	A2	Baa1	Baa1
Deposit rating (long-term)	Baa1	Baa2	Baa2
Issuer rating (long-term)	Baa1, stable	Baa2, positive	Baa2, positive
Standalone rating (financial strength)	Baa2	Baa3	Baa3
Mortgage-covered bond	Aaa	Aa1	Aa1

	31/12/2024	31/12/2023	31/12/2022
Employees			
Full-time positions	1,512	1,217	1,275
Number	1,703	1,380	1,454

	31/12/2024	31/12/2023	31/12/2022
Locations			
Retail branches – total	80	40	53
thereof competence centres in north-west Germany	16	16	16
thereof branches in north-west Germany	24	24	37
thereof bank shops in the rest of Germany	40	n. a.	n. a.
Self-service branches – total	72	16	56
thereof self-service branches in north-west Germany	11	14	56
thereof self-service branches in the rest of Germany*	61	2	n. a.
Corporates branches**	5	5	5
Bankhaus Neelmeyer	5	4	4

** Includes the self-service branches of the former Degussa Bank as well as W & W / Reisebank branches transferred to the OLB portfolio in 2023*

*** Locations of the Corporates & Diversified Lending business segment throughout Germany, plus headquarters in Oldenburg*

Respected in the capital market

Baa1

Our issues on the capital market attract international interest – and Moody's has subsequently raised the outlook for our investment-grade rating to "positive".

Expanding our market presence

80

After the migration of Degussa Bank, our network of branches in Germany has grown to 80 locations, ensuring that our modern branches remain an important point of contact alongside digital channels.

Strong OLB team

1,512

Built on the expertise, commitment and loyalty of our team of 1,512* employees, our success has been further boosted by the addition of Degussa Bank staff.

** Full-time equivalents excluding trainees and dormant contracts*

A look ahead

2025

Our goal for 2025 is to achieve further top-level results and key figures, while continuing to improve the customer experience through modern services and our new branch concept.

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To our stakeholders

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Mission statement

Who we are: OLB is a broadly diversified universal bank with a nationwide presence and more than 150 years of experience in our core business region of north-west Germany. Under the OLB and Bankhaus Neelmeyer brands, we advise around one million customers in the Private & Business Customers and Corporates & Diversified Lending segments, both in person and via digital channels. Measured by the number of customers, we are among the top fifteen banks in Germany. Our total assets amount to over EUR 30 billion. This puts us among the approximately 100 financial institutions in Europe classified as significant under the European Stability Mechanism.

OLB

BANKHAUS NEELMEYER
DIE PRIVATE BANK

Over the past few years, five different banks – Oldenburgische Landesbank AG, Bremer Kreditbank AG, Bankhaus Neelmeyer AG, Wüstenrot Bank AG Pfandbriefbank and Degussa Bank AG – have joined forces under one roof to create OLB in its present form.

Our customers know they can rely on us for fair, ethical and successful banking services. We combine personal, competent and well-founded advice with a wide range of digital products and services. This makes us a dedicated and reliable partner to our customers. What’s more, we are a modern employer for our employees, a committed sponsor of charitable projects and an attractive investment for our shareholders.

Milestones

Migration of Degussa Bank
Finally! After the official closing, we migrated Degussa Bank within four months and welcomed around 300,000 new customers and some 300 new colleagues.

Summer party for all
On the evening of the induction event for our new colleagues, around 1,000 employees of the Bank in Oldenburg threw a lively party.

Significant institution
We have grown substantially in recent years, both organically and inorganically. Following the acquisition of Degussa Bank, our total assets now exceed EUR 30 billion, making us a significant institution in Europe – a status we were officially awarded by the European Central Bank (ECB) in October 2024. Accordingly, direct supervision by the ECB came into effect on 1 January 2025.


Markus Hibbeler, Oldenburg

Customer business

Opening of our digital branch
Current and prospective customers can reach our customer service representatives via a simple and convenient video call to arrange appointments or, if needed, receive support for online banking.

Launch of the OLB Sign function
Logging in via the banking app in our web banking is now much easier and faster – and as secure as ever.

Launch of the AI chatbot
The thoroughly trained AI chatbot answers simple questions via the website at lightning speed.

ChatGPT is also used within the bank, in particular as a quick way to get up to speed on a topic.

More info at olb.de

Foundation work

150 thousand good reasons for volunteering
Social projects make a significant contribution to promoting inclusion and integration and are thus at the centre of the funding philosophy behind our special OLB Foundation campaign. In addition to the Foundation's general funding activities, we are giving away a total of EUR 150,000 to selected projects in north-west Germany..

Call for entries for the OLB Science Award
The OLB Science Award is all about promoting young scientists in north-west Germany and rewarding them for their outstanding work.

More info at olb.de/engagement

Brand

A new brand identity
With a new logo and a fresh, bold and modern brand identity, we have brought our corporate branding in line with the Bank's dynamic success. We celebrate our shared achievements and are proud of what we have accomplished.

Sponsoring the women's national team
Together, the DFB women and OLB make a strong team – the perfect partnership for our first major nationwide sponsorship project, which supports the national women's team. Likewise, the DFB women play an important role when it comes to our goal of raising OLB's profile throughout Germany.

© Yulia Perekopaiko / DFB

Capital market

Successful Tier 2 issue
We have stepped up our issuing activities on the capital market and placed our first Tier 2 bond. The EUR 170 million bond issue attracted considerable interest from international investors and was 1.6 times oversubscribed – a clear indication that investors recognise OLB's stability and financial strength.

Successful benchmark covered bond
Following successful sub-benchmark issues, we also issued our first benchmark covered bond with a volume of EUR 500 million. Confidence in our cover pool is underscored by the keen interest shown by international investors.

More info at ir.olb.de/en

Driven by powerful motivation: reaching the next level and ready for more

"Next level" was our motto for 2024 and also featured as the title of last year's annual report. Today, we can proudly say that we have already reached the next level in numerous areas. However, we will not rest on our laurels; we intend to continue with our dynamic progress.

We have successfully accomplished and implemented our ambitious goals and planned challenging projects for financial year 2024. The year marked a year of transformation for OLB, during which we took significant steps forward.

After the closing, we successfully migrated Degussa Bank in just four months. As a result, we acquired around 300,000 new customers and some 300 new employees throughout Germany. All in all, close to one million customers now place their trust in OLB. Through a variety of capital market instruments, we further diversified our funding structure and added new international investors.

In the course of 2024, we were classified as a significant institution in Europe and worked hard to prepare for the transition to direct supervision by the European Central Bank (ECB), which has been in effect since 1 January 2025. With this in mind, we have permanently bolstered our internal structures, such as processes, and hence our overall resilience and compliance culture.

We have thoroughly revised our brand identity and are now positioning ourselves with a new OLB logo and the claim "smart advice". The new brand identity has inspired our innovative store concept. This also gives our Bank, which has grown both organically and inorganically in recent years, a clear and unified identity.

In respect of the year 2024, we can proudly report that we have definitely reached the next level.

2024: New record result

This transformative year closed with a record result after taxes of EUR 365.0 million, an increase of 8.8 % over 2023. With a reported return on equity post tax of 17.1 % (normalised 16.2 %) and a reported cost-income ratio of 46.2 % (normalised 42.6 %), our profitability and efficiency figures are also at the top of the industry league table. Despite the non-recurring expenses associated with the acquisition and integration of Degussa Bank, consistent cost management remains a central pillar of our business strategy. We already reached our new cost base in the fourth quarter of 2024. The result thus also confirms our medium-term strategic targets: a cost-income ratio of no more than 40 %, a minimum return on equity of 15 %, a Common Equity Tier 1 capital ratio above 12.25 % and the firm intention to distribute half of the profit or more as a dividend every year.

2025: Next level

We do not intend to reduce the momentum that has driven our development in recent years. Standing still is not part of our plan. "Taking it to the next level", the title of this annual report, highlights the milestones we have already reached while also underlining our determination to reach the next stage of development. Some areas still show room for improvement.

Among other things, we are working on a modern banking app and a new online banking platform that will significantly expand our digital customer services in 2025. In addition to the gradual implementation of the new branch concept, we will also create further momentum by opening new Private Banking & Wealth Management locations under the Bankhaus Neelmeyer brand in Düsseldorf and Frankfurt.

We are driven by the strong motivation to be among the most profitable and efficient banks in Germany, if not in Europe. Meeting the expectations of the many people who place their trust in us is a central goal. This means acting as a reliable partner for our customers in all financial matters, as a top employer for our employees and as a committed sponsor of charitable projects through our OLB Foundation, as well as representing an attractive investment option for our shareholders.

Sale of OLB share capital

Favourable for growth

On 20 March 2025, the parties involved announced that the shareholders of OLB AG had reached an agreement to sell the entire share capital of OLB to TARGO Deutschland GmbH, a subsidiary of the French Crédit Mutuel Alliance Fédérale group. The completion of the acquisition is subject to the usual closing conditions and regulatory approvals.

With the decision in favor of a sale of OLB, the shareholders have, in turn, decided to discontinue their efforts towards an IPO of OLB.

Crédit Mutuel Alliance Fédérale is fully committed to the strategic vision and success of OLB's business model. In the view of OLB's management, the acquisition will enhance OLB's ability to finance its future growth as a result of Crédit Mutuel Alliance Fédérale's strong ratings and capital market access.

In recognition of the announced transaction, and because OLB will become part of a stronger banking group if the deal successfully closes, rating agency Moody's has put most of our ratings up for review for a possible upgrade.

New brand identity

Perfect combination of functionality and design

Our new brand identity also involved developing an innovative branch concept. The future of our branches – with the first being here in Nordenham – will be defined by a design combining useful, modern functions that benefit both customers and employees with a welcoming and engaging atmosphere.

More info at olb.de

Challenger in Germany with a modern brand identity

New logo, new slogan, new messages – we have revamped our corporate design across the board and realigned our brand identity with OLB's dynamic growth. A tongue-in-cheek advertising campaign positions us as a challenger in the German banking market.

OLB is a brand with tradition – and a bank with a future. Since 2018, five different banks (Oldenburgische Landesbank AG, Bremer Kreditbank AG including Bankhaus Neelmeyer AG, Wüstenrot Bank AG Pfandbriefbank and Degussa Bank AG) have grown together to become the new OLB. As a result, the Bank's business territory has expanded significantly, while the volume of business conducted via digital channels continues to grow. Creating a contemporary, strong and unifying brand identity for OLB was therefore a matter of priority. The new corporate branding has been live since late November 2024.

Retaining the three familiar letters and the basic colour green, we have remained true to ourselves. The overall aim of the rebranding was to make our brand identity significantly younger, more digital and more self-confident. What makes the new logo stand out is the distinctive "O" in two shades of green, which conveys a dynamic, positive sense of momentum. Featuring soft, rounded shapes and a stylised finger swipe, this supersign also reflects the era of digital contacts and digital channels.

Brand identity developed as a team

As part of the brand relaunch, we held internal workshops and conducted market research studies and customer surveys to identify the key attributes that shape OLB's character and identity. Our customers' core expectations are reliability and high-quality advice based on mutual respect. Despite increasing digitalisation, personal contact remains an important part of our customer relationships. Person-to-person banking, whether in our branches, via video chat or by phone, remains at the heart of everything we do. Our "smart advice" brand claim encapsulates this mix of modern, digital products and services and our proven expertise.

The new brand presence was developed in collaboration with the prestigious Stuttgart-based agency Strichpunkt, while the positioning, slogan and German-wide launch campaign were designed with the help of thjnk, a creative agency based in Hamburg. Having overseen a host of successful, multi-award-winning design projects and advertising campaigns during his long career in senior positions in the banking industry, brand expert Uwe Hellmann is in charge of building our new brand, creating the new corporate design and developing the advertising campaign.

Appealing to new and old customers alike

In north-west Germany, our home territory since the company's establishment in 1869, we are generally known as a primary bank and major local employer. Through our OLB Foundation, we are also widely recognised as a supporter of charitable initiatives. Nationwide, we are held in high regard as a trusted financial institution, particularly by businesses and project planners. The declared aim behind the new brand identity and brand advertising is to raise our profile in all customer groups and acquire new customers across Germany. In this sense, we regard ourselves as a challenger on the national banking market.

We want our bold, sometimes irreverent campaign to resonate beyond the people who are not yet familiar with our range of advisory services, products and customer services. We also want to assure our current customers that they have chosen the right bank: OLB is there for you around the clock, offering attractive products and digital services and providing reliable advice as an equal partner.

Brand-building supported by DFB partnership

We are also the right bank for the German national women's football team. Our partnership with the German Football Association (Deutscher Fußball-Bund, DFB) has been running since August 2024. During international women's matches, our logo and brand claim are displayed in the stadiums and on TV screens, particularly on the perimeter advertising boards. In addition, regular clips featuring the players are posted on social media channels to generate attention. Thanks to our sponsorship, we can reach even more people and impress them with our advisory services and products.

We believe that the women's national team is the perfect advertising medium for us. The squad has traditionally embodied team spirit, fair play and high-level performance, all with the right amount of humour and easy-going attitude. Though the players are confident, they have always kept their feet on the ground and remain approachable. What's more, the DFB also feels it is important for women to link up, support each other and build on existing initiatives – which ties in perfectly with our approach, for example with our internal women's mentoring programme GROW, the second intake year of which graduated in summer 2024.

The DFB also has a positive view of the partnership. "We are delighted at the opportunity to work with OLB, having found the bank to be authentic and ambitious, but also approachable. This is a perfect fit for the women's national team. We are on the same wavelength, especially when it comes to promoting women and diversity," says Nia Künzer, DFB Sports Director for Women's Football. Dr Holger Blask, CEO of DFB GmbH & Co. KG, comments: "OLB is already one of the most profitable and efficient banks in Europe and intends to grow further. We want to leverage our partnership and joint activities to help us achieve our goals. These objectives align with those of our DFB women's team, which include top standards, high performance, responsibility, a love of the game and diversity."

The women's national team and OLB make a strong team, not only on their own but also together – raising awareness of the new brand on many levels.

We advertise our range of cutting-edge products and services with a wink and a smile.

Strategy

Brand positioning

Our distinctive brand values and the "smart advice" claim will establish a new identity for OLB. We offer quality. Solid in the best sense of the word, our institution makes banking easy. What sets us apart is round-the-clock accessibility, a dynamic and innovative approach, and a cool, north-German attitude.

This strategic orientation defines our positioning in the public eye, allowing us to further establish the modern OLB brand throughout Germany.

Appearance

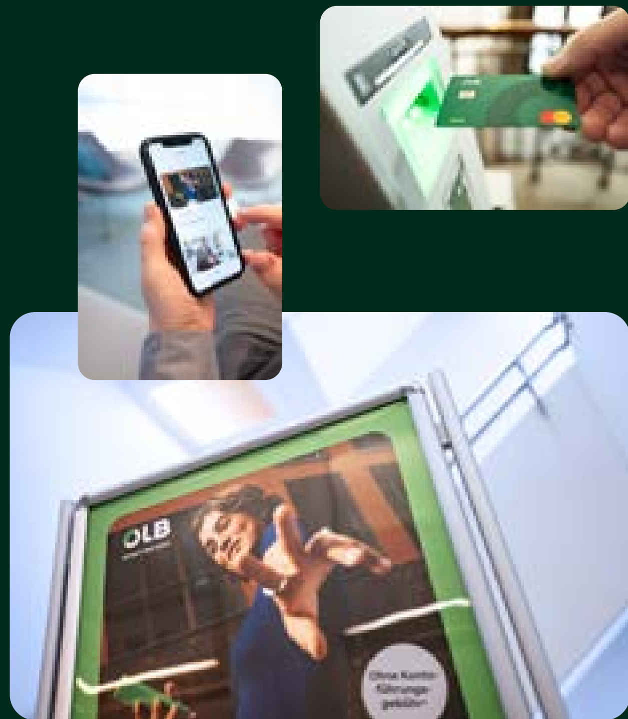
Corporate design

Our new logo epitomises our brand values and creates an unmistakable visual identity, most notably via the supersign "O". All other components, such as colours and fonts, are tailored to "the new OLB".

Application

Perception

The corporate design appears on our new cards as well as in advertising. We primarily use posters, flyers, adverts and commercials to get our messages across to our (new) customers. A degree of flexibility in the design and format allows us to address specific target groups on topics that reflect their needs.



Interview with the CEO

Taking it to the next level

"Every milestone we pass together is something to be proud of."

These are exciting times for OLB: matters that kept our Executive Board and staff busy in 2024 and that will require further attention in the future include the migration of Degussa Bank, the new brand identity and the Bank's organic growth. CEO Stefan Barth takes stock.

Moin, Stefan Barth! OLB has closed the transformational year 2024 with a new record result. What conclusions do you draw?
We delivered on our promise. In our annual report interview a year ago, I had hoped that this sentence would be the headline for OLB's financial year 2024. By that I mean we can be relied upon to achieve our ambitious goals even in a challenging environment. Our performance indicators and our return and efficiency metrics are testament to the Bank's operational strength and resilience.

I would like to take this opportunity to thank the entire team for their outstanding commitment and excellent work. In my opinion, the result is all the more impressive given the significant work-intensive topics we addressed in 2024 above and beyond our day-to-day business, such as the migration of Degussa Bank, the preparations for the transition to ECB supervision and the development of our new brand identity.

How important was the integration of Degussa Bank?
Very important. Looking at the bigger picture, our merger with Degussa Bank has propelled us into the ranks of the significant financial institutions in Europe.

In operational terms, we have taken on around 300,000 additional customers, along with their deposits, loans and other financial products, and added further expertise thanks to the arrival of some 300 new colleagues. The branches that we continue to operate throughout Germany significantly strengthen our nationwide presence. This development alone opens up some exciting possibilities. To give you an example, we are now considering opening new branches in accessible urban locations, preferably in the city centre. Prime candidates are conurbations such as Frankfurt, Düsseldorf and Munich.

Regardless of the effects on our balance sheet and sales, it was quite an achievement to migrate Degussa Bank in just four months after the closing.

Were there any areas where things did not go entirely to plan in 2024?
Needless to say, that's something we also have to deal with. This is particularly relevant when there is a direct impact on the customer business. If, as in the case of the Degussa Bank migration, initial problems on the customer side are minor in the context of the overall process, the operation can certainly be rated a success from a technical, logistical and communicative perspective. However, for the individual customer, it is a nuisance if

certain access points do not work as planned or some services are not directly available. We therefore treat every complaint as a serious matter.

There were also some noticeable hitches relating to process optimisation in the customer securities business, which we had hoped to avoid. We have either already removed these obstacles or identified the problem areas and are actively working on them.

The new corporate branding was launched in late November 2024. Rhetorical question, since you must have had a decisive say in the matter: how do you like the new brand identity?
I think our new look is fantastic – and it's hugely important. The logo and the colours got a makeover, and we are now actively promoting the identity behind them. While OLB has a history going back more than 150 years, we also have a strong focus on the future. What used to be a somewhat sedate and regionally focused bank has become a nimble, innovative company with a nationwide and international presence. We blend tradition with progress, stability with momentum.

Alongside our traditional retail business, we also operate in highly specialised niche markets. Our customers can reach us through digital channels and in person at our branches, which we are modernising according to our new concept. We want to create a welcoming atmosphere where people feel comfortable to engage with financial matters.

"We are a digital bank that retains a strong personal touch. This special combination makes us a genuine challenger in the German banking market."

Stefan Barth,
CEO

In other words, while we are increasingly becoming a digital bank, we also retain a strong personal touch. I believe that this special combination makes us a genuine challenger in the German banking market. Our brand identity conveys these messages with a sense of humour.

Is acquiring new customers one of the objectives of the brand image?
Yes, indeed. This is in line with our strategic direction: we want to continue growing – both in terms of the number of customers and in terms of loans and deposits. Our brand campaign and our sponsorship of the German national women's football team are raising our profile throughout Germany, convincing people who hadn't noticed us before. Apart from that, we can also continue to grow through acquisitions or new business lines, as and when the right opportunity arises.

Is your confidence partly based on past successes?
Yes, that's right. During the past few years, our successful business model has delivered sustainable, profitable growth with consistently high returns. We want to build on this position of strength and continue to grow. I am indeed confident that we will keep up our forward momentum.

A competent and committed team of employees is helpful when it comes to achieving goals. What's your view on that?
Yes, that is essential – and it is certainly the case at the Bank. The expertise and commitment of our team forms the foundation of our long-term success. I am particularly proud of the passion and loyalty everyone at OLB

has contributed to the major projects I have mentioned. Every milestone we pass together is something to be proud of.

A look into the crystal ball: how do you rate OLB's chances in the future?
In the short term, conditions will not get any easier and I am very aware of the challenges facing us. Geopolitical changes may well lead to Germany and Europe as a whole becoming more independent of the United States. In these volatile times of political and economic turmoil, it is more important than ever that we act as a reliable partner to our customers, offering support and guidance through sound advice and products that meet their needs.

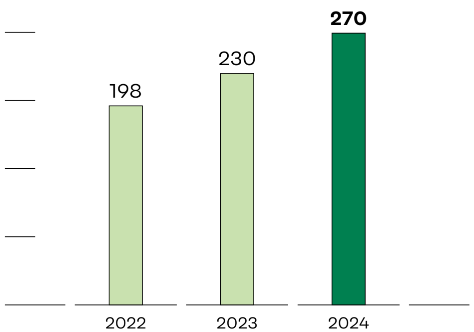
Technological progress will also bring further changes. We are already using artificial intelligence for chat functions on our website, for instance, or for increasing the efficiency of internal processes. Most likely, we will expand the use of AI to include additional useful applications. In any case, we are both willing and able to continue investing in this technology.

Thanks to a solid balance sheet, a resilient business model, a broad base of satisfied customers and ideas for further growth, my colleagues on the Executive Board and I are extremely optimistic when it comes to OLB's future.

Profitability and top-level return

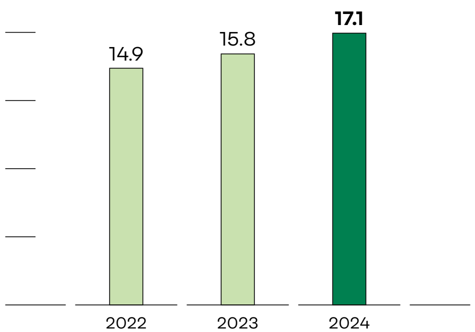
2024 once again demonstrated that our business model delivers profitable growth and consistently high returns.

Result after taxes in EUR m*



Thanks to an increase in operating income and consistent cost management, our result after taxes has risen steadily in recent years.

Return on equity in %*/**



The trend in our return on equity is supported by a sustained increase in our result after taxes. We have reached our latest medium-term target of 14 to 16 % return on equity. In the future, we are aiming for a return on equity post tax of at least 15 %.

** The Degussa customer segment contributes eight months (May to December 2024) to the IFRS financial result in 2024.*

** The Degussa customer segment contributes eight months (May to December 2024) to the IFRS financial result in 2024.*

*** Reported return on equity for the years 2022 and 2023 excluding dividend accrual. The methodology for calculating the return on equity (post tax and AT1 interest) was revised in 2024. All figures for the period 2022 up to and including 2024 are based on the average IFRS equity less accrued dividends (see page 126).*

Interview with the CFO

Taking it to the next level

"Our result shows that we are on the right track."

OLB's new record result for financial year 2024 demonstrates once again that our business model delivers sustainable and profitable growth and that the Bank is capable of generating high returns despite challenging market conditions. CFO Rainer Polster on the earnings trend and new targets.

Moin, Rainer Polster! OLB has presented some very convincing figures for 2024, including a new record result, a high return on equity and a consistently low cost-income ratio. Would a CFO be happy with these figures?
I like numbers, not only for professional reasons, but especially when they indeed also stack up well by industry standards. Our result shows that we are on the right track. Ultimately, this is always a joint effort; the figures are only good if the strategy works, distribution is effective and the risks are under control. Put simply, when all the cogs mesh together. Needless to say, as CFO, I am extremely pleased with this result in light of the Bank's recent transformation. I now look forward to working with my colleagues on the further advancement of OLB's exciting and dynamic development.

"Over the past five years, we have generated around EUR 900 million in capital, a third of which has been used for dividend payments."

Dr. Rainer Polster,
CFO

Market interest rates and the risk situation are classic impact drivers in terms of the earnings trend. What effect did they have on OLB's figures?
Dominated by the interest rate reversal starting in mid-year, ongoing geopolitical crises and other uncertainties, 2024 was a challenging year for us and our peers. However, our net interest income proved resilient to the fall in market interest rates. Despite the decline in the three-month Euribor reference rate since late 2023, our net interest income continued to rise over the same period, and we expect a stable trend in the near future. On the one hand, this reflects the volume effects of our growth and, on the other, the pricing effects of the Degussa Bank migration.

In terms of risk, we are seeing the benefits of our granular and broadly diversified credit portfolio. At the same time, there is no getting around the fact that the economic situation is impacting some of our customers. Overall, our risk costs performed as expected in this difficult environment, with the increase over the previous year driven in part by the non-recurring effect of the valuation of the Degussa Bank portfolio under IFRS 9.

Speaking of Degussa Bank: is it fair to say that this integration had the greatest impact on the organic business development?
Absolutely. In the eight months after the closing, the Degussa Bank customer business contributed almost EUR 55 million to the operating result, while badwill and other merger effects led to a net non-recurring profit of around EUR 15 million.

Most importantly, however, we consider the rapid migration of Degussa Bank as a big success story from a cost perspective. We have already absorbed the costs of the acquisition and have implemented planned cost synergies in the fourth quarter of 2024. This means that the Q4 2024 cost level now serves as our new baseline.

And here are some other striking figures that give a good impression of the scale of the migration, beyond revenue and cost synergies: We transferred around 90 million documents from the document management system and migrated around half a million accounts as well as several hundred thousand debit and credit cards. On top of that, our "conversion plan" involved completing a total of one and a half thousand tasks, ranging from the very large to the very small, by a specific deadline. All in all, we did a fantastic job.

Whether inorganic growth, like the acquisition of Degussa Bank, or organic growth, like the expansion of the credit volume, growth requires capital. How solid is OLB in terms of its capital base and funding?
The relevant figures, such as the CET1 ratio or the liquidity coverage ratio, show that our capital and liquidity positions are very healthy and well above the regulatory minimum. Over the past five years, we have generated a total of around EUR 900 million in capital, a third of which has been used for dividend payments, while the remaining two thirds have provided a stable backbone for our growth strategy.

Our approach basically boils down to "sensible growth, innovative funding". We made use of the full range of capital market instruments, issuing a EUR 170 million Tier 2 bond for the first time in the reporting period, which was shortly followed by a second Tier 2 bond of EUR 150 million and our first benchmark covered bond in the amount of EUR 500 million. Another capital market first followed at the start of the new financial year 2025 in the form of a residential mortgage-backed security transaction, i. e. the securitisation of our Dutch mortgage loans brokered via the Tulp platform.

What are OLB's return and dividend targets?
We are generating enough money to continue investing in the Bank while paying our shareholders dividends that we believe are quite attractive. We therefore anticipate a payout ratio of at least 50 %.

Over many years, OLB has consistently demonstrated that it can deliver on profitability and returns – even in exceptionally challenging market environments, as was the case in 2024. After this record year, we are aiming for a return on equity post tax of at least 15 %.

CET1 ratio

Capital ratio comfortably exceeds requirements

In light of the closing of the Degussa Bank transaction, we had set the Common Equity Tier 1 capital ratio (CET1 ratio) at 14.5 % in the previous year. As expected, it dropped to 13.1 % as of the 2024 balance sheet date, but remained well above the regulatory minimum of 10.2 %. Effects from the Basel IV implementation lifted the CET1 ratio again to 13.7 % as of 1 January 2025.

13.1 %

Return on equity

Profitability target remains ambitious

OLB's strong capital base is the backbone of our further growth trajectory. Our targets remain as ambitious as ever, and we are adhering to our strategic medium-term goal to achieve a minimum return on equity of 15 %.

>15 %

Liquidity coverage ratio

Solid liquidity position intact

The liquidity coverage ratio (LCR) – a key performance indicator for the Bank's liquidity management – rose to 161.8 % (previous year: 147.7 %), which is once again well above the regulatory minimum of 100 %.

161.8 %


Taking it to
the next level
OLB

The OLB Executive Board: a solid team

Our Executive Board consists of six members, each of whom contributes a high level of expertise and extensive international experience in finance. While fully embracing the team spirit, they complement each other's individual strengths to the benefit of the Bank.

Consisting of CEO Stefan Barth, CFO Dr Rainer Polster, CRO Chris Eggert, COO / CSO Aytac Aydin, CIO Giacomo Petrobelli and CIO Marc Ampaw, the hallmarks of our Executive Board include leadership qualities, a wide range of individual knowledge and skills with a particular focus on credit, risk, finance and IT, expertise built up over 20 or 30 years at financial institutions and the knowledge needed to efficiently implement mergers, restructurings and transformations.

Our C-level management practises true team spirit among themselves, while maintaining open and respectful dialogue with the employees.

All six members of the Executive Board have long-term ties to the bank. The Supervisory Board prematurely extended their respective contracts in the past months and years. This will ensure continuity and stability on the Executive Board. This ensures continuity and stability on the Executive Board. Reliability also underpins the trust that both the shareholders and the employees place in our management team.

OLB management report and financial statements

The Bank's group management report and consolidated financial statements are found on page 63 onwards. Due responsibility has been taken by the Executive Board for the true and fair presentation of the Bank's net assets, financial position and results of operations.

Essentially, OLB's corporate management derives from the requirements of corporate law. Under the dual management and oversight structure required by the German Stock Corporation Act, the Executive Board is responsible for the Bank's strategy and management, while the Supervisory Board serves in an advisory capacity to the Executive Board and monitors the Executive Board's management of the company. The collaboration between the Executive Board and the Supervisory Board is of a constructive nature. Both bodies are united by the same goal of increasing the value of OLB on a long-term basis.

CEO

Stefan Barth

Stefan Barth has held the position of CEO since September 2021. Having joined OLB as Chief Risk Officer in January 2021, he was appointed Deputy Chairman of the Executive Board in May 2021. He also served as Chief Risk Officer at his previous company, Bawag Group AG.

Joined OLB: **January 2021**

Career:
- Bawag Group AG, Austria: Chief Risk Officer
- Hypo Alpe Adria Group AG, Austria: Head of Group Credit Risk Control
- Bayerische Landesbank, Germany: First Vice President Risk Models & Method

Born **1977**

CFO

Dr Rainer Polster

Dr Rainer Polster has been our Chief Financial Officer and has headed the area of sustainability since November 2020. He joined OLB in October 2018 and has been a member of the Executive Board since April 2020. Prior to this, he held various positions at Deutsche Bank in Germany and abroad.

Joined OLB: **October 2018**

Career:
- Deutsche Bank AG, Austria: Supervisory Board Chairman, Chief Country Officer
- Deutsche Bank AG, Germany: Head of Financial Institutions Group Germany, Austria, Switzerland
- Deutsche Bank AG, United Kingdom: Managing Director Financial Institutions Group Europe

Born **1970**

COO / CSO

Aytac Aydin

Aytac Aydin joined OLB's Executive Board in February 2022 and has since been responsible for retail banking and business operations. Before this, he served as Chief Operations Officer at the ECB-regulated Slovenian credit institution Nova KBM and has held various management positions in Turkey.

Joined OLB: **February 2022**

Career:
- Nova KBM Bank, Slovenia: Chief Operating Officer
- CMC, Turkey: Chief Executive Officer
- Odeabank, Turkey: Chief Operating Officer
- QNB Finansbank, Turkey: Chief Operating Officer
- McKinsey & Company: Engagement Manager

Born **1977**

CRO

Chris Eggert

Chris Eggert has been OLB's Chief Risk Officer since June 2022. Prior to this, he served as Head of Credit Risk Management at OLB after the merger with Bremer Kreditbank AG (BKB) in 2018. He has held various management positions in the credit business at BKB since 2008.

Joined OLB: **October 2008 (Bremer Kreditbank AG)**

Career:
- **Bremer Kreditbank AG, Germany: Head of Credit Analysis and Loan Processing**
- **Danske Bank A / S, Germany: Deputy Head of the Loans Department**
- **Berenberg Bank, Germany: Credit Analyst for Corporate Customers**
- **Deutsche Bank AG, Germany: Credit Adviser, Private Banking**

Born **1972**

CIO

Giacomo Petrobelli

Giacomo Petrobelli joined the OLB Executive Board in July 2022 and is responsible for the areas of Corporates, Football Finance, Fund Finance and Acquisition Finance. Since January 2020, he has been our General Manager. Before this, he was a senior consultant at BKB.

Joined OLB: **January 2020**

Career:
- **Apollo Global Management, United Kingdom: Senior Advisor**
- **Bremer Kreditbank AG, Germany: Senior Advisor**
- **UBS Investment, United Kingdom: Head of Loan Capital Markets / Leveraged Capital Markets Europe**

Born **1975**

CIO

Marc Ampaw

Marc Ampaw joined the Executive Board in 2021. His responsibilities include the areas of Commercial Real Estate, International Diversified Lending as well as Shipping and Wind. He previously held management positions at Bawag Group AG and other companies in Austria and the USA.

Joined OLB: **May 2021**

Career:
- **Bawag P. S. K., Austria: Group Head of Germany, Structured Credit + Special Situations**
- **VTB Bank AG, Austria: Executive Director, Credit + Special Situations**
- **Morgan Stanley, USA: Associate Director M & A**

Born **1979**

Supervisory Board

The control body in the reporting period

- Axel Bartsch (Chairman)
- Dr Manfred Puffer (Dep. Chairman)
- Brent George Geater
- Michael Glade*
- Olaf Hoffmann*
- Heike Munro
- Michele Rabà
- Sascha Säuberlich
- Jens Schäferhoff-Grove*

** Employee representatives as of 31 December 2024*

More info at olb.de

Report of the Supervisory Board

The Supervisory Board continuously monitored the management of the Bank during the year under review, advised the Executive Board on running the institution and directly participated in decisions of fundamental importance. The Supervisory Board's activities are organised according to the rules of procedure of the Supervisory Board and of the Executive Board, which also stipulate the Supervisory Board's areas of responsibility.

Matters addressed by the full Supervisory Board

The full Supervisory Board met and passed resolutions on nineteen occasions in the 2024 financial year. These meetings were held in person and in the form of hybrid meetings (in person and by video). Resolutions were also passed by means of circular resolutions. The meetings were held in March, July, September and December. Between meetings, the Chairman of the Supervisory Board and the chairmen of the committees also maintained ongoing contact with the Executive Board and regularly discussed strategy, business performance, risk management and other significant matters with the Executive Board.

The Supervisory Board regularly discussed the financial situation of OLB. At all of its regular meetings, the Supervisory Board obtained reports on the Bank's business performance and current risk situation and discussed the development of business in detail with the Executive Board. The Supervisory Board also obtained information on any deviations in the Bank's business performance from the targets originally specified, together with an explanation of the reasons behind them. This year, among other matters, the Supervisory Board was involved in the Bank's preparations for the transition to ECB supervision as well as the current state of the macroeconomic and interest rate environment and the associated impact on the business performance, risk situation and operational stability of the Bank. Moreover, the Supervisory Board played a major part in the advancement of the Bank's ESG activities, for example with regard to sustainability reporting.

The Supervisory Board monitored and advised the management on the basis of the written reports and oral information provided by the Executive Board. Matters of particular importance were examined in depth and discussed with the Executive Board. This also includes the reports on progress made in the projects designed to rectify deficiencies that were identified in special audits. The Supervisory Board and the responsible committees received regular updates on the status of projects relating to steps taken in response to the special audits of the credit and securities business. In this context, the Supervisory Board also obtained reports on progress made in the development of the Bank's risk and compliance culture. Apart from the reports of the Executive Board, the Supervisory Board also consulted and discussed reports by the Bank's internal control functions and the auditors, as well as further correspondence and actions taken by the supervisory authorities.

The Supervisory Board repeatedly dealt with matters of business strategy. Particular attention was paid to discussing the Bank's strategic focus, which the Executive Board further developed. Both in the context of the Bank's strategic development and as part of the regular annual consultation, the Supervisory Board discussed the Executive Board's business planning for 2024 and 2025 as well as the medium-term planning for the following two years. As part of its discussion of the Bank's business strategy, the full Supervisory Board obtained a report on the current project status regarding the merger of Degussa Bank with OLB and on the FNZ project.

The Supervisory Board dealt with matters concerning the Executive Board and compensation on multiple occasions. In particular, the Supervisory Board determined that the compensation system for the Executive Board complied with the relevant legal requirements. It also made sure that this system was aligned with OLB's business strategy and risk strategy objectives and that it does not offer any incentives to take unreasonable risks. Moreover, the Supervisory Board approved the submitted list of the Bank's risk takers in accordance with the German Regulation on Supervisory Requirements for Banks' Compensation Systems (Institutsvergütungsverordnung). The Remuneration Officer presented and explained his remuneration report to the Supervisory Board.

Work in the committees of the Supervisory Board

The Supervisory Board has formed a number of committees to enhance its efficiency in performing its duties. These are the Executive and Compensation Committee, the Audit Committee, the Risk Committee, the Credit Committee and the Nominating Committee.

The committees prepare resolutions for the Supervisory Board and lay the groundwork for the full Board's activities. Where permitted by law, the Supervisory Board delegated decision-making authority on a large number of matters to its committees. The committees' chairs kept the Supervisory Board regularly informed of the committees' work.

In the past year, the meetings of the committees listed below were held in the form of in-person meetings and hybrid meetings (in person and by video). Resolutions were also passed by means of circular resolutions.

The ***Executive and Compensation Committee*** held three meetings in the 2024 reporting year. These meetings primarily involved preliminary discussions and recommendations on matters to be decided by the full Board concerning the Executive Board and compensation. In addition, the committee verified that the remuneration system for OLB employees was appropriately structured.

The ***Audit Committee*** met eleven times in the 2024 financial year. Among other matters, the committee reviewed the annual financial statements of OLB, the management report and the audit report and discussed these reporting documents with the auditor. The Audit Committee found no grounds for any objection to the documentation. This committee also discussed the interim financial report prior to its publication and the interim report prepared by the auditor on the audit of OLB's securities services business, and was continuously informed of the measures initiated by the Executive Board in relation to the special audit report on the Bank's securities services business. The Audit Committee has reviewed the quality and independence of the auditor and has no objections.

The committee was closely involved in the preparations for the first mandatory sustainability report, which was scheduled for integration and publication along with the annual financial statements. Due to the German government's failure to complete the legislative process by the end of 2024, the EU Corporate Sustainability Reporting Directive has not yet been transposed into national law. With OLB's preparations already well advanced, the Bank decided to consistently adopt the European reporting standard under the currently valid commercial law provisions governing non-financial statements. The Bank prepared a separate non-financial statement as at 31 December 2024 in accordance with Section 289b HGB. The Audit Committee has satisfied itself of the legality, regularity and expediency of the report. There were no objections.

The Chairwoman of the Audit Committee also regularly communicated with the auditors and the heads of the Internal Audit, Compliance and Sustainability departments outside of meetings.

The ***Risk Committee*** held a total of eight meetings during the past financial year. It dealt with the Bank's current risk situation in detail at these meetings. Its quarterly risk reports addressed such matters as risk-bearing capacity as well as credit, market-price, liquidity and operational risks, especially against the background of the current macroeconomic and interest-rate environment. The Risk Committee was also continuously informed of the measures initiated by the Executive Board in relation to the audit report for the audit under Sec. 44 of the German Banking Act (Kreditwesengesetz, KWG) and of the results of the Deutsche Bundesbank's follow-up audit.

During the year under review, the ***Credit Committee*** deliberated 63 times by way of telephone or video conference calls and also by email concerning decisions on individual credit exposures and fundamental aspects of the Bank's lending business. The committee members repeatedly exchanged views with the Executive Board on the impact of external circumstances on OLB's credit portfolio and appropriate mitigating measures.

The ***Nominating Committee*** met on one occasion during the past financial year in order to decide on its recommendation to the full Supervisory Board on the successors to all expiring mandates of the shareholder representatives. The Nominating Committee also met on a further occasion during the past financial year at a joint meeting with the Executive and Compensation Committee. This meeting was held in preparation for the Supervisory Board's annual self-assessment.

Audit of the annual financial statements

The annual financial statements of Oldenburgische Landesbank AG for the period ended 31 December 2024 and the management report were audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hanover, which granted an unqualified audit opinion. The annual financial statements were prepared in accordance with the German Commercial Code (Handelsgesetzbuch, HGB). In addition, the Bank prepared voluntary IFRS consolidated financial statements, which were also audited by Deloitte Wirtschaftsprüfungsgesellschaft, Hanover, and issued with an unqualified audit opinion.

The reporting documentation and the related audit reports from Deloitte for the 2024 financial year were forwarded to all members of the Supervisory Board in good time. These documents were discussed in detail at the Audit Committee's meetings on 11 December 2024 and 5 March 2025 and at the meeting of the full Supervisory Board on 5 March 2025. The auditors took part in all of these discussions. They reported on the principal findings of their audits and were available to answer questions and provide additional information.

On the basis of its audit and review of the annual financial statements, the management report and the proposed appropriation of profits, the Supervisory Board did not have any objections and concurred with Deloitte's audit findings for the financial statements. The Supervisory Board approved the annual financial statements prepared by the Executive Board, which are thus adopted. The Supervisory Board concurs with the Executive Board's proposed appropriation of profits.

Changes to the Supervisory Board and the Executive Board

In the preceding financial year, the Supervisory Board had extended the mandates held by Aytac Aydin and Chris Eggert.

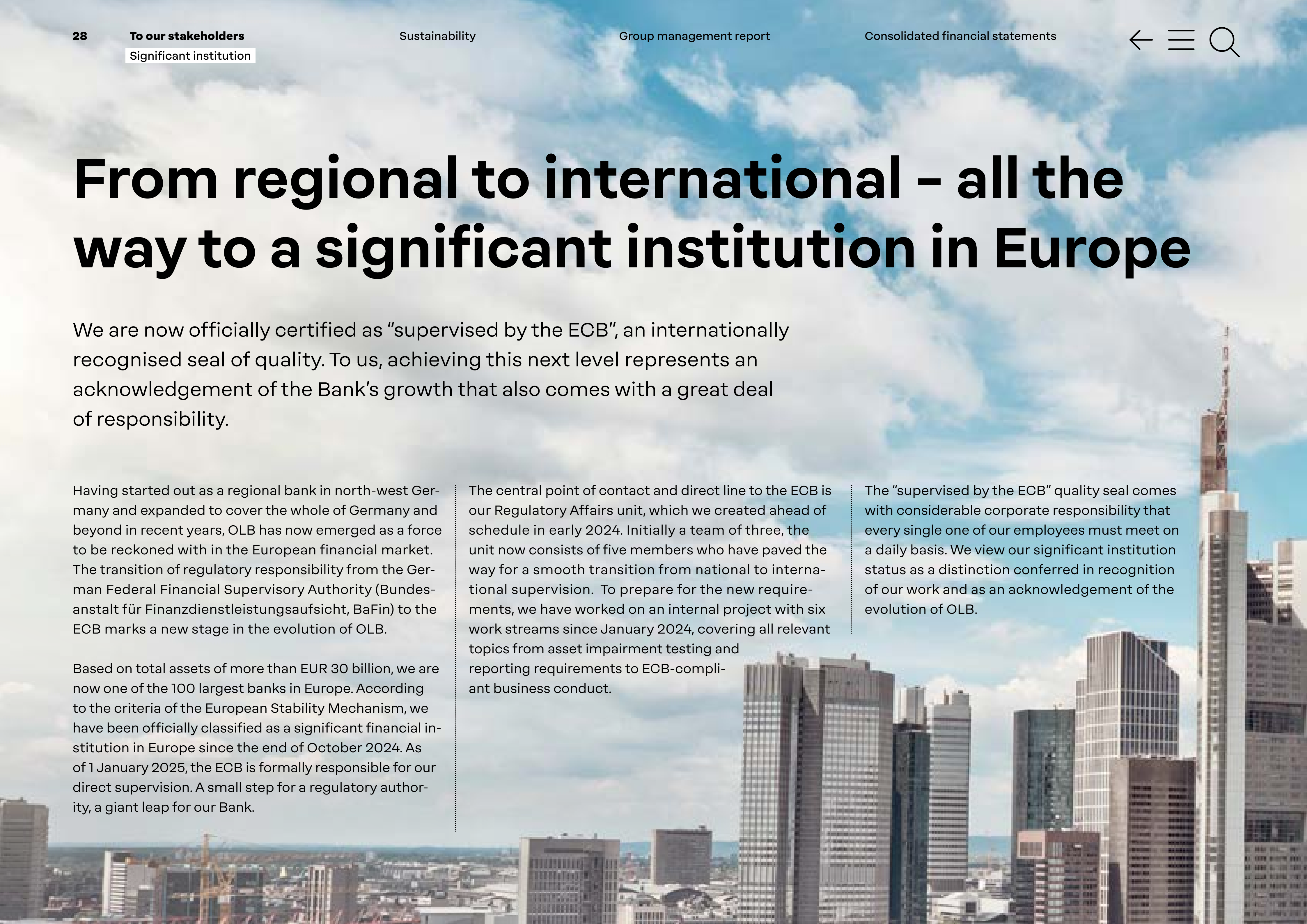
The terms of office of all shareholder representatives on the Supervisory Board expired at the end of the Annual General Meeting in 2024, as scheduled. In line with the recommendations of the Nomination Committee and the Supervisory Board, all six shareholder representatives were re-elected by the Annual General Meeting. At the subsequent constituent meeting of the Supervisory Board, all Supervisory Board members were re-elected to their previous committee posts.

The Supervisory Board would like to thank the employees of OLB and the members of the Executive Board for their outstanding commitment and successful work.

Oldenburg, 12 March 2025

For the Supervisory Board

Axel Bartsch
Vorsitzender



From regional to international – all the way to a significant institution in Europe

We are now officially certified as “supervised by the ECB”, an internationally recognised seal of quality. To us, achieving this next level represents an acknowledgement of the Bank’s growth that also comes with a great deal of responsibility.

Having started out as a regional bank in north-west Germany and expanded to cover the whole of Germany and beyond in recent years, OLB has now emerged as a force to be reckoned with in the European financial market. The transition of regulatory responsibility from the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) to the ECB marks a new stage in the evolution of OLB.

Based on total assets of more than EUR 30 billion, we are now one of the 100 largest banks in Europe. According to the criteria of the European Stability Mechanism, we have been officially classified as a significant financial institution in Europe since the end of October 2024. As of 1 January 2025, the ECB is formally responsible for our direct supervision. A small step for a regulatory authority, a giant leap for our Bank.

The central point of contact and direct line to the ECB is our Regulatory Affairs unit, which we created ahead of schedule in early 2024. Initially a team of three, the unit now consists of five members who have paved the way for a smooth transition from national to international supervision. To prepare for the new requirements, we have worked on an internal project with six work streams since January 2024, covering all relevant topics from asset impairment testing and reporting requirements to ECB-compliant business conduct.

The ”supervised by the ECB” quality seal comes with considerable corporate responsibility that every single one of our employees must meet on a daily basis. We view our significant institution status as a distinction conferred in recognition of our work and as an acknowledgement of the evolution of OLB.

Head of Regulatory Affairs

Dr Bernhard Hörtnagl

- Born in Austria in 1980
- Prior to joining OLB, he served for about ten years at the ECB in Frankfurt, most recently as Head of the Authorisation Division.
- At the same time, he acquired further international experience working for the European Banking Authority (EBA).
- Between 2007 and 2014, he held various management positions at the Austrian Financial Market Authority, including Head of the "Supervision of Significant Institutions" division.
- Bernhard Hörtnagl holds a doctorate in law.

How will the transfer from BaFin to the ECB change supervisory oversight for OLB?
Of course this will be a change for us. On the one hand, the ECB's quantitative requirements, for instance the capital requirement, are simply higher than BaFin's, and the qualitative requirements are more detailed, for instance with regard to appropriate risk provisioning. On the other hand, the ECB perceives its supervision as a "supervisory dialogue", which goes beyond the mere scrutiny of figures and information and involves a constructive dialogue on topics relevant from a supervisory perspective.

What extra time and effort does supervision by the ECB entail?
First of all, changing supervisors is a longer-term process that involves close consultation with the ECB, not something that can be completed at the flick of a switch. Including in-depth preparations and essential external support, our switch to the new supervisory authority has so far involved around 10,000 working days and incurred initial project costs in the mid-seven-digit range. We are now gradually transitioning to day-to-day operation. Reports or questions addressed to the supervisory authority involve numerous colleagues from other units of the Bank in addition to the Regulatory Affairs team.

Having worked at the ECB and other supervisory authorities for many years, you are also familiar with their internal workings. What does OLB's supervision by the ECB look like? How is it organised?
A Joint Supervisory Team (JST) has been put in charge of us. For a bank of OLB's size, such a team usually consists of six to eight members. The head of the JST may not come from the same country as the supervised institution. Aside from ECB employees, our JST team also comprises delegates from BaFin and the Deutsche Bundesbank who continue to keep an eye on us, albeit no longer in a formal capacity. Essentially, the team's core task is to verify the propriety of OLB's business practices, more or less on a daily basis, and to assess our procedures or, more specifically, our risk profiles.

I guess this can occasionally get a bit exhausting. But at the same time, it is also something special, isn't it?
It certainly is exhausting and challenging at times, especially since supervisory language and banking language are not always the same. In those cases we in the Regulatory Affairs team use our experience to ensure that both sides are on the same page. Despite the extra work involved in complying with ECB supervision, we generally view this as a distinction and a seal of quality – something to be proud of. We are no longer being assessed from a national point of view, but on the basis of international benchmark comparisons. Feedback from the ECB alone will give us a wealth of information and experience which we can use to further evolve the Bank.

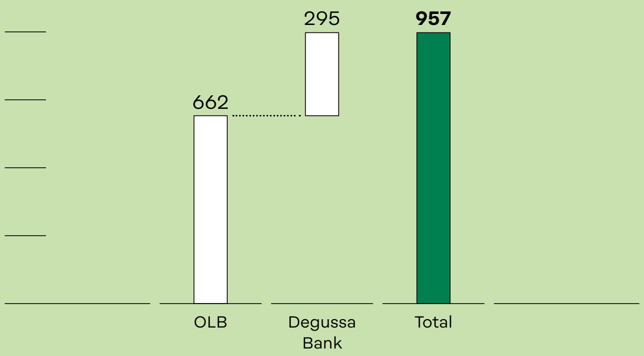
Photo: Adobe Stock

Number of customers

We have migrated around 300,000 customers with some 500,000 accounts to the OLB systems.

in thousands

+45%



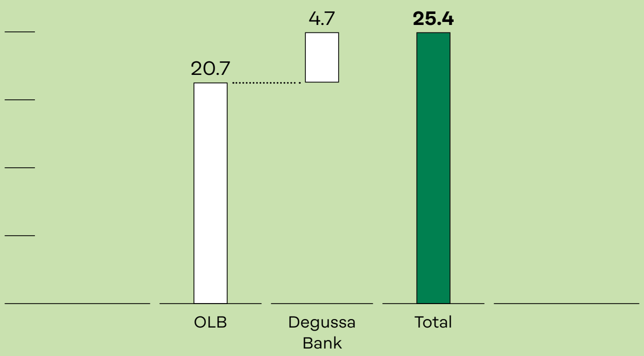
We have significantly expanded our market presence throughout Germany and are now providing banking services to around one million people. For the first time in OLB's history, we have more customers outside than inside our home territory of north-west Germany.

Credit volume

EUR 4.7 billion of the increase in our credit volume in the reporting period was attributable to the lending business of Degussa Bank.

in EUR bn

+23%



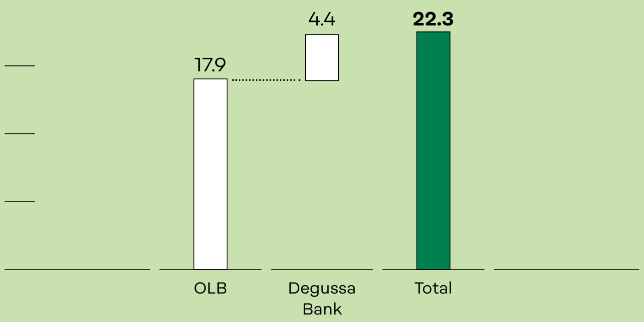
Apart from private mortgage financing, the lending business at Degussa Bank primarily focused on the low-risk commercial real estate business in Germany, which we have incorporated into our OLB loan book.

Volume of deposits

The constant growth in our deposit volume was boosted by customer deposits at Degussa Bank totalling EUR 4.4 billion.

in EUR bn

+25%



The highly granular and stable nature of OLB's customer deposit portfolio also distinguishes the customer deposits of Degussa Bank. Thanks to the acquired volume, we can expand our funding base in the long term.

Significant added value and encouraging prospects

New customers, new colleagues and the critical mass to qualify as a significant institution in Europe: with the successful migration of Degussa Bank, OLB has taken another decisive step forward in its strategic, personnel and sales development.

Inorganic expansion is a fundamental component of our dynamic growth strategy alongside the organic development of the business. Thanks to the successful integration of Degussa Bank into OLB in 2024, we have taken another significant step forward. After a protracted wait for regulatory approval of the purchase agreement signed in September 2022, we closed the deal on 30 April 2024 and completed the full migration of Degussa Bank in just four months by late August 2024. In terms of strategy, personnel and sales, the closing of the transaction represents significant added value for us.

Around 300,000 customers have switched their financial products from Degussa Bank to OLB. Moreover, some 300 colleagues have joined OLB as part of the migration. Having successfully filled a number of vacancies with suitable Degussa Bank employees, we have optimised our staffing levels and are well-placed to meet future challenges.

Worksites – a perfect complement

From a sales perspective, the acquisition has consolidated and significantly expanded our position in the German banking market. A special feature unique to Degussa Bank in Germany was its system of operating branches on the premises of partner companies. Primarily located in industrial and economic centres nationwide, these so-called worksites perfectly complement our traditional OLB retail core business region in north-west Germany. At the time of the migration, we took over 53 of the worksite branches, and are now operating 40 of them on a successful and profitable basis.

For more than 30 years, Degussa Bank had also been among the largest providers in the German niche market for corporate credit card solutions. This attractive business is now part of our portfolio. Around 100,000 people in some 500 large corporations and medium-sized companies currently use the respective products, in particular the corporate credit card for expenses and the virtual Lodge Card for booking business trips. “My ePayment”, a virtual credit card in the company name that can be used to settle marketing expenses, software licences, training costs or event expenses, etc., is a further modern product in this area.

New basis for growth

Following our previous inorganic and organic growth, the strategic migration of Degussa Bank has expanded our balance sheet to a size that makes us a significant player by European standards. As previously stated, with total assets of more than EUR 30 billion, we are now classified as a significant financial institution in Europe according to the system stability criteria of the European Stability Mechanism.

From a strategic sales perspective, our new size provides us with a springboard for cementing our sound competitive position in the highly competitive national and international banking market, continuing our growth trajectory and selectively expanding our market share.

After the takeover, Frankfurt, a major European financial centre, has become our second-largest base, surpassed only by the OLB headquarters in Oldenburg. From an HR perspective, this is a relevant factor, for instance, if special expertise is required for a certain position.

Induction event in Oldenburg

Our new colleagues who joined OLB from Degussa Bank were welcomed to the company at a two-day induction event in Oldenburg, which took place in early September 2024. The entire Executive Board took the time to ensure that everyone got to know each other, while Human Resources outlined opportunities for personal development at OLB. Sabine Gromer, founder of the award-winning coaching and consulting firm MagnoliaTree, ran an exciting and entertaining programme that started the process of settling the new employees into their teams. On the second day, after the first few hours on the job, the successful onboarding event wrapped up with the big OLB summer party, with everybody joining in the fun. Armed with new expertise and motivated by a strong team spirit, the company is now forging ahead down the path of dynamic growth.

Left: Sabine Gromer (MagnoliaTree) worked with us at the induction event.

Below: Fun elements and entertainment are essential ingredients for successful integration.

Degussa Bank

Cost synergies

All of the costs directly related to the Degussa Bank takeover have already been absorbed in financial year 2024; additionally, we have also implemented the planned cost synergies.

Degussa employees -46 %

By April 2024, the number of full-time equivalents (FTE) had been significantly reduced on a socially responsible basis, from around 425 at the time of the closing of the Degussa Bank acquisition to around 230. At the same time, more employees made the move to OLB than originally planned.

Degussa branches -26 %

Of the 54 branches operating on the premises of partner companies at the time of the closing, 40 worksites will continue to operate nationwide. We have closed small, unprofitable branches whose customers are now served from larger sites.

Degussa expenses -50 %

By the end of 2025, we aim to reduce the operating expenses (pursuant to the German Commercial Code) of the Degussa Bank business by around half, from around EUR 100 million in the year prior to the closing of the acquisition to around EUR 50 million.

Cutover night

On Saturday, 31 August 2024, at precisely 8:49 p.m., the big moment had arrived: managed from the control centre and backed by a large team from various units of the Bank, the go-ahead was given. As of that moment, the cutover team began finalising the import of the customer data from Degussa Bank into the OLB systems. On Sunday, 1 September 2024, at 2:29 a.m. – a good 100 minutes ahead of schedule – the relevant data had been migrated and the new day-to-day operations were underway.

Over 490,000 accounts, more than 470,000 personal data sets, a good 160,000 newly registered online banking users – and just 20 pizzas ordered for the team – were just a few of the striking statistics associated with that cutover night.

Realised in record time

Cost base: 6 months

Integration: 4 months

04/2024	08/2024	09/2024	10/2024
Transaction closed on 30 April	Legal and technical integration on 30 August	Target FTE structure achieved	Number of locations reduced Cost level reached

Profitable and balanced business model

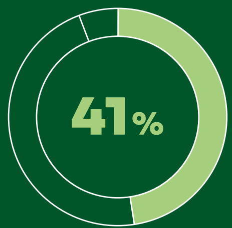
We operate a profitable and balanced business model. The Bank's Private & Business Customers and Corporates & Diversified Lending segments make roughly equal contributions to our result. After it was managed separately from May to December 2024, the Degussa Bank customer segment was transferred to Private & Business Customers and Corporates & Diversified Lending with effect of 1 January 2025.

Private & Business Customers

In 2024, the Private & Business Customers segment contributed 41 % of the loan volume and 45 % of the operating income.

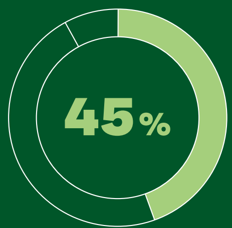
Loan volume in EUR bn

10.5



Operating income in EUR m

318

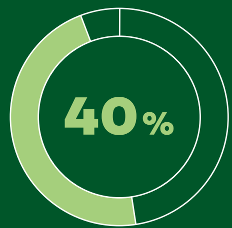


Corporates & Diversified Lending

The Corporates & Diversified Lending segment contributed 40 % of the loan volume and 48 % of the operating income in 2024.

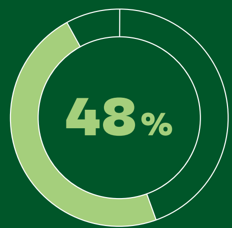
Loan volume in EUR bn

10.5



Operating income in EUR m

341

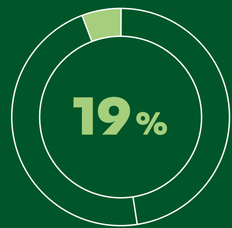


Degussa customer business

In the period after the closing, the Degussa Bank customer segment contributed 19 % of the loan volume and 8 % of the operating income for 2024.

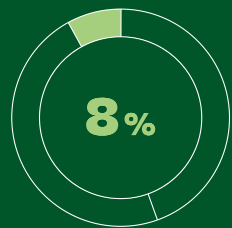
Loan volume in EUR bn

4.9



Operating income in EUR m

55



Figures rounded in some cases

Retail sites in Germany

80

In Germany, we offer retail banking services through our digital channels and at around 80 physical sites. In addition to our solid position in north-west Germany, we have significantly expanded our network of sites throughout Germany by adding the bank shops of the migrated Degussa Bank.

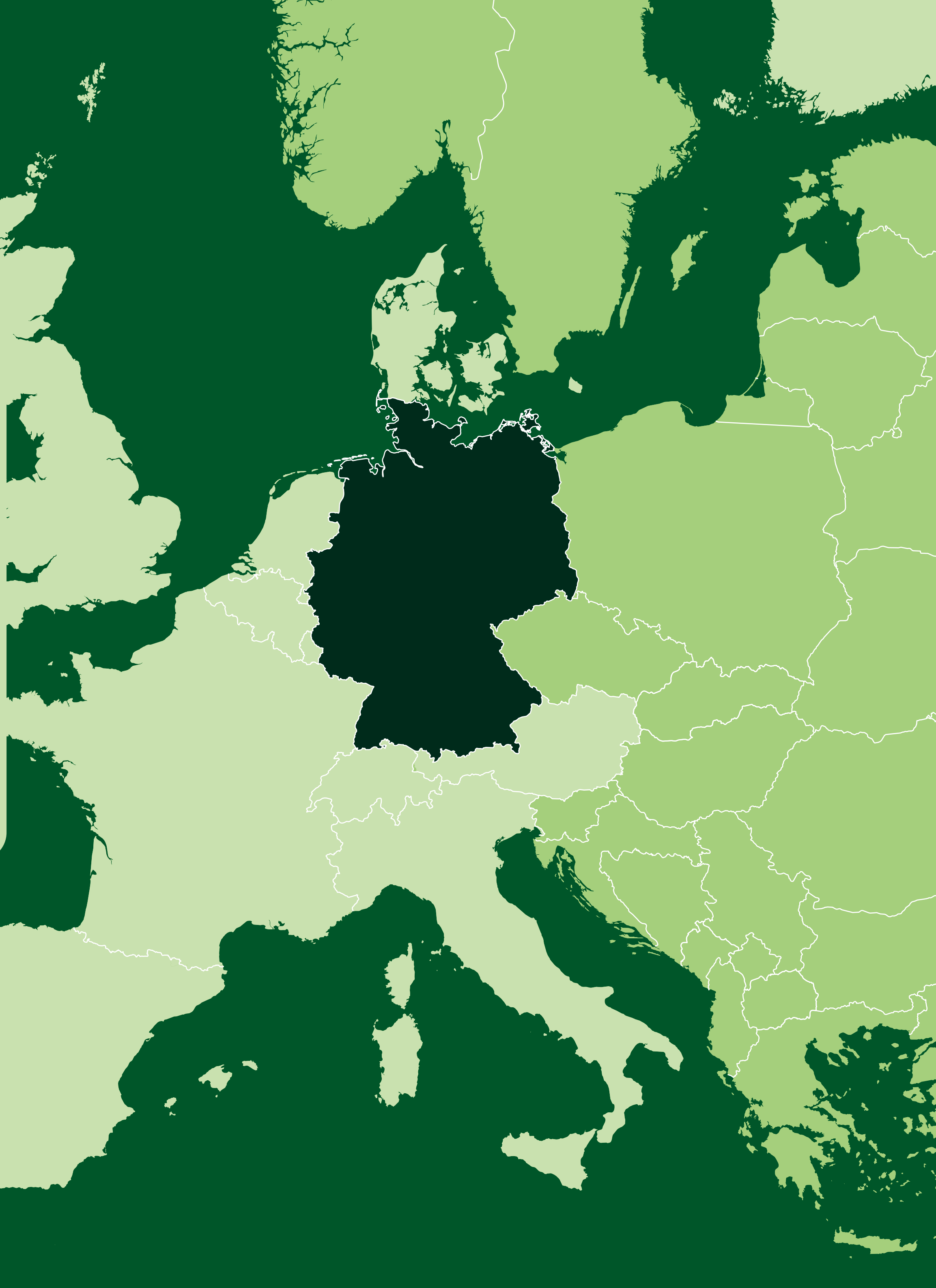
Additionally, we serve our medium-sized corporate customers nationwide through our headquarters in Oldenburg and other branch offices, and provide services to customers in the Private Banking & Wealth Management segment via the Bankhaus Neelmeyer brand.

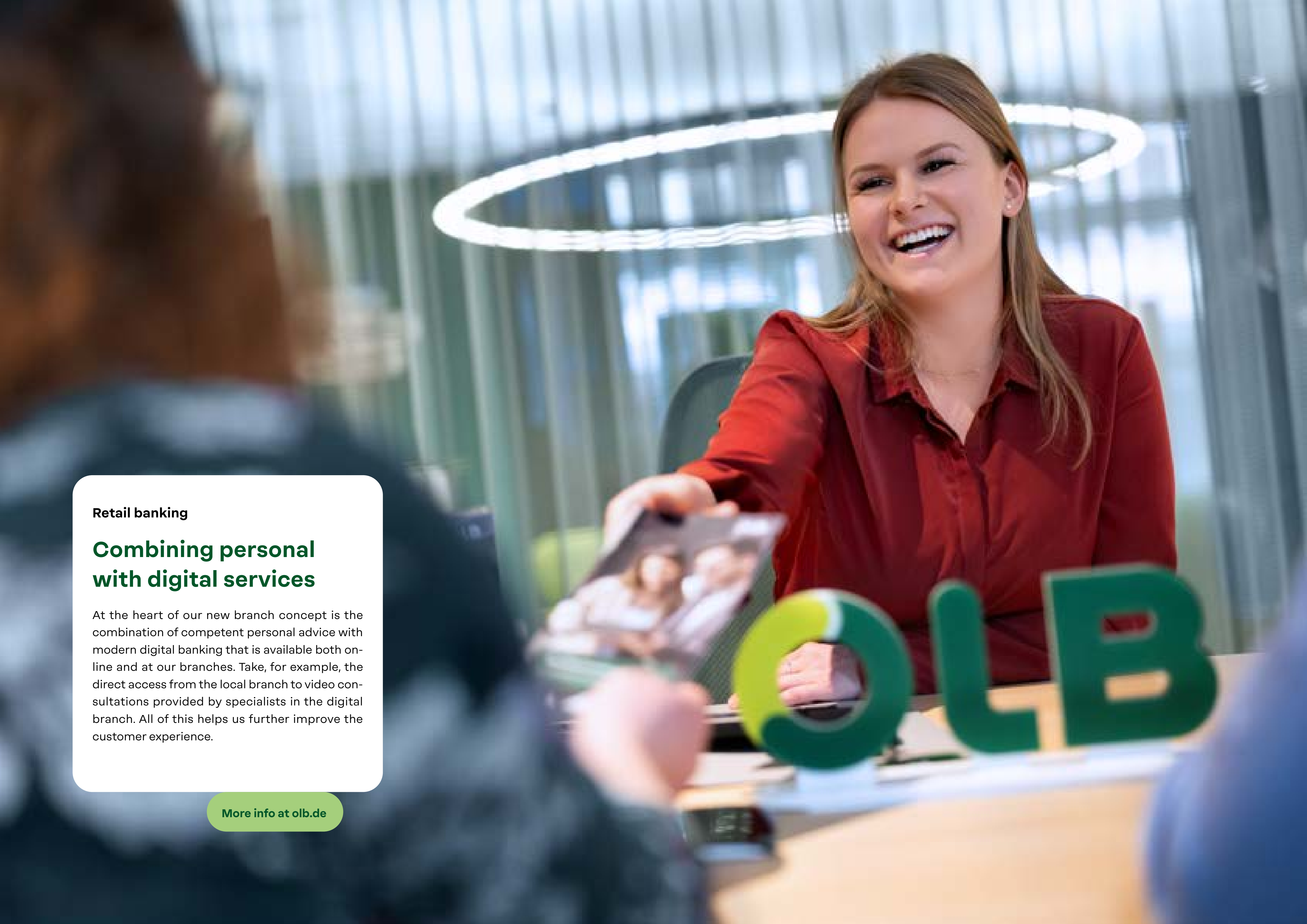
Lender in Europe

Top 3

In Europe, we focus on the larger-volume corporate customer segment as well as on attractive niche markets for specialised lending, such as Acquisition Finance, International Diversified Lending, Football Finance and Fund Finance.

In the specialised lending field, where we have a strong track record, we aim to be among the top three lending banks in our key markets. Maintaining a diversified portfolio through strategic credit growth is essential for this.





Retail banking

Combining personal with digital services

At the heart of our new branch concept is the combination of competent personal advice with modern digital banking that is available both online and at our branches. Take, for example, the direct access from the local branch to video consultations provided by specialists in the digital branch. All of this helps us further improve the customer experience.

More info at olb.de

Smart across all channels: our retail banking strategy

The Private & Business Customers segment caters to private, self-employed and business customers. In terms of products, we mainly focus on private mortgage financing. Our products and services are available through all popular channels.

As a universal bank, we offer a comprehensive range of products and services for our customers who work with OLB as a trusted financial partner. By the end of 2024, a total of around one million customers were relying on our expert personal advice, our needs-based products and our smart digital services. The vast majority of these business relationships are part of the Private & Business Customers segment.

Through the OLB brand, our retail banking business focuses on financing, private investments, insurance and pension services, as well as accounts and cards. We are one of the first banks in Germany to use the integrative Mastercard Touch Card for our debit, credit and prepaid cards, which are designed with a system of lateral notches. The notches help customers who are blind or visually impaired to distinguish the different cards by touch.

For years, private mortgage financing has been among our most popular products in the area of financing. We help families and individuals fulfil their home-ownership dreams or purchase property as an investment. In summer 2022, we added an international option to our national mortgage financing products and have been providing mortgage loans to private customers in the Netherlands as a statutory lender via the independent loan platform Tulp Hypotheken. In the Netherlands, mortgages subject to the national mortgage guarantee, or NHG (Nationale Hypotheek Garantie), are becoming increasingly popular. The associated loans are usually distributed through independent financial advisors who, in turn, can access OLB as a financing partner via the Tulp platform. This partnership has been highly successful from the outset: as of 31 December 2024, the volume of mortgage financing brokered by Tulp in the Netherlands already exceeded EUR 1.1 billion.

Designed for companies, self-employed and high-net-worth customers

In the Private & Business Customers segment, we serve not only a large group of retail customers but also small and medium-sized companies, particularly in north-west

Germany. Topics such as financing matters, liquidity management, company pensions or general business matters play a central role in this regard. We are also an experienced partner for self-employed customers, in particular members of the medical profession, pharmacists, lawyers and notaries, auditors, tax accountants and management consultants as well as architects and engineers. In addition, we offer high-net-worth customers individual support in the Private Banking & Wealth Management segment through our Bankhaus Neelmeyer brand.

Personal, flexible and modern across all channels

Much like our business operations, our customer service is also based on a balanced mix of digital and analogue elements. Reliable, high-quality advice is what sets us apart from other providers, especially from online-only banks and fintechs. This is why in-depth personal consultations about important financing, investment or insurance matters are at the heart of the services we offer.

However, not every conversation requires a face-to-face meeting at the branch; many topics can also be conveniently handled via video chat or telephone. Our nationwide market presence is a key factor in our decision to expand our accessibility via digital channels. For everyday banking transactions that do not require advice, we increasingly rely on digital services via our banking app, our website or by telephone. Our customers benefit from the fact that they can access our products and services whenever and wherever they want, using their preferred channel – branch, video, telephone, app or website.

AI keeps us at the cutting edge

For the expansion of our digital presence, we also count on artificial intelligence (AI). General service requests via the OLB website are answered immediately using an AI-supported chatbot, which is also available to customers via our WhatsApp channel. In addition, we use AI for internal bank processes to increase the efficiency of workflows and deploy valuable human labour to better effect, provided that simple tasks can be performed just as well or faster by AI.

The year 2024 also saw the opening of our digital branch. With just a few clicks, customers can contact OLB specialists online for a video chat if they have any questions about mortgage financing or home loan savings, investments and insurance, or technical questions about online banking. Customers can also conveniently schedule appointments for a consultation at a local branch.

Our telephone customer service offers excellent accessibility and short waiting times for callers. With an average availability of almost 90 % and an average waiting time of around 90 seconds (excluding the higher call volume during the acute migration phase affecting around 300,000 Degussa Bank customers), our performance over the whole of 2024 compares very favourably with the rest of the industry.

“Next level banking” is what we call our combination of personal and digital services. Bank employees in the digital branch are on hand to provide advice and support on financial matters.

New branch concept combines digital and personal elements

As a digital bank with a strong personal touch, branch offices remain central to our customer relationships. With this in mind, we are investing in our branches and have developed an innovative concept based on our new brand identity that will be gradually implemented at all sites.

By combining modern digital banking and personal advice, the customer experience plays a key role in our new branch concept. To this end, the branches are equipped with modern, discreet meeting rooms and a video booth that allows customers to get in touch with specialists at the digital branch to discuss topics such as mortgage financing, private investments or online banking.

Next to the video booth, the barrier-free self-service zone houses the latest generation of cash dispensing and deposit machines. Inside the branch, a check-in counter welcomes customers and helps coordinate their requests. A lounge-style waiting area and a community table with tablets offering access to our online banking and displaying our product and real estate services help pass the time until the appointment starts. The interior design makes extensive use of wood and focuses on the OLB signature colour green. Glass surfaces are decorated with stylised motifs from the local area, ensuring that our customers feel at home both on a professional level and in terms of the ambience.

Tablets are available at the community tables which can be used for online banking and other services. If needed, assistance is available on site – with OLB you always receive "smart advice".

Successful launch in Nordenham

Our first new-look branch is located in Nordenham. Due to the relocation of the branch within the town, this medium-sized city on the Weser estuary was the ideal location for premiering the new design. Since mid-February 2025, local OLB customers and employees have been the first to enjoy the "feel-good atmosphere with sophisticated technology", as the new concept was described in a regional newspaper The feedback from our customers and employees has been overwhelmingly positive.

Bremen is scheduled as the location for our second pilot branch. We expect the two redesigned brands to be operating in the renovated Bankhaus Neelmeyer headquarters on Marktplatz from June 2025.

All other locations will be successively converted to the modern concept.

Innovative and highly specialised: our successful niche business

Our Corporates & Diversified Lending segment serves medium-sized enterprises in Germany, while our specialised lending expertise extends to various markets throughout Europe.

On any ordinary match day in the UEFA Champions League, OLB is always part of the action. Football Finance is one of the most high-profile commitments within our Corporates & Diversified Lending segment. We have been active in this field since 2020. The decision was swayed by two considerations, which are indicative of our overall approach in the area of specialised lending: we are always on the lookout for attractive market niches offering compelling prospects for our Bank in terms of expertise, earnings and risk, as well as for markets that are receptive to a provider like OLB.

In terms of Football Finance, we focus on the top clubs in Europe, in particular on the five major national championships: the Premier League in England, La Liga in Spain, the Italian Serie A, the French Ligue 1 and last but not least, the German Bundesliga. Our core product is forfaiting, i. e. the purchase of transfer receivables, with traditional loans complementing the business on a smaller scale.

Since the maturities tend to be short-term compared to other business areas, most of the financing volume is rebuilt on a regular basis. By the end of 2024, we were operating in the region of more than EUR 1 billion. Our dynamic development can be attributed to more than 120 player transfers we have handled to date. This makes us one of the leading and most established European players in the field of Football Finance.

One of the growth areas in the Corporates & Diversified Lending segment is Football Finance.

Aiming for a top-3 position in our key markets

We also strive to be among the three most attractive providers in key markets for our other fields of business in the Corporates & Diversified Lending segment. In the area of Acquisition Finance, for instance, we have successfully expanded our position in our core markets in recent years and have also increased our geographic reach. This puts us in a top-3 market position in Germany and the Netherlands. In the 2024 reporting period alone, our Acquisition Finance team successfully implemented financing solutions in six countries across more than 35 different private equity funds.

Primarily, our activities in this field revolve around providing financing for company takeovers, which are carried out either by other companies or, more commonly, by investors. In many cases, such takeovers are intended to strengthen the market position and secure the long-term future of the acquired company.

Typically, the total annual value of these transactions adds up to a figure in the high three-digit million euro range, or beyond. With this in mind, we plan to syndicate parts of the Acquisition Finance business to financial partners, such as pension funds or insurance companies, rather than recognising these parts in our own balance sheet.

New niche market: Infrastructure Financing

Our search for new niche markets offering attractive opportunities for our innovative approach has recently turned to Infrastructure Financing. A good example is the data centres that are currently springing up in various European countries. Mostly housed in purpose-built properties, these large-scale computing facilities provide IT infrastructure and server parks for international companies. We realised our first data centre financing project in Ireland in 2024. The team we are putting together for this field of business will be responsible for exploiting opportunities arising from the brisk demand for data centres.

We also anticipate significant growth in other sub-segments such as International Diversified Lending and Fund Finance. The financing of funds is still a relatively new business activity for us – although one with attractive growth rates. Predominantly, we finance new funds launched by initiators that are already doing business with us in other areas.

Expanding our export financing activities

While market conditions require us to take a very selective approach in other sub-segments of specialised lending, such as Commercial Real Estate, Wind Finance and Ship Finance, we have also discovered new opportunities in a more traditional area of activity, namely classic corporate finance, which essentially constitutes the backbone of our Corporates & Diversified Lending segment. With a number of our corporate customers engaged in extensive foreign trade with India, our export financing activities have recently focused primarily on this area. However, we are now seeing a trend emerging in which countries such as Egypt, Turkey, the United Arab Emirates and Saudi Arabia are increasingly starting to feature on the export financing map.

A well-balanced business model

We are therefore planning further systematic growth in the entire Corporates & Diversified Lending segment. One of the key advantages we have over other financial institutions in the market is our ability to handle loans and certain forms of financing on a scale that is too big for regional providers, such as savings banks and credit unions, and is also not served by major national and international banks. In this context, we exclusively engage in areas in which we have the requisite expertise, understand the market dynamics and are able to accurately assess the risks. Combining attractive margins in these niches with our high-volume, largely automated retail business lies at the heart of our well-balanced and highly profitable business model.

Capital market

Successful issues and a positive outlook

Refinancing on the capital market is a growing opportunity for us, and we are therefore evolving into a regular issuer: since 2021, we have placed benchmark and sub-benchmark covered bonds, senior preferred and AT1 bonds, Tier 2 bonds and one RMBS benchmark in early 2025. Our issue strategy is backed by Moody's new positive rating outlook.

More info at ir.olb.de/en

Building trust with institutional investors

Along with the growth of our Bank, our capital market presence has also seen a significant expansion in recent years. We are now recognised as a regular issuer of all common capital market instruments. Our Treasury unit has grown along with the business.

New York, London, Frankfurt, Amsterdam, Paris, Vienna, Berlin, Oldenburg – and many other cities in Germany, Austria and Switzerland, on the Iberian Peninsula, and in Scandinavia: with music in one's ears, one could mistake this list for the tour schedule of a popular rock band. In fact, these were the locations of large events and smaller gatherings in 2024 and early 2025 which provided capital market players with valuable insights into OLB.

However, far more than the list of cities, it is the group of participants that shows how awareness of OLB has grown on a broad international basis in recent months and years. We have built quite a reputation and have made a name for ourselves as a reliable, regular issuer of all common capital market instruments: from covered bonds to AT1 bonds. "Both national and international investors are familiar with OLB, what we stand for and what sets us apart. Our development, especially our successful track record in terms of mergers and acquisitions are attracting attention," says Patrick Hartmann, Head of Treasury and Markets, summarising the atmosphere at the events and roadshows. "And a great many of those who come to meet us are keen to use their capital to support our growth strategy."

"We follow a prudent assets and liabilities management strategy and maintain solid capital and liquidity positions, with buffers comfortably exceeding regulatory requirements."

Patrick Hartmann,
Head of Treasury and Markets

Successful debuts on the capital market

In January 2024, we successfully placed our first Tier 2 bond on the capital market. Well received by investors, the EUR 170 million bond was 1.6 times oversubscribed. We have thus reached another important milestone in terms of our capital market presence and have gained access to the full range of refinancing and capital market instruments: our first covered bond and AT1 issue in 2021 was followed by another covered bond in 2022, our first senior preferred issue in 2023 and finally this first Tier 2 bond, with a second issue of EUR 150 million launched just a few weeks later.

In January 2024, we also issued our first benchmark covered bond worth EUR 500 million. Almost half of the institutional investors in this issue consisted of other banks, in addition to asset managers, central banks, insurance companies and pension funds, both in Germany and abroad. This type of transaction not only reflects our role in the financial sector, it also allows us to quickly respond to market conditions and optimise our financing mix.

We started the new financial year 2025 with another first: the syndication of a EUR 500 million RMBS (residential mortgage-backed securities) bond. Placed with 26 investors, the RMBS bond is collateralised by government-guaranteed private mortgage financing under our strategic partnership with Tulp Hypotheken in the Netherlands. The final book was 2.6 times oversubscribed, with a pricing of 57 basis points. This new capability of placing RMBS perfectly complements our existing covered bond programme. This successful transaction also sets the standard for future issues, which we plan to carry out regularly, as usual. These issues will further strengthen our position on the European capital market.

"We follow a prudent assets and liabilities management strategy and continue to maintain solid capital and liquidity positions, with extensive buffers comfortably exceeding regulatory requirements", says Patrick Hartmann. At the end of 2024, the liquidity coverage ratio stood at 161.8 %, compared with 147.7 % in the previous year, while the net stable funding ratio amounted to 118.6 %.

Patrick Hartmann, Head of Treasury and Markets, and his team handle the Bank's dynamic capital market operations.

Moody's upgrade

Aside from the positive feedback from institutional investors in Germany and abroad, we also received recognition for our strategic direction from another independent source. As early as February 2024, the Moody's rating agency had upgraded us in several categories, raising our long-term deposit, senior unsecured and long-term issuer ratings from Baa2 to Baa1. In view of the difficult economic environment, Moody's revised the respective outlook from "positive" to "stable". Additionally, our baseline credit assessment was raised from Baa3 to Baa2.

A year later, in February 2025, Moody's upgraded the outlook for our issuer rating from "stable" to "positive". This reflects Moody's recognition of the successful Degussa Bank integration, our evolution into a bank with a nationwide presence in Germany and the resilience of our loan book. At the same time, Moody's confirmed the Baa1 rating.

Structural development of the Treasury department

Alongside the significant expansion of our capital market operations, recent years have also seen structural progress at the internal level. The Treasury unit originally consisted of just under a dozen employees. In line with the expansion of the Bank's capital market operations, the unit has grown. Today, the Treasury & Markets department comprises five groups, staffed by a competent team of around 30 employees. In addition to experienced staff, the unit now includes young talent and a number of specialists recruited from outside the company. "Resource management has been one of our main priorities over the past few months and years," says Patrick Hartmann, "and as team leader, I am very proud of the successful and motivated team we have put together."

Diversified team, diversified strategy: that is the maxim at OLB Treasury & Markets. The Bank's profitable organic and inorganic growth makes consistent, adequate financial resources all the more essential. This is why the Bank has systematically established a broad mix of liquidity management, funding and capital management instruments in recent years. Projects to further optimise asset/liability management, including our interest rate book management, have been initiated and are now underway. In the near future, these projects will provide Treasury & Markets with new options to keep pace with our growth.

Issues

Issue strategy – track record

We have consistently expanded our presence in the capital market by issuing various products, from the first covered bond in 2021 to our first RMBS (residential mortgage-backed security) in February 2025.

03/2021
EUR 350 m
OLB
Inaugural covered bond
0.050%
Maturity 2031

04/2022
EUR 350 m
OLB
Covered bond
1.250%
Maturity 2029

01/2024
EUR 500 m
OLB
Inaugural benchmark cov. bond
3.125%
Maturity 2032

02/2025
EUR 500m
OLB
Inaugural benchmark RMBS
3m + 57 bps
FORD 2031

01/2023
EUR 400 m
OLB
Inaugural senior preferred
5.625%
Maturity 2026

07/2021
EUR 100 m
OLB
Inaugural AT1 note
6.000%
Prep. non call 2026

01/2024
EUR 170 m
OLB
Inaugural Tier 2
8.500%
Maturity 2034

03/2024
EUR 150 m
OLB
Tier 2
8.000%
Maturity 2034

Committed to helping others

The OLB Foundation provides funding for innovative, charitable projects that contribute to building stronger communities. Derived from the formal aims of the Foundation, its funding areas include culture, nature conservation, environmental protection and education.

In 2024, the OLB Foundation supported more than 200 projects with a total funding volume of around EUR 800,000 – from urban gardening in Lohne, the Bremen Music Festival, children's hospice work in Oldenburg and children's theatre in Quakenbrück to the restoration of the Brake Fisherman's Lodge. In line with the Foundation's aims, the projects are based in north-west Germany, are non-profit and relate to one of the following subject areas: culture, education and science, environmental and nature conservation, social affairs, sport and youth, and the preservation of historical monuments and local heritage.

In 2024, the OLB Foundation also initiated a special project entitled "150 thousand good reasons for volunteering", earmarking a sum of EUR 150,000 for this purpose alone. The project focused on sustainable social projects that actively contribute to a fairer and more inclusive society through dedicated personal commitment.

What makes this possible is our three-in-one formula: save, win and make a difference! Thanks to OLB's "Glückssparen" savings plan, our customers can do just that.

The net profits earned from this savings plan are used by the OLB Foundation to support charitable projects. Social commitment has always been a high priority for the Bank. We also provide selective sponsorships and non-politically motivated donations. Beneficiaries of our sponsoring activities include, for instance, the popular regional equestrian tournament in Rastede and the "Growmorrow" festival of the future, which was staged for the first time by the NWZ media house in 2024. Whether banking, funding or sponsoring, we think about tomorrow today.

OLB Foundation

Committed to good causes

Our OLB Foundation was set up in 1994 to mark the 125th anniversary of the Bank. Its aim is the promotion of culture, science and environmental protection in north-west Germany.

Beyond supporting charitable initiatives, the OLB Foundation also sets its own priorities with events and awards such as the OLB Science Award or the OLB Award for Construction and Sustainability which rewards high-quality, sustainable architecture.

Chairwoman of the OLB Foundation

Karin Katerbau

- Born in Rhineland-Palatinate in 1963, Karin Katerbau has close ties to northwest Germany
- She took on the role of Chairwoman of the OLB Foundation in May 2012
- From April 2012 to December 2021, she was a member of the OLB Executive Board where she had particular responsibility for the Bank's finances.
- Prior to that, Karin Katerbau was Deputy CEO of the Polish mBank (then BRE Bank SA) and a member of the Executive Board of comdirect bank, as well as serving in various roles at Commerzbank Group and Société Générale

Why is social engagement important in the current climate?

As a society, we are facing major challenges, in fact we are already embroiled in them. Current key topics include the integration of people arriving in our country, climate change and environmental protection. We want to ensure that the world remains colourful, vibrant and, above all, a great place to live. These are some of the major issues affecting society as a whole.

However, individual people have numerous concerns that affect their region, city or street: for instance a local theatre, a day care centre, the playground on the street corner or a popular historical monument. There is plenty of scope and many avenues for social engagement. And this is where the Foundation's work comes into play.

Accordingly, volunteering for social causes was the focus of a special project in 2024. What was the underlying motivation?

We have a long tradition of initiating special projects on a regular basis to expand our funding commitment beyond the day-to-day work and focus on a topical issue. In the previous year, the focus was on the environment, in 2024 it was volunteering.

Social projects make a significant contribution to promoting inclusion and integration, offering support to people in difficult circumstances and motivating them to tackle challenges. Numerous aid programmes and social projects are supported by dedicated volunteers. However, great ideas often lack the financial support to see them through. Our motivation was to address this issue head on by launching the special "150 thousand good reasons for volunteering" project.

The "Deutschlandstipendium" is another component of the funding programme. What does the OLB Foundation want to achieve with this?

Along with the OLB Science Award, the Deutschlandstipendium scholarship scheme is part of our funding of science and research. We finance seven scholarships at the universities in Oldenburg, Osnabrück, Vechta and Bremen, as well as at the universities of applied sciences in Osnabrück and Emden-Leer and the Jade University of Applied Sciences in Oldenburg. The programme supports students with outstanding grades who are actively involved in social causes – in other words, students who are good and do good.

For us, it is particularly rewarding to hear how much the scholarship means to the recipients, not only in financial terms but also on a professional and personal level. The support we provide allows them to devote themselves fully to their studies.

Gratitude must be a hallmark of many of the projects you support?

Naturally, some projects would not be realised without the support of the OLB Foundation, and the people behind the initiative are often not only grateful, but also relieved. Projects that encourage participation or inspire audiences, especially younger people, also count as a big thank you for us. Our support contributes to the common good, and we look forward to funding the next projects.

A small sample of the **280** projects funded


Photo: Martinsclub Bremen e.V.

Martinsclub Bremen – I-Cup

Football event for inclusive teams

Along with several partners, Martinsclub Bremen, our funding recipient, hosts the annual I-Cup, a football competition for inclusive teams from Bremen and the surrounding area. Everyone is welcome at the event, including people with mental or physical disabilities.

www.martinsclub.de/

St. Josef day care centre in Lathen – climbing wall

A good alternative in bad weather

For more active fun, we helped the Friends of the St. Josef day care centre in Lathen to add another element to their climbing wall in the exercise room. The children now have access to a wider range of activities on bad weather days, allowing them to develop and flourish in a child-friendly environment.

“Bollenhagener Moorwald” nature adventure

Combining environmental education with nature enhancement

With its 150-metre-long boardwalk, Bollenhagener Wald is a popular local recreation area offering a special moorland experience. A joint project is underway to replace the dilapidated structure with a durable construction made from recycled plastic. As well as enhancing the ecological value of the moorland, this project ensures that the area remains accessible for nature experiences and environmental education.

Photo: Förderverein Feuerwehr Rastede

Friends of the Rastede fire brigade – smoke house

Hands-on learning with a focus on safety

How do smoke and fire spread in a house? We helped the Friends of the Rastede fire brigade purchase a smoke house that can be used to demonstrate this process. Looking somewhat like a doll’s house, it is a useful tool for illustrating how smoke develops. Children and young people learn which areas of a burning building hold the greatest danger and what to do in the event of a fire.

Photo: Theater Lazarett

Theater Lazarett – multifunctional stage

Vibrant meeting place

A modern theatre in East Frisia, Theater Lazarett is a lively place where artists and cultural workers, citizens and visitors meet and exchange ideas. We have helped to fund the purchase of a multifunctional stage for the small venue that can be used for children's plays, family shows, interactive and intermedia in-house mudflat tours and performances of theatre classics.

www.theaterlazarett.de/ueber-uns

Stiftung Hospizdienst Oldenburg (hospice service foundation) – Tag der Ambulanten Kinderhospizarbeit (day of hospice work for outpatient children)

Symposium and networking platform

Children's hospices offer specialised, holistic care to children with life-limiting illnesses and their families. Every two years, the Oldenburg hospice service foundation organises a symposium to mark the day of hospice work for outpatient children and young people. The event also offers an important platform for networking and dialogue.

www.hospizdienst-oldenburg.de/

Restoration of the Brake Fisherman's Lodge

Conservation of an antique treasure

At almost 300 years old, the Fisherman's Lodge is the oldest architectural gem in Brake. It is owned by the local heritage society. The building is used for a wide range of events, from private weddings to public cultural functions. We helped fund the necessary restoration work to ensure that these traditions continue and the cultural heritage is preserved.

Photo: Oliver saul fotografie

Kultur Hinterm Feld Wildeshausen – Jazz Open Air

Wildeshausen hosts Swedish nights

The Kultur Hinterm Feld event centre in Wildeshausen was established to provide high-quality cultural events in a rural area. A special open-air jazz event is held once a year. Under the motto "Swedish Nights", the 2024 event attracted some of the most popular artists on the European jazz scene.

www.kultur-hinterm-feld.de/jazz-open-air/

Integrating sustainability at OLB: smart and fit for the future

OLB has converted to the future sustainability reporting format ahead of the transposition of the European Corporate Sustainability Reporting Directive (CSRD) into German law and is now applying the European Sustainability Reporting Standards (ESRS).

Although expected in financial year 2024, the transposition of the Corporate Sustainability Reporting Directive (CSRD) into German law did not go ahead as scheduled. However, preparations for the first-time application of the European Sustainability Reporting Standards (ESRS), which flesh out the CSRD's general requirements and provide the framework for sustainability reporting, were already well advanced. The Bank therefore decided to go ahead and apply the European reporting standard under the currently valid commercial law provisions governing non-financial statements. In line with this decision, the ESRS have now replaced the German Sustainability Code (Deutsche Nachhaltigkeitskodex, DNK), which had previously provided the framework for OLB's sustainability reporting.

The following pages provide a summary of the content of this non-financial statement which, according to ESRS terminology, is also referred to as a sustainability statement or sustainability report. The complete non-financial statement is published on the OLB website.

The principle of double materiality as central element

The principle of double materiality is a central element of sustainability reporting and provides a methodological approach for assessing the relevance of sustainability topics. As well as the impact of business operations and the value chain on the environment and society (impact perspective), it also factors in the external influences of sustainability matters on the Bank's financial position (financial perspective).

In 2024, the Bank carried out its first materiality assessment. In terms of methodology, this assessment was based on the fundamental requirements of the Implementation Guidance of the European Financial Reporting Advisory Group (EFRAG IG 1 Materiality Assessment Implementation Guidance). The Bank identified material impacts, risks and opportunities in relation to sustainability matters in the areas E1 Climate change, S1 Own workforce, S4 Consumers and end-users as well as G1 Business conduct (see chart on page 51). The results serve as a basis for reporting as long as there is no significant change in the business model or the external framework conditions. Once a year, the assessment is reviewed to ensure that it is up to date.

Materiality assessment at OLB: overview of our sustainability priorities

The chart shows sustainability matters at OLB that are considered material in terms of their impact, opportunities or risks. It reflects the results of the materiality assessment conducted for the first time in financial year 2024 on the basis of the principle of double materiality.

Topical standard	Sustainability matter	Materiality due to					
		impact perspective				financial perspective	
		Negative		Positive		Negative	Positive
		Actual	Potential	Actual	Potential	Risk	Opportunity
E1 Climate change	Climate change adaptation			✓	✓	✓	✓
	Climate change mitigation	✓	✓	✓	✓		✓
	Energy	✓	✓	✓		✓	✓
S1 Own workforce	Working conditions			✓	✓		✓
	Equal treatment and opportunities for all			✓			
	Training			✓			✓
S4 Consumers and end-users	Information-related impacts for consumers and / or end-users		✓	✓	✓	✓	✓
	Personal safety of consumers and / or end-users			✓	✓	✓	
	Customer advice			✓		✓	✓
G1 Business conduct	Corporate culture	✓		✓	✓		✓
	Protection of whistle-blowers			✓	✓		
	Management of relationships with suppliers including payment practices					✓	
	Corruption and bribery	✓		✓	✓		✓
	Prevention of money laundering		✓		✓		✓

Head of Sustainability

Holger Sandker

- Holger Sandker, Head of Sustainability at OLB, offers insights into the complex materiality assessment process pursuant to the European Sustainability Reporting Standards (ESRS). In this interview, he explains how key aspects were identified for the Bank's goal-oriented sustainability reporting.
- Under his guidance, OLB has developed a comprehensive sustainability mission statement that is enshrined in the Bank's strategic planning.
- The economist and business graduate has been with OLB since 2004. Prior to his appointment as Head of Sustainability, he was responsible for the Bank's sustainability activities in his role as Head of the Office of the Executive Board.

What is the purpose of the materiality assessment in OLB's ESRS sustainability report?
At over 1,000, the list of datapoints in the ESRS reporting framework is extensive. However, only the material matters are subject to reporting. The materiality assessment serves to identify the topics within our own operations and in the upstream and downstream value chain that are of the greatest relevance both to us as a bank and to our stakeholders.

Sustainability reporting is based on the principle of "double materiality". What does that mean in concrete terms?
Double materiality is a core ESRS element and consists of two dimensions: impact materiality and financial materiality. The first dimension looks at the impact of business operations and the value chain on the environment and society. The second dimension analyses the extent to which sustainability matters represent financial opportunities or risks for the undertaking. Sustainability matters are considered material if they meet the criteria defined for one or both of the dimensions. Real estate financing is a good example of this. When we finance energy-efficient new constructions and renovations, our lending business contributes to a reduction in greenhouse gas emissions in the building sector and has a positive impact in the area of climate change mitigation. At the same time, there are business opportunities in this area, as indicated by the demand for modernisation loans.

How was the materiality assessment carried out, and which factors were crucial in the process?
We followed the Implementation Guidance of the European Financial Reporting Advisory Group, which developed the reporting standards, and proceeded in three steps. In the first step, we conducted a context analysis to examine our strategy, business model and value chain in the regulatory context and identify the most important stakeholders. In the second step, we determined the actual and potential impacts, risks and opportunities. At our stakeholder workshops, we defined over 200 scenarios, which were subsequently assessed according to the double materiality principle. Key to this assessment was the application of a quantitative threshold. This then allowed us to determine the main impacts, risks and opportunities that were ultimately included in the sustainability report. We managed to reduce the number of reportable datapoints from over 1,000 to around 300, ensuring that the reporting remains goal-oriented.

What insights did OLB gain from the materiality assessment, and how do these influence the Bank's strategic orientation?
In terms of the material impacts, risks and opportunities associated with climate change, our lending business is of the greatest significance. Our policies and actions therefore focus on building advisory expertise and improving our database in this area. In the reporting year, we trained our mortgage financing specialists to become energy coaches. In January 2025, we joined the Partnership for Carbon Accounting Financials (PCAF), which plays a key role in the further development of our carbon accounting and the establishment of a transition plan. In addition, the results of the materiality assessment are incorporated into our risk management system to ensure specific integration of sustainability matters into our business processes. This allows us to create a stronger foundation for sustainable financing decisions and a forward-looking business strategy.

The materiality assessment comprised the following three steps:

1. Context analysis was used to place OLB's strategy, business model and value chain in the business and regulatory context and to gain an understanding of its key stakeholders.
2. As a next step, the actual and potential impacts, risks and opportunities relating to sustainability matters were identified on the basis of quantitative input data and discussions with the stakeholder groups.
3. The final severity and likelihood assessment identified the material impacts, risks and opportunities once a threshold value was exceeded.

In the second step, the Bank's established procedures were used to identify, assess, prioritise and monitor the impacts of its operations and value chain as part of its due diligence. Among these methods are the Ecovadis supplier rating, identification of the principal adverse impacts (PAI) of financial portfolio management, calculation of greenhouse gas emissions generated by banking operations, calculation of financed greenhouse gas emissions, identification of operational environmental performance, and portfolio analysis using the UNEP-FI (United Nations Environment Programme – Finance Initiative) impact tools.

Sustainability mission statement as a compass

Publicly available at *www.olb.de/olb/nachhaltigkeit/nachhaltigkeitskompass/esg-publications*, OLB's ESG policy further specifies the sustainability mission statement defined by the Executive Board in its business strategy with due regard to the principle of double materiality. OLB's sustainability mission statement is based on the "Principles for Responsible Banking", under which our business strategy is designed to help meet human needs and achieve the social objectives formulated in the United Nations Sustainable Development Goals (SDGs) and the Paris Climate Agreement

Materiality assessment

70

Conducting a diligent materiality assessment makes subsequent reporting easier. Stakeholder workshops, which were attended by more than 70 participants, formed the basis for this.

The five key strategic priorities OLB pursues in its sustainability activities describe the overarching, long-term sustainability goals across all business and product segments and are based on a forward-looking approach:

1. Supporting customers as they pursue climate-neutrality: OLB is successively expanding its advisory services and products, particularly on the lending side, to include sustainable solutions.
2. Active contribution to climate change mitigation and environmental protection: OLB calculates its ecological footprint and is committed to reducing its carbon emissions.
3. Integrating sustainability matters into governance: OLB formulates investment and credit principles to mitigate adverse sustainability impacts and integrates ESG matters into its business management under both the impact and the financial perspective.
4. Combining entrepreneurial activity with social responsibility: OLB observes sustainability criteria when selecting its suppliers, promotes equal opportunities and diversity within the company, and is committed to protecting human rights.
5. Public advocacy to promote sustainability: OLB aims to be a sustainability multiplier, building transparency and engaging its stakeholders to encourage a commitment to sustainability.

Due diligence in governance, strategy and business model

Due diligence at OLB includes integrating sustainability matters into the Bank's governance, strategy and business model. It is underpinned by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The procedure established by the Bank consists of the following core elements:

- Integration into governance and strategy: Due diligence is enshrined in the Bank's ESG policy and monitored by the Executive Board. It addresses the material impacts, risks and opportunities of the Bank's own operations as well as those of its upstream and downstream value chain.
- Identification and assessment of negative impacts: Negative impacts on people and the environment are identified and assessed using methods such as materiality assessment and ESG risk assessment. This includes both actual and potential risks.
- Actions: The Bank takes specific actions to avoid, mitigate or remediate any negative impacts that have been identified. This includes integrating ESG criteria into the business processes.
- Monitoring and control: We regularly review the effectiveness of the actions taken and make any necessary adjustments. The results are fed back into further process development.
- Stakeholder involvement: We actively involve our stakeholders, such as customers, employees, suppliers and investors, and take their interests and perspectives into account.
- Transparency and communication: OLB provides transparent reporting on its due diligence and the actions taken to ensure compliance with social and environmental standards.

ESG governance: establishing clear structures and processes

ESG governance is based on defined structures and processes that integrate sustainability matters at both the strategic and the operational level. The OLB Executive Board assumes overall responsibility for defining the sustainability strategy. Within the Executive Board, the CFO develops the strategy in close consultation with the CEO.

ESG topics are on the agenda at the regular meetings of the Executive Board and are discussed with the Supervisory Board at least once a year. This specifically involves the Audit Committee, which deals with material sustainability matters, risks and opportunities, and the Risk Committee, which discusses ESG stress tests and scenario analyses.

The implementation of the sustainability mission statement is overseen by the Head of Sustainability, who coordinates the ESG actions with a view to their implementation. Sustainability risks are identified and evaluated on the basis of an annual ESG risk assessment and ESG scenario analyses. The results are subsequently fed into the Bank's risk strategy, materiality assessment and control processes.

To this end, the Bank has developed a comprehensive set of regulations and policies designed to systematically integrate sustainability into its business strategy, risk management and operational processes.

The business strategy embraces sustainability as a key component and is aligned with the Principles for Responsible Banking, the goals of the Paris Climate Agreement and the United Nations Sustainable Development Goals. It defines sustainability goals and sets out key strategic priorities, among them the advancement of climate change mitigation, environmental protection and social responsibility.

The risk strategy describes how ESG factors are incorporated into the risk assessment and management processes. ESG risks (e. g. physical and transitional climate change risks) are factored in as drivers of established risk types and are regularly evaluated as part of the ESG risk assessment.

The ESG policy translates the Bank's sustainability mission statement into operational terms and encompasses both the impacts of business activities on sustainability factors (impact perspective) and the external influences on the Bank (financial perspective). It sets out principles for sustainable investment and lending decisions and governs the integration of ESG risks into business operations.

The Diversity Policy aims to promote equal opportunities and diversity within the workforce. It governs the implementation of gender diversity objectives and defines actions to prevent discrimination. The Code of Conduct lays down standards of behaviour for employees to ensure that all their actions are ethical and lawful. It includes guidelines on human rights, anti-discrimination, corruption prevention and social engagement.

The human rights policy statement addresses the Bank's responsibility for upholding human rights and environmental standards within its own operations, including its supply chain, and describes the procedures OLB follows to meet its respective due diligence requirements. Each year, the Bank reviews its guidelines to ensure they are up to date and revises them as needed or when circumstances require.

OLB's value chain: integrating resources, financial services and economic activities

OLB's value chain includes upstream value creation generated by suppliers and service providers, direct value creation resulting from the provision of financial services in the private and corporate customer segment, and downstream value creation resulting from the financing of economic activities.

Upstream value creation →

- Infrastructure and technology
- Market data and information systems
- Specialised and advisory services
- Facility management and logistics
- Insurers and product issuers
- Brokers and platforms

Direct value creation →

- Core service provision functions in the PBC and CDL segments
- Secondary functions supporting the provision of services
- Corporate Center & Treasury

Outsourced value creation elements →

Downstream value creation

- Asset development (residential and commercial real estate financing; financial portfolio management)
- Private consumption (consumer loans)
- Companies' business activities (operating and investment loans)
- Government responsibilities and investments (bonds)

Three sections of the value chain

OLB is a universal bank offering financial services for private and corporate customers in Germany and selected European markets. Its value creation activities are broken down into three sections: upstream, direct and downstream.

1. Upstream value creation
In terms of financial services, OLB draws on external inputs in areas such as technical infrastructure, market data analysis, specialised advisory services, facility management, logistics, or insurance and investment products.

2. Direct value creation:
The majority of OLB's value creation activities involve the provision of financial services, especially in the fields of lending, investment advice and payment transactions. The Bank employs 1,703 members of staff (as at 31 December 2024, see also key personnel figures, page 63) in three business segments:

- **Private & Business Customers (PBC):** Services provided to private customers and small to medium-sized companies at our branches, via digital channels and through our partner networks.
- **Corporates & Diversified Lending (CDL):** Large-scale financing, e. g. for companies, commercial real estate projects or renewable energy.
- **Former Degussa Bank:** Services provided to private and corporate customers of the former Degussa Bank, focusing on current accounts, mortgage financing and securities transactions.

Centralised corporate functions that manage and support the business segments, such as risk management, information technology and controlling, are essential to the OLB's provision and distribution of financial services. Accounting for less than 20 % of the nominal internal activities, a small part of the Bank's direct value creation has been outsourced, including, in particular, services such as settlement activities in the securities business, document digitisation, archiving processes and phone-based customer communication. The distribution of own banking products is complemented by brokers and platforms.

3. Downstream value creation:
OLB offers financing for economic activities such as real estate purchases, business investments, the acquisition of private consumer goods or the protection of private assets. Additionally, the Bank provides capital to businesses and governments, for instance via bond and share investments.

Thanks to its diversified business approach, OLB contributes to economic development, asset building and the discharge of government responsibilities.

Involving stakeholders through dialogue

When making its strategic and business model decisions, OLB gives due consideration to the interests of various stakeholders, i. e. the interest groups that are directly or indirectly affected by the company's business operations. These groups are either identified along the value chain, from suppliers to employees to customers, or in terms of their legitimate interest in the Bank, such as investors, the media or financial regulators. The environment is considered to be a "silent stakeholder".

At our stakeholder workshops, we defined over 200 scenarios which were subsequently assessed according to the double materiality principle.

Dialogue with stakeholders is an integral part of OLB's day-to-day work. The various dialogue formats used include personal talks, surveys, events and official reports. For instance, the Bank discusses matters with suppliers during contract negotiations, with employees at town hall and works council meetings, with customers at advisory sessions or via customer satisfaction surveys, and with investors during investor calls. The media and the public receive information at press conferences or through press releases, for example, while the supervisory authorities play a role through regular audits and consultations.

Insights gained from these dialogues are fed into various business processes, such as strategic planning and risk management. They help the Bank to identify and more effectively asses material impacts, risks and opportunities in the field of sustainability.

Taxonomy metrics: systematic review of sustainable financing

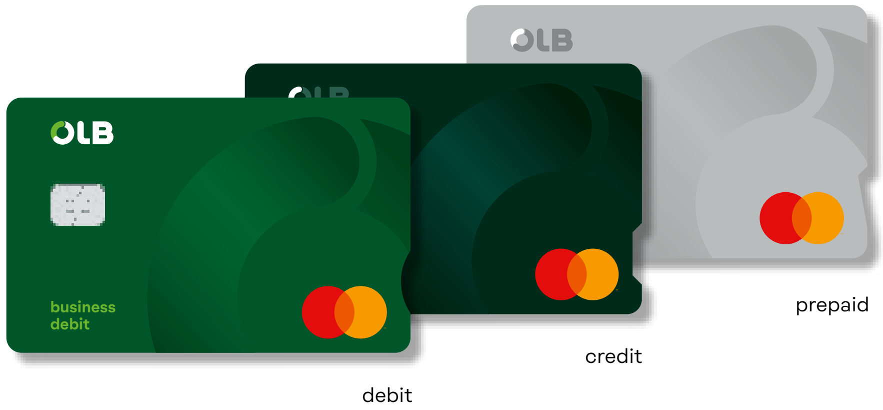
The EU's Taxonomy Regulation establishes a harmonised system for classifying environmentally sustainable economic activities. For banks, a particularly relevant metric is the Green Asset Ratio (GAR), which reflects the share of environmentally sustainable (i. e. taxonomy-aligned) assets relative to a bank's total relevant assets. The metric provides information on the extent of the financing of sustainable economic activities as defined in the Regulation.

Equality

Our inclusive bank cards

Blind and visually impaired people often have difficulty identifying the different types of cards they are holding in their hand. We are therefore one of the first banks in Germany to use the integrative Mastercard Touch Card for their debit, credit and prepaid cards. Thanks to a system of lateral notches, the cards can be easily felt and distinguished: the round notch is for debit cards, the square notch for credit cards and the triangular notch for prepaid cards.

Additionally, by using recycled PVC (rPVC) for new Gold and World Elite credit cards, we also offer a sustainable alternative. We are thus contributing to the promotion of sustainable materials while simultaneously advancing SDG 10 of the UN Sustainable Development Goals, which aims to reduce inequalities.



To calculate the GAR, OLB assesses its assets in three steps:

1. Reviewing relevance to taxonomy:
Not all assets are subject to the Taxonomy Regulation. Exceptions include, for instance, claims against central banks, governments and certain financial transactions, while private household loans are generally taken into account. In the case of corporate loans, only companies that are subject to reporting requirements under EU law and are based in the European Economic Area will be screened further.

2. Reviewing taxonomy eligibility:
This step examines whether a loan or investment is financing sustainable activities. In the case of general purpose loans (e. g. operating loans), the sustainability level is derived from the reports published by the companies. In the case of specific purpose loans (e. g. mortgage financing), we assess whether the financing relates to clearly defined, sustainable activities.

3. Reviewing taxonomy compliance:
The final step involves determining whether a financing solution categorised as taxonomy-eligible actually meets all applicable sustainability requirements. For this purpose, OLB uses a special assessment software solution that implements various automated review mechanisms. Among other features, the software displays assessment criteria, analyses environmental factors and checks energy efficiency classes for real estate financing.

In the reporting year, OLB significantly increased its green asset ratio from 0.13 % to 0.50 % (revenue KPI) or 0.49 % (capex KPI). Reasons for this include the Bank's ongoing review of mortgage financing and companies' improved sustainability data. In the future, OLB intends to further increase the share of recorded assets as well as the Green Asset Ratio.

Transition plan: basis for a robust climate strategy

At present, OLB does not have an approved transition plan for climate change mitigation. The basis for the development of this plan is carbon accounting, i. e. the calculation of financed greenhouse gas emissions, which was last carried out on 31 December 2024 pursuant to the PCAF standard. Due to the limited availability and quality of data at the financed companies, the results are subject to a high degree of estimation uncertainty. Given the inadequacy of the data quality score to date, OLB considers the current database to be insufficient for developing and monitoring a robust transition plan.

OLB's future transition plan is set to incorporate sector-specific requirements such as those set out by the German Federal Climate Action Act (Bundes-Klimaschutzgesetz, KSG) and the Science Based Targets initiative. On top of this, the plan is to be broken down into the Bank's various sub-portfolios to facilitate systematic management and effective carbon controlling. The first transition plan is to be integrated into the Bank's business planning for the years 2027 to 2029.

Climate change mitigation and ESG policy actions

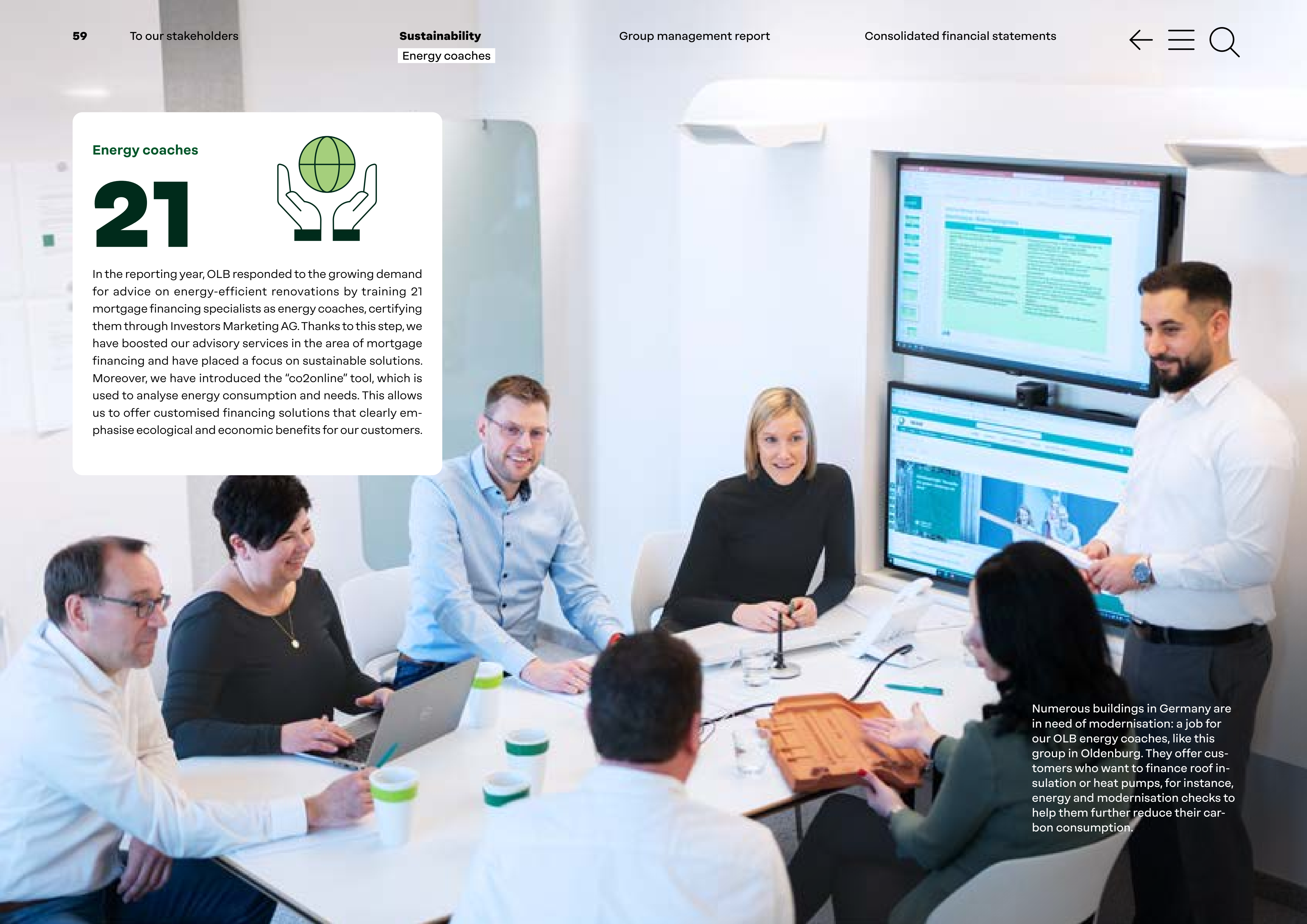
OLB has published an ESG policy that sets out the framework for its sustainability activities. In 2024, numerous actions for climate change mitigation were implemented, among them:

- Training of 21 mortgage financing specialists as energy coaches.
- Introduction of a software program for the energy-based assessment of modernisation projects.
- Improvement of the "Green Deal" loan product.
- Expansion of the ESG risk assessment.

OLB is not active in any high-climate-impact sectors. Total energy consumption in 2024 was 19,772 MWh. Some 75 % (14,854 MWh) thereof is attributable to fossil energy sources, close to 25 % (4,874 MWh) to renewable sources and less than 1 % (44 MWh) to nuclear power.

OLB discloses the greenhouse gas emissions resulting from its own operations (Scope 1 and Scope 2) in accordance with the GHG Protocol. The Bank has completed a significance assessment of the value chain greenhouse gas emissions (Scope 3) and concluded that only category 15 (investments) emissions are significant.

The total GHG emissions, disaggregated by Scope 1, Scope 2 and significant Scope 3, are composed as follows:



Energy coaches

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In the reporting year, OLB responded to the growing demand for advice on energy-efficient renovations by training 21 mortgage financing specialists as energy coaches, certifying them through Investors Marketing AG. Thanks to this step, we have boosted our advisory services in the area of mortgage financing and have placed a focus on sustainable solutions. Moreover, we have introduced the "co2online" tool, which is used to analyse energy consumption and needs. This allows us to offer customised financing solutions that clearly emphasise ecological and economic benefits for our customers.

Numerous buildings in Germany are in need of modernisation: a job for our OLB energy coaches, like this group in Oldenburg. They offer customers who want to finance roof insulation or heat pumps, for instance, energy and modernisation checks to help them further reduce their carbon consumption.

t CO_2e	2024
Scope 1 GHG emissions	2,556
Scope 2 GHG emissions (location-based)	2,774
Scope 2 GHG emissions (market-based)	1,589
Significant Scope 3 GHG emissions	
Investments (category 15; financed GHG emissions)	2,479,107
Listed equity and corporate bonds	334
Business loans and unlisted equity	908,175
Project finance	1,039,157
Commercial real estate	68,863
Mortgages	318,445
Sovereigns (incl. LULUCF)	144,132
Total GHG emissions (location-based)	2,484,437
Total GHG emissions (market-based)	**2,483,252**

As this is the first report prepared according to the ESRS, no comparative historical data is provided.

OLB workforce: development, equal opportunities and attractive working conditions

The central concepts of OLB's Diversity Policy, business strategy and Code of Conduct promote key sustainability matters, such as working conditions, equal opportunities and training. These policies aim to foster employee retention, development and equal treatment, and reflect the strategic importance of the Bank's own workforce. Furthermore, the Bank gives high priority to compliance with human rights and anti-discrimination standards, supported by a human rights policy statement and a structured due diligence process designed to assess and avoid negative impacts.

For the implementation of these principles, OLB offers structured, well-established dialogue formats that give employees opportunities for active participation – including regular feedback sessions, company meetings and digital employee surveys. Moreover, the Bank has introduced processes designed to identify and prevent risks, among them a whistleblower and complaints procedure as well as specific actions to safeguard the mental and physical health of the workforce.

In 2024, OLB introduced or developed numerous actions to support its employees, including:

- The “GROW” and “VISION” development programmes, which specifically support professional development and equal opportunities for all employees.
- Flexible work schedules, healthcare services and advanced training programmes designed to boost our attractiveness as an employer.
- Mental risk assessment that identifies occupational risks and delivers specific improvements.
- Upgrade of training opportunities to secure a supply of skilled labour and increase the chances of trainees gaining permanent positions.

Metrics, such as the staff turnover rate, number of applications, kununu ratings and the percentage of women in top management positions, are used to monitor the effectiveness of these actions on an ongoing basis. OLB aims to raise the proportion of women in top management to 30 % by 2028 and significantly increased the number of trainee positions in 2024. In the long term, the Bank aims to achieve a high trainee retention rate in order to fill vacancies internally.

In taking these actions, OLB is working to remain an attractive and responsible employer offering equal opportunities, employee satisfaction and long-term professional development.

Overview of the OLB workforce

As of the reporting date of 31 December 2024, the bank employed a total of 1,703 members of staff, made up of 911 men and 792 women. Of these, 1,651 are permanent employees, while 52 are employed on a temporary or short-term basis. Of our employees, 1,177 work full-time and 526 work part-time. Additionally, OLB has 71 trainees and interns.

Consumers and end-users: security, transparency and digital development

OLB has a clear policy on information security, data privacy and the financial security of its customers. The Bank's information security management system (ISMS) protects the confidentiality, integrity, availability and authenticity of information and is based on ISO 27001. In addition, the Privacy Policy ensures that personal data is processed in accordance with the GDPR, the German Federal Data Protection Act (Bundesdatenschutzgesetz, BDSG) and other applicable regulatory requirements.

Employee development

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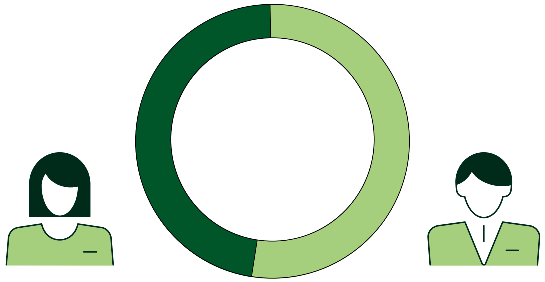
The VISION programme, which is aimed at both female and male employees with high potential, was introduced in 2023 as a further element of our talent management strategy. To prepare participants for their future roles as specialists or managers, the programme focuses on developing their strategic understanding, expanding their methodological skills and strengthening their self-reflection. Over a period of twelve months, participants attend workshops, take part in discussion sessions with OLB's Executive Board members and write a project thesis on strategic issues at the Bank. Individual career discussions and work shadowing round off the programme. The first twelve participants successfully completed the programme in October 2024.

Employees



47 % **53 %**

Workforce

1,703

As of the reporting date of 31 December 2024, OLB employed a total of 1,703 members of staff, made up of 911 men and 792 women. This means that the gender ratio is almost balanced. In addition, there are 71 trainees and interns working at the company. This diversity of the workforce is an important part of OLB's corporate culture and fosters a productive and inclusive working environment that contributes to the achievement of the Bank's strategic objectives.

Employee development for women

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Since its introduction in 2022, OLB's GROW programme has been specifically supporting female junior staff as candidates for specialist and management positions. Long-term mentoring partnerships between experienced managers and promising female candidates promote dialogue on topics like leadership skills and network development. In addition, the programme includes workshops, specialist presentations, personal coaching and work shadowing opportunities. On completion of the second round in August 2024, a total of 28 female employees had already benefited from this initiative, with a positive impact on the working culture and employee retention.

Regarding customer advice services, OLB pays particular attention to transparency, fairness and the customers' needs. This is supported by internal guidelines, training and a multi-level control system. Clients benefit from personalised advice that is also based on their sustainability preferences.

In 2024, OLB took various actions to enhance the security, quality and digital development of its services.

- Mandatory e-training on information security and data privacy which all employees must complete every year, supplemented by continuous phishing simulations.
- Software solution for investment advice and advice-free order registration to guarantee high-quality advisory services and compliance with regulatory requirements.
- Training measures for investment advisors facilitating regular reviews of their expertise and ensuring compliance with regulatory requirements during the advisory process.
- Expansion of digital services, including the option of digital account opening on the OLB app and the planned introduction of online securities transactions by the end of 2025.

OLB strictly adheres to legal requirements, particularly in the areas of data privacy and information security. As a key objective, the Bank aims to fully implement the EU's Digital Operational Resilience Act (DORA) by the end of 2025 to further boost its resilience against information and communication technology (ICT) risks. Additionally, OLB plans to evolve its digital customer service.

Business conduct: integrity, transparency and accountability

OLB embraces a corporate culture that promotes transparency, integrity and accountability. This is based on our Code of Conduct, the whistleblower system and the compliance management system. The Code of Conduct defines the Bank's core values and sets out binding rules for the prevention of corruption, money laundering and bribery. The whistleblower system is a way for internal and external individuals to report misconduct on an anonymous and confidential basis. This is complemented by our "Three Lines of Defence" model, which clearly defines responsibilities in the area of risk management. The compliance unit is responsible for the operational implementation and monitoring of these actions.

In 2024, OLB took various steps to enhance the Bank's corporate and compliance culture. These include:

- Training sessions on compliance basics, corruption prevention and money laundering, delivered as e-training and in-person seminars.
- In-person seminar for managers as multipliers fostering a corporate culture of integrity.
- Regular risk analysis in the areas of money laundering, corruption and bribery to identify threats and derive action plans.
- Risk-based controls to prevent money laundering and bribery, in specific through strict monitoring of transactions and business partners.
- Expansion of the whistleblower system, providing barrier-free access through various channels.

In addition, OLB has a structured supplier management system in place that safeguards human rights and environmental due diligence in the value chain. To this end, two key actions were introduced in 2024:

- A risk management system for suppliers that includes both annual and ad-hoc risk analysis based on international sustainability standards.
- A third-party risk management (TPRM) system that establishes transparent processes and responsibilities for interactions with third-party providers and ICT service providers.

OLB seeks to promote a sustainable and ethical corporate culture that builds trust with customers, employees and the public. This is implemented by setting the "Tone from the Top", organising regular training opportunities and defining binding target agreements for managers. Starting in 2025, the Bank will also publish an annual report on compliance with human rights and environmental due diligence requirements.

Group management report

About the Company

Oldenburgische Landesbank AG (OLB) is a universal bank for private and corporate customers in Germany and selected neighbouring European countries. Under its OLB and Bankhaus Neelmeyer brands, the Bank advises its roughly one million customers in person and via digital channels. Particularly in its business with private and business clients – which includes business with small and medium-sized enterprises (SMEs) in its local region – OLB pursues a multichannel approach and combines its regional branch association with a nationwide digital presence. OLB operates throughout Germany and, selectively, in other European countries in its larger-volume corporate clients business segment. In the area of export financing, it is also active worldwide. Moreover, OLB exploits growth opportunities in a targeted fashion in specialised areas of finance (e. g. Acquisition Finance) which the Bank judges to have an attractive risk / return profile. The Bank has many long-term customer relationships and a credit portfolio which is diversified in terms of volumes and sectors. Its capital resources comprise more than EUR 1.6 billion in Common Equity Tier 1 capital.

OLB became the new owner of Degussa Bank, Frankfurt, with effect as of 30 April 2024 (closing). With this strategic step, OLB is strengthening its position on the German market. Degussa Bank has contributed around 311,000 private customers, who in Germany are largely based in geographical regions which complement those of OLB's customers. Degussa Bank AG was merged with OLB on 30 August 2024, with retrospective effect as of 1 January 2024. For further details of this transaction, please see the related information in section II of the report on economic conditions and the notes to the annual financial statements.

The ownership structure of OLB was unchanged in the financial year 2024. More than 90 % of OLB's share capital continues to be held by shareholders that are associated with the Teacher Retirement System of Texas (Texas, USA), Apollo Global Management (Delaware, USA) and Grovepoint Investment Management (London, United Kingdom). These shareholders are mutually independent and each of them indirectly holds a stake of less than 36 %, so that none of them controls OLB under corporate law. MPP S. à. r. l. and MPuffer Invest GmbH hold the remainder of the shares in OLB.

The Bank is the sole shareholder in QuantFS GmbH, Hamburg, a provider of implementation and monitoring services for structured financing, securitisations and factoring programmes. The Bank also holds the shares in OLB Service GmbH, Oldenburg, which is a shelf company that does not have any business operations. The Bank uses three compartments of Weser Funding S. A. in order to improve its opportunities for the procurement of liquidity by securitising portions of its credit portfolio. A separate asset pool administered by Allianz Pensionsfonds AG is classifiable as another special-purpose vehicle subsidiary under German commercial law. The majority of the Bank's pension obligations, and the cover funds allocated to fulfil these obligations, have been transferred to it. All of the above-mentioned companies are, individually and jointly, of minor significance for the Group's net assets, financial position and results of operations. Accordingly, pursuant to sec. 290 (5) in conjunction with sec. 296 (2) of the German Commercial Code (Handelsgesetzbuch, HGB) the preparation of consolidated financial statements for 2024 was not mandatory.

Since the listing on the regulated market of a covered bond issued in March 2021, OLB has been a capital-market-oriented company within the meaning of sec. 264d HGB. In the context of the growing significance of the capital market for the Bank's funding, on 31 December 2021 OLB prepared voluntary IFRS consolidated financial statements. The compartments of Weser Funding S. A. were incorporated in the basis of consolidation (OLB Group) within the scope of this first-time application of the International Financial Reporting Standards (IFRS). OLB is continuing this voluntary Group reporting as before.

For management purposes, the Bank has divided up its business activities into the following business fields in terms of target customers, products and services as well as from a procedural and settlement point of view:

Business with private customers and regional small and medium-sized enterprises (SMEs) is allocated to the "Private & Business Customers (PBC)" segment. OLB offers these clients advisory and support services via its centrally managed network of branches and its Central & Digital Sales (CDS) department. At the same time, customers are also able to directly access products and services via online and mobile banking channels. OLB thus combines a branch presence in its Weser-Ems business area with the offering of a digital bank active throughout Germany, together with distribution partners and brokerage business. The Bank is also active in this segment in the Netherlands, via a local mortgage financing brokerage platform. The Bank's offering in this business field concentrates on current accounts and credit cards, online banking and mobile banking (via its OLB banking app), instalment loans, private mortgage financing and private investments. In addition, the Bank offers insurance brokering and assistance with private real estate purchases and sales. The Bank operates under the Bankhaus Neelmeyer brand in the area of Private Banking & Wealth Management.

The higher-volume corporate business including Football Finance and the fields of Acquisition Finance including Fund Finance, International Diversified Lending and Commercial Real Estate have been combined in the "Corporates & Diversified Lending (CDL)" segment. This business segment is supplemented by wind turbine finance. The Bank's offering in these segments is characterised by an individually tailored profile, higher-volume individual transactions and an increased volume of resources committed to advisory processes and servicing.

OLB acquired the former Degussa Bank AG, Frankfurt, on 30 April 2024 and it merged with OLB on 30 August 2024, with retrospective effect as of 1 January 2024. In the past financial year, its business activities constituted a separate reporting segment. The Bank mainly focuses on private customers in this field of business, with current accounts, credit cards, instalment loans, mortgage financing and securities business. The Bank maintains 40 branches at various locations in Germany to serve this customer group. The former Degussa Bank's corporate customer business is also included in this segment.

The Bank's level of success in achieving its strategic objectives is assessed by means of key performance indicators (KPIs) on the basis of a target / actual comparison. The key performance indicators are reported to the Executive Board on a monthly basis; this reporting includes an annotated presentation of the key current developments and areas of action. Early identification of deviations from projected figures at the Whole Bank level and within the Bank's strategic business fields ensures that the Executive Board can immediately decide on controlling measures within the scope of OLB's business activities. The choice of KPIs for the Whole Bank level is influenced by the general financial management goal of achieving an appropriate return while managing risk exposure and therefore incorporate business and financial indicators as well as regulatory parameters.

The following financial performance indicators are particularly significant, independently of the financial reporting standard: the Common Equity Tier 1 capital ratio,[1,2] the risk coverage ratio[3] and the liquidity coverage ratio[4] (LCR), as a key figure documenting the Bank's solvency. Since the introduction of its external IFRS reporting, the Bank has exclusively used the performance indicators calculated according to these international financial accounting standards in order to monitor its financial performance indicators, in particular its return on equity post tax[5] and its cost-income ratio[6].

OLB operates with a long-term and sustainable focus. This is true both of its banking business and of its view of social and environmental issues. Sustainability is a strategic factor throughout the Bank.

In accordance with its business strategy, the Bank is therefore guided in its business activities by, inter alia, the United Nations' Principles for Responsible Banking. To reflect the growing importance of the field of sustainability, the Bank's related activities are centrally coordinated and managed by its Head of Sustainability. In the financial year 2024, a comprehensive materiality assessment was implemented according to the principle of double materiality in order to identify material sustainability matters. OLB issues a separate report (non-financial report) in this area. This report will be published on 30 April 2025 at the latest at ***www.olb.de/nachhaltigkeitsberichte***.

1 Ratio of Common Equity Tier 1 capital to risk-weighted assets.

2 Due to the heightened importance of its capital market reporting, the Bank has replaced its "Tier 1 capital ratio" (which it reported in previous years) with its "Common Equity Tier 1 capital ratio", since external market observers focus on the Common Equity Tier 1 capital ratio in their analyses.

3 Ratio of risk coverage equity to risk capital requirement.

4 Ratio of holdings of highly liquid assets to expected cash outflows in the next 30 days.

5 Ratio of result after taxes (including interest expenses for AT1 capital) to average shareholders' equity. Here too, in the reporting year OLB has made changes to the calculation of this indicator in order to enable improved comparability for this metric vis-à-vis competitors.

6 Ratio of operating expenses to operating income.

Report on economic conditions

Economic conditions and outlook

World economic growth over the course of 2024 fell only slightly short of its long-term average rate. The decline in inflation in the major economies slowed over the course of the year. The German Council of Economic Experts predicts global gross domestic product (GDP) growth of around 2.6% in 2024 and consumer price growth of 4.6%. The world economy was buoyed by the service sector in particular. Global industrial output likewise picked up significantly from the summer of 2023 onwards. However, world trade only slowly caught up with the trend for global industrial output, since global trade in goods suffered due to trade restrictions as well as geopolitical instability, e.g. on the trade routes which pass through the Red Sea.

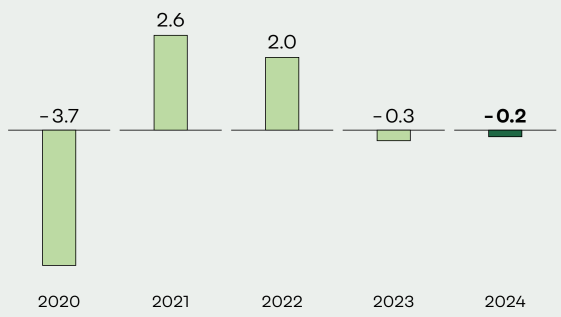
Economic activity picked up slightly in the Eurozone over the past financial year, but the weak trend in Germany slowed the pace of this growth. In the context of the moderate recovery of the world economy, growth was strongly driven by the export sector. However, a weak volume of investment dampened growth in the Eurozone. Despite rising real wages, private consumer spending remained restrained. Price momentum diminished and inflation approached the target set by the European Central Bank (ECB). In the Eurozone, the German Council of Economic Experts assumes that gross domestic product (GDP) rose by 0.7% in 2024 and consumer prices by 2.4% in the same period.

Gross domestic product in %

- 0.2

Germany's price-adjusted gross domestic product contracted by - 0.2% in 2024.

Gross domestic product trend in Germany, adjusted for price changes in % 01 | page 68



In deviation from the trend for the Eurozone as a whole, German economic output declined in 2024. Despite real income increases, due to pessimistic expectations and a high level of economic uncertainty private consumption recovered only slightly. In addition, the weak level of economic output is mainly attributable to declines in output and value-adding activities in manufacturing industry. The construction sector likewise dampened economic growth in the past financial year. According to initial calculations by the German Federal Statistical Office, 01 in 2024 Germany's GDP grew by 0.2 % year on year, while consumer prices in the same period rose by 2.2 %.

Interest-rate trend

The ECB's restrictive monetary policy prompted a significant fall in the level of inflation in the Eurozone. In June 2024 it therefore already initiated a turnaround in interest rates. Overall, it implemented three key interest rate cuts over the course of 2024. The ECB's deposit facility rate fell from 4.0% at the end of 2023 to 3.0 % in December 2024. While it thus eased its monetary policy, this nonetheless remains restrictive and has dampened investment demand. As in the previous year, the interest rate trend in 2024 was shaped by an inverse interest rate structure, with short-term interest rates in some cases significantly exceeding the interest rates for long-term maturities.

Banking sector

EU banks' profitability has considerably improved over the past two years on account of the ECB's strong key interest rate increases in 2022 and 2023. On the other hand, largely subdued new lending business and restructuring from demand deposits to higher-interest term deposits have had a negative impact on net interest income. The weak economic trend in Germany has heightened the pressure on asset quality in individual segments – and for commercial property in particular. Accordingly, in 2024 risk cost rose from what were in some cases very low levels. Cost pressure in the industry continued due to the high volume of necessary investment in the digitalisation of business activities and rising personnel costs on account of increases in collective pay rates.

Impact of the acquisition of Degussa Bank on net assets, financial position and result of operations

Following the closing on 30 April 2024, Degussa Bank AG was incorporated within the OLB Group's basis of consolidation. Within the scope of its initial consolidation, Degussa Bank's financial reporting was converted to the IFRS standards and its accounting policies to the methods applicable at OLB. In addition, the necessary adjustments were made for accounting policies under IFRS 3 for business combinations. Significant changes by comparison with Degussa Bank's single-entity financial statements resulted due to the fair value measurement of derivatives and securities as well as the measurement of provisions, risk provisions and the purchase price allocation, with the related fair value measurement of loan receivables and customer deposits. Since the purchase price for Degussa Bank was less than its equity measured according to the IFRS rules, its initial consolidation has resulted in positive one-off income of EUR 45.1 million which has been reported in the "Result from non-trading portfolio (non-operative)" item. It should be noted that restructuring provisions in the amount of EUR 25 million, which Degussa Bank recognised in its closing balance sheet as of 30 April 2024, have already been deducted from this income. Degussa Bank's operating result since the closing – i. e. for the eight months from April 2024 – has been included in the Group's results of operations. A one-off effect in the risk provision item resulted from the first-time measurement of the acquired credit portfolio according to the IFRS 9 rules, with a value of EUR 11.5 million. Degussa Bank's merger with OLB on 30 August 2024 has not had any additional impact on the Bank's net assets, financial position or results of operations in its IFRS consolidated financial statements. For further details, please refer to the information provided regarding the acquisition and its valuation in the notes to the interim consolidated financial statements.

Net assets and financial position

EUR m	31/12/2024	31/12/2023	Changes	Changes (%)
Cash reserve	357.6	77.7	279.9	>100.0
Trading portfolio assets	77.6	76.1	1.5	1.9
Positive fair values of derivative hedging instruments	1.9	35.1	- 33.2	- 94.6
Receivables from banks	1,120.1	548.8	571.3	>100.0
Receivables from customers	25,441.0	19,724.6	5,716.5	29.0
Financial assets of the non-trading portfolio	6,479.7	4,882.4	1,597.3	32.7
Tangible fixed assets	59.0	53.2	5.8	10.9
Intangible assets	54.4	32.9	21.5	65.3
Other assets	492.1	335.7	156.4	46.6
Income tax assets	1.8	0.0	1.8	>100.0
Deferred tax assets	183.4	110.8	72.6	65.5
Non-current assets held for sale	1.2	1.2	—	—
Total assets	**34,269.8**	**25,878.6**	**8,391.3**	**32.4**

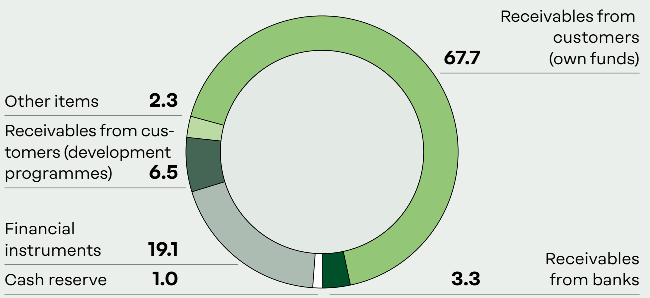
EUR m	31/12/2024	31/12/2023	Changes	Changes (%)
Trading portfolio liabilities	70.2	93.1	- 22.9	- 24.6
Negative fair values of derivative hedging instruments	10.3	3.6	6.8	>100.0
Liabilities to banks	7,538.3	5,628.7	1,909.6	33.9
Liabilities to customers	22,254.2	16,917.6	5,336.6	31.5
Securitised liabilities	1,707.7	1,196.6	511.1	42.7
Subordinated debt	501.7	129.3	372.5	>100.0
Income tax liabilities	12.8	12.7	0.1	1.2
Provisions	171.4	135.2	36.2	26.8
Other liabilities	137.8	80.9	56.9	70.4
Equity	**1,865.3**	**1,681.0**	**184.3**	**11.0**
Total equity and liabilities	**34,269.8**	**25,878.6**	**8,391.3**	**32.4**

The significant growth in the OLB Group's total assets is attributable to the initial consolidation of Degussa Bank as well as a continued positive course of business in its PBC and CDL segments. The balance sheet structure 02 - 03 has changed only slightly as a result of the incorporation of Degussa Bank. In particular, the ratio of self-funded loans to customer deposits has remained almost balanced, as in the previous year.

The significant increase in the Bank's credit volume – which has risen by more than EUR 5.7 billion – reflects, on the one hand, the integration of Degussa Bank's credit portfolio with a volume of EUR 4.9 billion as of 31 December 2024. In addition, the Bank has increased its lending business by means of organic growth in its PBC and CDL segments.

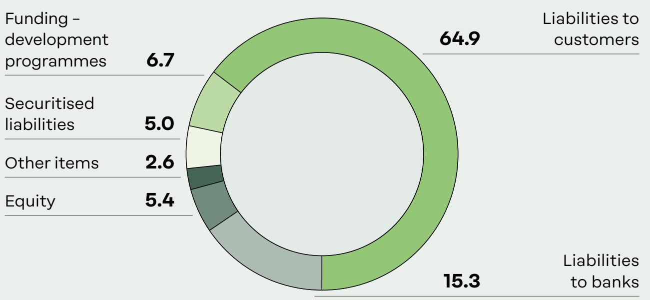
Balance sheet structure:
assets in %

02 | page 69



Balance sheet structure:
equity & liabilities in %

03 | page 69



Credit volume

EUR m	31/12/2024	31/12/2023	Changes	Changes (%)
Gross receivables from customers	**25,679.5**	**19,921.7**	**5,757.8**	**28.9**
thereof non-performing receivables	486.6	301.8	184.8	61.3
Total risk provision for receivables from customers	**238.5**	**197.2**	**41.3**	**21.0**
thereof general loan loss provision (Stage 1 / Stage 2)	82.9	78.1	4.8	6.1
thereof specific loan loss provision (Stage 3)	155.6	119.1	36.6	30.7
Loan volume	**25,441.0**	**19,724.6**	**5,716.5**	**29.0**
Proportion of non-performing receivables (“NPL ratio”)	1.9 %	1.5 %	0.0	25.1
Collateral assigned to non-performing receivables	154.5	108.3	46.2	42.7
Coverage ratio of non-performing receivables including collateral (“Coverage ratio”)	63.7 %	75.3 %	- 0.0	- 15.4
NPL coverage ratio excluding collateral	32.0 %	39.5 %	- 0.0	- 18.9

In its Corporates & Diversified Lending segment, OLB has significantly expanded its credit volume, particularly in the areas of Football Finance, International Diversified Lending and Acquisition Finance. In its Private & Business Customers segment, the Bank has increased its volume of private mortgage financing business by 10 % to EUR 8.5 billion. In particular, this was attributable to business brokered via a partner in the Netherlands. Overall, the Bank’s credit volume in the financial year 2024 has increased by 29.0 % to EUR 25.4 billion (previous year: EUR 19.7 billion).

For the measurement of the necessary general risk provisions (Stage 1 and Stage 2), OLB once again modelled the effects of the future development of the macroeconomic environment on the basis of three different scenarios. These were weighted in terms of the probability of their realisation. The first-time measurement of the credit portfolio acquired from Degussa Bank according to the IFRS 9 rules resulted in a one-off effect in the risk provision item of EUR 11.5 million.

In addition, for risks not covered by its macroeconomic model the Bank had in the previous year implemented a post-model adjustment (PMA) for its risk provision in the amount of EUR 16 million. The routine review of this PMA determined that the risks anticipated by the PMA for the actual risk provision trend had already been partially realised due to the deterioration of the default probabilities. Within the scope of a further review as of the reporting date, the Bank determined that certain risks arising from recent economic or political trends are still not reflected, or still not adequately reflected, in the sensitivity levels applied in the model with regard to the economic parameters. In particular, this relates to risks arising from the effects of the inflation and electricity price trends as well as the current downturn in Germany's construction industry and the evolving political situation (further developments in the USA, the impact of the German elections). To calculate the necessary PMA, the Bank applied an expert-based assessment of the impacts of these risks on the default risk for companies in different industries. This resulted in a PMA of EUR 8 million as of 31 December 2024.

As of the end of 2024, general loan loss provisions were at EUR 82.8 million slightly higher than in the previous year (EUR 78.1 million), which was mainly attributable to the increased credit volume 04. The reduction in the PMA which is allocated to general loan loss provision has had a positive effect.

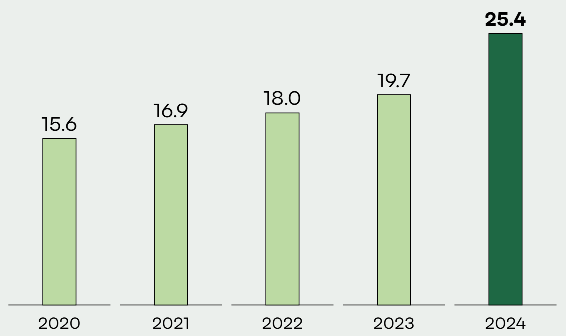
The volume of specific loan loss provisions for concrete default risks has increased considerably year on year by EUR 36.5 million to EUR 155.6 million. As well as the Bank's assumption of the risk provisions established by Degussa Bank (which amounted to EUR 1.6 million as of 31 December 2024), this increase reflected the rise in risk provision expense in the CDL segment in the past financial year. Non-performing customer receivables as a proportion of total receivables from customers (gross before risk provision) (the "NPL ratio") thus increased year on year to 1.9 %.

Credit volume in EUR bn

25.4

OLB has increased its credit volume by 29.0% to EUR 25.4 billion (PY 19.7).

Customer credit volume in EUR bn 04 | page 71



NPL ratio in %

1.9

As of 31 December 2024, non-performing receivables amounted to 1.9 % of the overall portfolio, which represented an increase by comparison with the previous year (1.5 %).

Common Equity Tier 1 capital in EUR m

1,665

OLB's Common Equity Tier 1 capital amounted to EUR 1,665 million as of 31 December 2024 (PY 1,433).

On-balance-sheet equity

In 2024, OLB paid its shareholders a EUR 100.3 million dividend out of the previous year's net retained profits. The Bank retained in its revenue reserves the remaining IFRS net profit for the previous year (EUR 130.1 million). Due to Degussa Bank's merger with OLB, an AT1 bond issued by Degussa Bank with a volume of EUR 50 million was transferred to OLB and thus increased the carrying value of its additional equity components. Due to the interest rate trend and the effect on the measurement of financial assets of the non-trading portfolio, cumulative other comprehensive income declined from EUR – 38.2 million to EUR – 67.1 million. Including the current result after taxes for 2024, the Bank's equity was at EUR 1,866.4 million thus 11.0 % higher than in the previous year.

Regulatory capital (sec. 10 KWG in conjunction with art. 25 – 88 CRR)

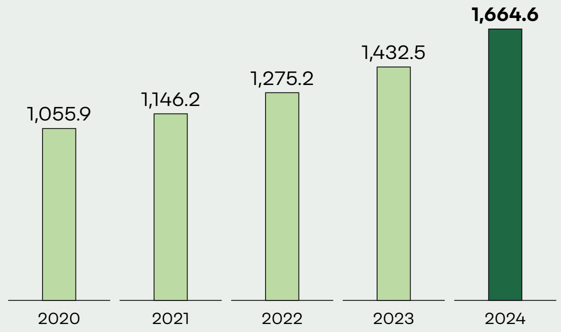
Following its acquisition of Degussa Bank, for regulatory purposes the OLB Group constituted a single group for the period between the closing and the merger in the financial year 2024. As of 30 June 2024, the Bank calculated the capital ratios applicable for the Group according to the deduction and aggregation method pursuant to sec. 10a (4) of the German Banking Act (Kreditwesengesetz, KWG) on the basis of the companies' respective financial statements drawn up according to the German Commercial Code (Handelsgesetzbuch, HGB). Following Degussa Bank's merger with OLB, this now once again constitutes an individual institution for regulatory purposes. Its regulatory Common Equity Tier 1 capital is therefore mainly comprised of OLB's equity capital on the balance sheet (calculated in accordance with the German Commercial Code), taking into account regulatory deductions of EUR 34.6 million. In 2024, the Bank made use of the option to claim EUR 224.8 million – a portion of its interim profit as of 30 September 2024 – as Common Equity Tier 1 capital over the course of the year on the basis of article 26(2) CRR. Overall, Common Equity Tier 1 capital thus amounted to EUR 1,664.6 million (previous year: EUR 1,432.5 million) as of 31 December 2024. Due to Degussa Bank's merger with OLB, a subordinated debt instrument issued by Degussa Bank with a volume of EUR 50 million was transferred to OLB. This qualifies as AT1 capital. This resulted in an increase in the AT1 position from EUR 101.3 million to EUR 151.3 million. OLB's Tier 1 capital 05 amounted to EUR 1,815.9 million as of 31 December 2024 (previous year: EUR 1,533.8 million).

Eligible Tier 2 capital mainly consists of subordinated debt. The eligible amount depends on the remaining term of the liability. To strengthen its aggregate capital ratio, in January and March 2024 OLB raised on the capital market additional Tier 2 capital in the overall amount of EUR 320 million in the form of subordinated debt instruments. On 31 December 2024, eligible Tier 2 capital amounted to EUR 463.3 million (previous year: EUR 117.9 million).

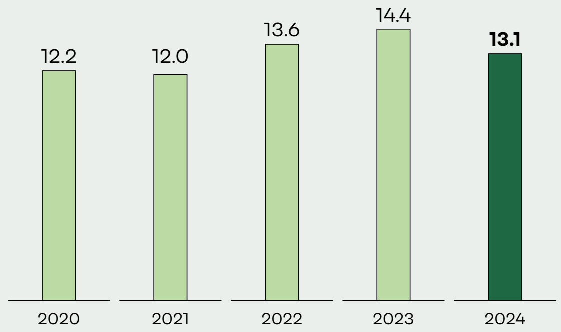
EUR m	31/12/2024	31/12/2023	Changes	Changes (%)
Common Equity Tier 1 capital	**1,664.6**	**1,432.5**	**232.0**	**16.2**
Additional Tier 1 capital (AT1)	151.3	101.3	50.0	49.4
Tier 1 capital	**1,815.9**	**1,533.8**	**282.1**	**18.4**
Tier 2 capital	463.3	117.9	345.4	>100.0
Share capital and reserves	**2,279.2**	**1,651.7**	**627.5**	**38.0**
Risk assets for counterparty risks	11,502.0	9,014.8	2,487.2	27.6
Risk assets for market price risks	—	—	—	n / a
Risk assets for operational risks	1,247.3	960.5	286.9	29.9
Risk assets	**12,749.3**	**9,975.3**	**2,774.0**	**27.8**

in %	31/12/2024	31/12/2023
Common Equity Tier 1 capital ratio	13.1	14.4
Tier 1 capital ratio	14.2	15.4
Aggregate capital ratio	17.9	16.6

Common Equity Tier 1 capital in EUR m 05 | page 72



Common Equity Tier 1 capital ratio in % 06 | page 74



The significant 27.6 % increase in risk assets for counterparty risks to EUR 11,502.0 million is attributable to the lending business acquired from Degussa Bank within the scope of the merger as well as the organic growth of OLB's credit volume. The Bank's business growth has also led to an increase in the basis of measurement for operational risks. As a result, the corresponding risk assets have increased by EUR 286.9 million to EUR 1,247.3 million.

While OLB had deliberately raised its Common Equity Tier 1 capital ratio beyond its target level of 12.25 % in the context of the anticipated closing of its Degussa Bank acquisition, with this ratio reaching 14.4 % as of 31 December 2023, it then fell to 13.1 % as of the reporting date, in line with expectations. The Tier 1 capital ratio 06 has likewise declined, in accordance with the previous year's forecast.

The Common Equity Tier 1 capital ratio as of 31 December 2024 remained considerably higher than the regulatory minimum level of 10.2% (rounded) required for OLB. This results from the 4.5% statutory minimum requirement according to art. 92 CRR, the 2.5% capital conservation buffer, the 1.35% portion of the SREP add-on applied to Common Equity Tier 1 capital, the institution-specific anti-cyclical capital risk buffer and systemic risk buffer for residential property, jointly amounting to 117 basis points, plus the Pillar 2 recommendation of 10 basis points which is to be counted towards this regulatory minimum level. In addition, within the scope of their approval of Degussa Bank's merger with OLB the supervisory authorities required a 0.56 % premium on the Bank's Common Equity Tier 1 capital ratio for the period up to 31 August 2025.

Liquidity and financial assets of the non-trading portfolio

In order to comply with its increased liquidity requirements due to its significantly higher volume of total assets, OLB has further expanded the non-trading financial assets portfolio which it maintains by way of a liquidity reserve. The 32 % year on year increase to EUR 6.5 billion (previous year: EUR 4.9 billion) is mainly attributable to investments in the portfolio of investment-grade covered bonds and government bonds.

OLB manages its liquidity position with the goal of safeguarding the Bank's solvency at all times, even in the event of a sudden crisis on the financial markets. As well as internal management instruments based on funding matrices and the net stable funding ratio (NSFR) which is relevant for regulatory purposes, the liquidity coverage ratio (LCR) regulatory ratio represents the primary key financial performance indicator for the Bank's liquidity management. The regulatory minimum LCR value of 100 % and internal liquidity risk limits were regularly reviewed and complied with in the financial year 2024 (31 December 2024: 161.8 %, previous year: 147.7 %). In line with the previous year's forecast, on the basis of the month-end figures the LCR in each case significantly exceeded the minimum statutory requirement.

Deposits and borrowed funds

As a result of its acquisition of Degussa Bank, the OLB Group has acquired an additional approx. EUR 5 billion of granular demand and term deposits, mainly from private customer business. At Group level, the ratio of the credit volume and deposit business 10 thus remained largely unchanged. Even if the gain from its acquisition of Degussa Bank is excluded, OLB has further increased its volume of deposits by comparison with the end of 2024. Its continued cooperation with brokerage platforms for deposits in particular has contributed to this. The volume of restructuring from demand deposits to term deposits 07 – 09 has decreased by comparison with the previous year.

In addition, in 2024 OLB strengthened its funding base through its issue on the capital market of a EUR 500 million covered bond as well as subordinated debt instruments eligible as Tier 2 capital with a total volume of EUR 320 million.

Common Equity Tier 1 capital ratio (CET1 ratio) in %

13.1

While OLB had deliberately raised its Common Equity Tier 1 capital ratio beyond its target level of 12.5 % in the context of the anticipated closing of its Degussa Bank acquisition, with this ratio reaching 14.4 % as of 31 December 2023, it then fell to 13.1 % as of the reporting date, in line with expectations (PY 14.4).

Volume of customer deposits in EUR bn

22.3

The volume of customer deposits has increased significantly by 31.5 % to EUR 22.3 billion (PY 16.9).

Deposits and borrowed funds in %

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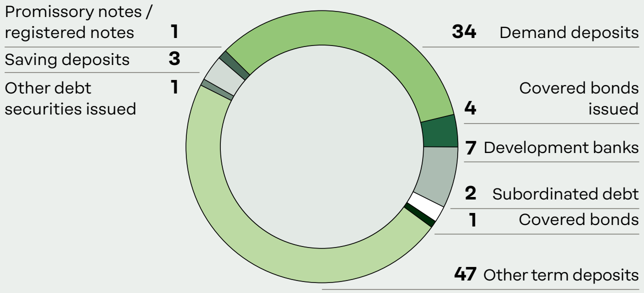
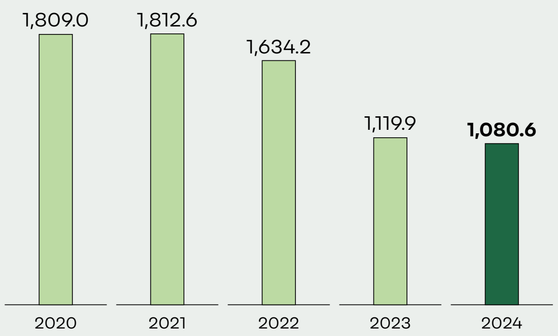


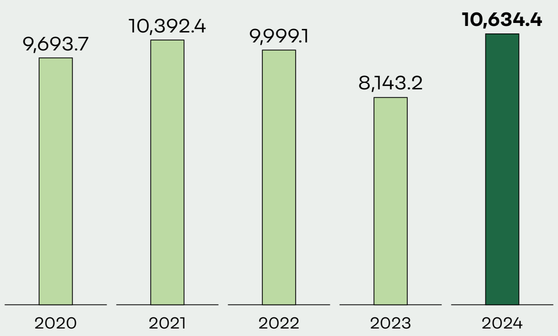
Customer saving deposits in EUR m

07 | page 74



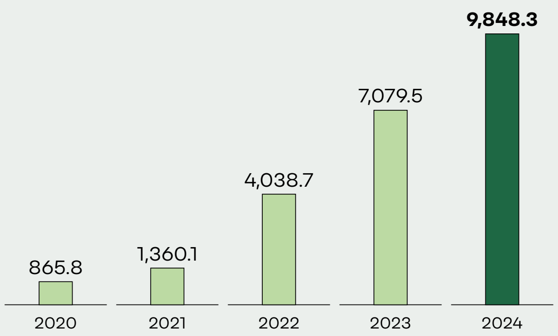
Customer demand deposits in EUR m

08 | page 74



Customer term deposits in EUR m

09 | page 74



EUR m	31/12/2024	31/12/2023	Changes	Changes (%)
Demand deposits	107.6	480.8	- 373.2	- 77.6
Development banks	2,284.3	1,990.5	293.8	14.8
Promissory notes/ registered notes	13.1	13.1	0.0	0.0
Covered bonds	80.6	65.5	15.1	23.0
Other term deposits	5,052.7	3,078.8	1,973.9	64.1
Liabilities to banks (AC)	**7,538.3**	**5,628.7**	**1,909.6**	**33.9**
Demand deposits	10,634.4	8,143.2	2,491.2	30.6
Promissory notes/ registered notes	400.3	397.9	2.5	0.6
Covered bonds	290.5	177.2	113.3	64.0
Other term deposits	9,848.3	7,079.5	2,768.8	39.1
Saving deposits	1,080.6	1,119.9	- 39.3	- 3.5
Liabilities to customers (AC)	**22,254.2**	**16,917.6**	**5,336.6**	**31.5**
Covered bonds issued	1,210.6	700.1	510.5	72.9
Other debt securities issued	497.1	496.5	0.6	0.1
Securitised liabilities (AC)	**1,707.7**	**1,196.6**	**511.1**	**42.7**
Convertible bonds (Tier 1)	1.7	1.7	0.0	0.8
Debt instruments (Tier 2)	338.3	—	338.3	n/a
Promissory note loans (Tier 2)	115.4	125.1	- 9.7	- 7.8
Customer deposits (Tier 2)	46.3	2.5	43.8	>100.0
Subordinated debt	**501.7**	**129.3**	**372.5**	**>100.0**
Total deposits and borrowed funds	**32,001.9**	**23,872.2**	**8,129.7**	**34.1**

Results of operations

The initial consolidation of Degussa Bank had a significant impact on the development of the items reported under the Bank's results of operations by comparison with the previous year. Degussa Bank's business activities for the period from May to December are reflected in the consolidated financial statements. In addition, the acquisition of Degussa Bank gave rise to the following specific effects on account of the IFRS accounting rules:

- Since the purchase price for Degussa Bank was less than its equity measured according to the IFRS 3 rules, its initial consolidation has resulted in positive one-off income of EUR 45.1 million which has been reported in the "Result from non-trading portfolio (non-operative)" item. It should be noted that restructuring provisions in the amount of EUR 25 million, which Degussa Bank recognised in its closing balance sheet as of 30 April 2024, have already been deducted from this income.
- The first-time application of OLB's model for calculation of general risk provision according to IFRS 9 has resulted in one-off risk provision expenses of EUR 11.5 million.
- Due to the fair value measurement of the credit portfolio and deposits required according to the IFRS 3 rules, Degussa Bank's IFRS opening balance sheet as of 30 April 2024 is subject to markdowns on the previous carrying amounts on the basis of these items' nominal values. These markdowns are amortised in net interest income in accordance with the effective interest rate over the term of the individual transactions. As of the reporting date, on balance this resulted in additional net interest income of EUR 37.4 million.
- In 2024, amortisation of the intangible assets capitalised in accordance with IFRS 3 for the customer relationships contributed by Degussa Bank resulted in a corresponding expense volume of EUR 1.3 million.

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023	Changes	Changes (%)
Net interest income	598.6	509.4	89.1	17.5
Net commission income	133.3	120.6	12.6	10.5
Trading result	8.8	20.1	- 11.3	- 56.3
Result from hedging relationships	- 1.0	- 22.9	21.8	- 95.5
Other income	5.8	19.0	- 13.2	- 69.4
Result from non-trading portfolio	- 3.6	- 1.8	- 1.9	>100.0
Operating income	**741.8**	**644.6**	**97.2**	**15.1**
Personnel expenses	- 178.1	- 140.1	- 38.0	27.1
Non-personnel expenses	- 135.6	- 99.9	- 35.7	35.8
Depreciation, amortisation and impairments of intangible and tangible fixed assets	- 26.8	- 22.9	- 3.9	16.9
Other expenses	- 2.1	- 0.2	- 1.9	>100.0
Operating expenses	**- 342.6**	**- 263.1**	**- 79.5**	**30.2**
Expenses from bank levy and deposit protection	- 6.0	- 12.2	6.3	- 51.3
Risk provisioning in the lending business	- 71.1	- 41.0	- 30.0	73.3
Result from derecognition of financial instruments AC	—	—	—	n/a
Result from restructurings	- 2.3	7.1	- 9.4	<- 100.0
Result from non-trading portfolio (non-operative)	45.1	—	45.1	n/a
Result before taxes	**365.0**	**335.4**	**29.6**	**8.8**
Income tax	- 94.6	- 105.0	10.4	- 9.9
Result after taxes (profit)	**270.4**	**230.4**	**40.0**	**17.4**
Return on equity post tax in %	**17.1**	**15.8**		

Operating income rose significantly year on year, by 15.1% to EUR 741.8 million (previous year: EUR 644.6 million). The Bank's acquisition of Degussa Bank and organic lending business growth in its PBC and CDL business fields both contributed to this.

Operating income in EUR m

741.8

Operating income rose significantly year on year, by 15.1% to EUR 741.8 million (PY 644.6).

Income consists of the following components:

Net interest income

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023	Changes	Changes (%)
Interest income accounted for using the effective interest method	**1,118.9**	**879.4**	**239.5**	**27.2**
Interest income from lending transactions accounted for using the effective interest method	1,053.5	823.8	229.6	27.9
Interest income from securities business accounted for using the effective interest method	65.4	55.5	9.9	17.8
Interest income not accounted for using the effective interest method	**240.4**	**105.5**	**134.9**	**>100.0**
Negative interest from financial assets	-0.1	-1.3	1.2	-90.9
Current income from shares and other non-fixed income securities	—	0.0	-0.0	-100.0
Current income from investment securities and non-consolidated affiliated companies	0.1	0.0	0.0	32.4
Other interest income	240.5	106.7	133.8	>100.0
Total interest income	**1,359.3**	**984.9**	**374.4**	**38.0**

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023	Changes	Changes (%)
Interest expenses from liabilities to banks	-116.0	-116.0	0.0	-0.0
Interest expenses from liabilities to customers	-407.2	-224.1	-183.2	81.7
Interest expenses from securitised liabilities	-54.5	-33.7	-20.8	61.6
Interest expenses from subordinated debt	-32.2	-5.4	-26.8	>100.0
Other interest expenses	-151.1	-96.5	-54.7	56.7
Positive interest from financial liabilities	0.3	0.2	0.0	19.3
Total interest expenses	**-760.7**	**-475.4**	**-285.3**	**60.0**
Net interest income	**598.6**	**509.4**	**89.1**	**17.5**

The Bank significantly increased its net interest income year on year. This rose by 17.5 % from EUR 509.4 million in the previous year to EUR 598.6 million. As well as the above-mentioned amortisation of market price markdowns for the loans and deposits acquired from Degussa Bank with a volume of EUR 37.4 million, the increase in the volume of lending business also had a positive effect. On the one hand, the Bank has registered current net interest income from its Degussa Bank business since May. On the other, the organic lending growth in 2023 and 2024 in OLB's other business fields has also contributed to this growth.

In contrast, the ECB's interest rate cuts have had a negative effect on net interest income. On the one hand, this has resulted in a decrease in the interest income arising from the liquidity held by the ECB. On the other, the lower interest rate level has also affected new business as well as products subject to regular interest rate adjustments. This includes variable interest income from interest rate hedges which the Bank uses for the purpose of interest book management.

Net commission income

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023	Changes	Changes (%)
Account fees et al.	31.2	29.0	2.2	7.6
Securities business and asset management	50.0	35.5	14.6	41.0
Private real estate, house-saving and insurance business	9.1	9.7	- 0.6	- 5.7
Loan business fees	40.6	43.9	- 3.3	- 7.4
Others	2.2	2.6	- 0.3	- 12.6
Total net commission income	**133.3**	**120.6**	**12.6**	**10.5**

Of the significant 10.5 % rise in net commission income to EUR 133.3 million (previous year: EUR 120.6 million), according to the segment reporting the Degussa Bank segment accounted for a share of EUR 8.3 million. The remainder of this increase was largely attributable to a significant uptick in the revenue trend from securities business and asset management as well as growth in the volume of net income generated by the payment transactions business. The trend for commission income in connection with the structuring of tailored financing solutions in the lending business was stable in 2024. Overall, the result in this area has decreased year on year due to commission expenses associated with greater use of brokerage platforms. The other business areas that generate commission income registered a slight decline by comparison with 2023.

Trading result

This item shows the result from customer trading of interest and foreign exchange products and the measurement result for derivatives which the Bank uses to manage the interest rate risks for its non-trading portfolio and which are not included in its hedge accounting. While significant measurement gains had been achieved for these derivatives in the previous year, on account of the direction of interest rates, the trend for the result on the basis of fair value measurement in the past financial year was neutral. This change was the key factor behind the decrease in the trading result from EUR 20.1 million in the previous year to EUR 8.8 million in the past financial year 2024.

Result from hedging relationships

OLB uses interest rate swaps to manage the interest rate risks for its non-trading portfolio. These are recognised as micro-hedges or portfolio hedges, in accordance with the hedge accounting rules. The reported result from hedging relationships reflects the incomplete match between valuation changes for the interest rate swaps and the hedged underlying transactions. On the one hand, this ineffectiveness is attributable to differences in terms of the maturities (start dates), amounts and volumes of the underlying transactions and the hedging transactions. On the other, the valuation of the variable side of the swap with different yield curves has affected the result. While in the previous year interest rate fluctuations and mismatches in the start dates for underlying transactions and hedging transactions had resulted in a negative impact on the result of EUR – 22.9 million, in the context of lively activity associated with the growth of the securities portfolio, in the past year the Bank benefited from an improved level of effectiveness as well as spread shifts between the yield curves of relevance for valuation purposes and it achieved an almost balanced result of EUR – 1.0 million.

Other income

Other income with a volume of EUR 5.8 million is mainly attributable to book profits on the disposal of existing properties which were no longer required. However, since OLB is well advanced in the process of optimising the volume of space which it requires, this income was at EUR 3.0 million lower than in the previous year (EUR 6.8 million). In addition, the previous year included a positive one-off effect resulting from a compensation payment from an external contract partner.

Operating expenses

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023	Changes	Changes (%)
Personnel expenses	- 178.1	- 140.1	- 38.0	27.1
Non-personnel expenses	- 135.6	- 99.9	- 35.7	35.8
Depreciation, amortisation and impairments of intangible and tangible fixed assets	- 26.8	- 22.9	- 3.9	16.9
Other expenses	- 2.1	- 0.2	- 1.9	>100.0
Operating expenses	**- 342.6**	**- 263.1**	**- 79.5**	**30.2**
Employees as of reporting date	1,668	1,380	288	20.9
Full-time equivalents as of reporting date	1,486	1,217	270	22.2
Cost-income ratio (CIR) in %	46.2	40.8	n / a	13.2

OLB's transformation in the past financial year as a result of its acquisition and integration of Degussa Bank gave rise to a significant increase in its operating expenses. On the one hand, it was only in October 2024 that the Bank achieved its new target structure, following its integration and restructuring of Degussa Bank. Up to that point, the costs incurred for administrative and management functions as well as Degussa Bank's IT system landscape adversely affected the Group's personnel and non-personnel expenses.

The result was also negatively impacted by a large number of one-off expenses arising due to the acquisition of Degussa Bank and the restructuring of its business activities. Of these costs, advisory and legal expenses in the amount of EUR 6.3 million arose for Degussa Bank's acquisition, while a further EUR 15.6 million resulted in the context of its integration. An additional EUR 4.4 million for personnel expenses arose in the context of harmonisation of the collective pay rates for the employees taken on from Degussa Bank, while a net amount of EUR 2.3 million related to provisions for onerous contracts. This concerned obsolete leases and service contracts. Further one-off expenses in the context of OLB's transformation were incurred, in particular, due to the preparations for the Bank's supervision by the ECB from 2025 onwards (EUR 4.5 million) as well as its new brand identity (EUR 2.8 million).

The significant 30.2 % increase in operating expenses 11 to EUR 342.6 million (previous year: EUR 263.1 million) should thus be assessed in the context of the Bank's integration of Degussa Bank and the (one-off) costs for OLB's transformation in line with its new target structure.

Due to the Bank's cost base, which has been shaped by its transformation costs, and Degussa Bank's considerably worse cost-income ratio 12 prior to the merger, OLB's cost-income ratio has risen considerably, from 40.8 % to 46.2 %, and thus significantly exceeded the previous year's forecast.

Risk provision in the lending business

In the past financial year 2024, the weak economic trend in Germany since the end of the coronavirus crisis has had a clearly negative impact on some OLB customers' economic circumstances. The risk provisioning requirement chiefly related to exposures in the CDL segment. In particular, business with corporate customers and project finance in the Commercial Real Estate (CRE) unit was affected by provisioning for individual risks. Only a small number of defaults arose in the field of private mortgage financing. However, credit deteriorations here contributed to an increase in general risk provision. In addition, net risk provision in Retail Banking increased significantly for consumer loans.

Cost-income ratio in %

46.2

The cost-income ratio calculated according to the Bank’s normal practice has risen by 5.4 percentage points to 46.2 % (PY 40.8).

Operating expenses in EUR m

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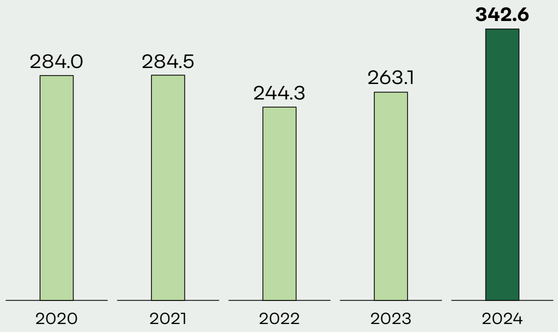

Cost-Income Ratio in %

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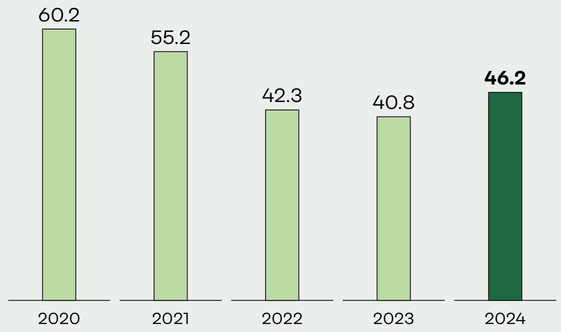

Risk provision in EUR m

71.1

The weak economic trend in Germany has resulted in an increase in the volume of risk provision to EUR 71.1 million (PY 41.0).

Risk provision expense in EUR m

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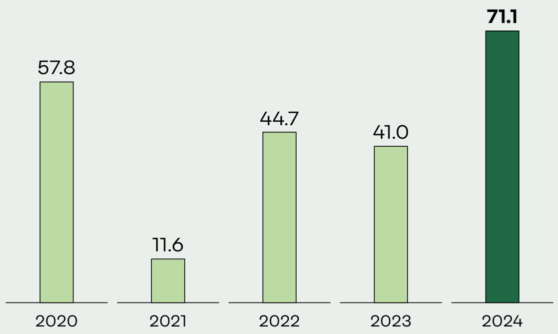

While, as before, the Bank has not been affected by defaults in its broad lending business due to its portfolio's granular structure and high level of diversification – particularly in terms of sectors and risk factors – risk provision expense has significantly increased and was at EUR 71.1 million considerably higher than the previous year's figure of EUR 41.0 million. Risk provision expense 13 mainly arose due to provisioning for individual risks. The volume of general risk provision rose only marginally, with a slight increase in provision made for business subject to increased credit risks (Stage 2). A EUR 8.1 million reduction in the volume of additional risk provision (PMA) and the mandatory remeasurement of general risk provision according to the IFRS rules for the Degussa Bank's portfolio (EUR 11.5 million volume of expense) were one-off effects. This leaves a PMA of EUR 8 million, which is intended to cover risks which have not been adequately reflected in the economic risk model applied.

Result from restructuring

As the legal successor of Degussa Bank, OLB has assumed various leases and usage contracts. However, due to Degussa Bank's integration the Bank is no longer able to make use of the related services. The provisions with a volume of EUR 3.0 million which were established for these expenses and have in some cases already been consumed were the main factor behind the net expense of EUR 2.3 million in 2024.

Result from non-trading portfolio (non-operative)

This item mainly reflects the difference between the purchase price for Degussa Bank and the company's equity measured according to IFRS 3 in the amount of EUR 45.1 million. According to the IFRS rules, no income taxes are applicable on this amount.

Overall summary

Excluding its intended acquisition of Degussa Bank, OLB had expected to maintain the same levels of profitability and cost efficiency which it had achieved in the financial year 2023. It envisaged operating income growth which would more than make up for a moderate increase in its operating expenses and risk cost. In its forecast for the development of the financial year 2024, OLB distinguished between two different scenarios in terms of the timing of Degussa Bank's planned integration and the associated effects on its results of operations. Despite the short time window between the closing of Degussa Bank's acquisition and the planned merger date at the end of August 2024, the Bank was able to complete all of the related technical, legal and business preparations and execute this merger on time. In retrospect, the Bank therefore achieved the key objectives for its optimistic Scenario 1 and thus, in particular, already benefited in the fourth quarter from the implementation of its personnel-related and technical restructuring measures from the point of view of its operating expenses.

Its assessment of the course of business with regard to the objectives formulated for its Scenario 1 is highly positive overall. In terms of its risk situation, the Bank remained within the limits defined in its forecast as regards the development of its Tier 1 capital ratio, risk coverage ratio and liquidity coverage ratio key indicators. The volume of risk provision expense in 2024 was significantly higher than in the context of the previous year's favourable trend. However, this was only partially anticipated in the planning for the financial year. The Bank failed to achieve its goal of a stable cost-income ratio trend, despite a significant increase in its operating income. This was due to one-off effects in terms of the costs incurred for Degussa Bank's acquisition and integration which, overall, significantly exceeded OLB's planning. The increase in the net profit for the financial year, from EUR 230.4 million to EUR 270.4 million, was mainly driven by the gain resulting from Degussa Bank's acquisition at a purchase price below its market value of EUR 45.1 million. Overall, the predicted goal of a slight increase in OLB's return on equity, calculated on the basis of the IFRS rules, was thus even surpassed, with a 1.3 percentage point increase to 17.1%. In summary, the Bank considers that its business performance in 2024 was highly satisfactory.

The following table summarises the development of the key ratios by comparison with the previous year's forecast.

	31/12/2023	Forecast for 2024	31/12/2024
Return on equity post tax (based on IFRS consolidated financial statements)	15.8 %[7]	Scenario 1 Slight increase	17.1%
Cost-income ratio (based on IFRS consolidated financial statements)	40.8 %	Scenario 1 Stable	46.2 %
Tier 1 capital ratio	15.4 %	Sustained decrease	14.2 %
Coverage ratio – risk capital requirement	220 %	Sustained decrease	n/a[8]
Liquidity-coverage ratio	147.4 %	Stable in a range above 120 %	161.8 %

Result after taxes in EUR m

270.4

With a result after taxes of EUR 270.4 million and a return on equity of 17.1 %, overall the result exceeds the level envisaged in the previous year (PY 230.4).

7 On the basis of the definition revised in 2024

8 No reference figure is available due to the changeover of method in 2024 to the net present value of risk coverage equity.

Segment reporting

EUR m	Private & Business Customers	Corporates & Diversified Lending	Degussa Bank	Corporate Center	OLB Group
1/1 - 31/12/2024					
Net interest income	233.5	279.9	46.4	38.9	598.6
Net commission income	78.9	48.5	8.3	- 2.5	133.3
Other operating income*	5.7	12.9	0.2	- 5.2	13.6
Result from non-trading portfolio**	—	—	- 0.1	- 3.5	- 3.6
Operating income	**318.1**	**341.3**	**54.7**	**27.8**	**741.8**
Operating expenses* **	**- 161.4**	**- 74.3**	**- 42.0**	**- 64.9**	**- 342.6**
Operating result	**156.7**	**267.0**	**12.7**	**- 37.1**	**399.3**
Expenses from bank levy and deposit protection	- 2.6	- 2.8	- 0.5	0.0	- 6.0
Risk provisioning in the lending business	- 13.1	- 42.1	- 16.9	1.0	- 71.1
Result from restructurings	—	—	- 3.1	0.8	- 2.3
Result from non-trading portfolio** (non-operative)	—	—	—	45.1	45.1
Result before taxes	**141.0**	**222.1**	**- 7.8**	**9.7**	**365.0**
Income tax	- 43.7	- 68.9	2.4	15.5	- 94.6
Result after taxes (profit)	**97.3**	**153.3**	**- 5.4**	**25.2**	**270.4**
Cost-income ratio (CIR)	**50.7**	**21.8**	**76.8**	**n/a**	**46.2**
Return on equity post tax in %	**25.1**	**16.5**	**- 8.2**	**n/a**	**17.1**

** Comprises trading result, result from hedging relationships and other income*
*** Including result from derecognition of financial instruments AC*
****Comprises personnel expenses, non-personnel expenses, depreciation, amortisation and impairments of intangible and tangible fixed assets and other expenses*

EUR m	Private & Business Customers	Corporates & Diversified Lending	Degussa Bank	Corporate Center	OLB Group
1/1 - 31/12/2023					
Net interest income	258.1	271.8	—	- 20.4	509.4
Net commission income	76.2	48.2	—	- 3.7	120.6
Other operating income*	2.8	10.7	—	2.8	16.3
Result from non-trading portfolio**	—	—	—	- 1.8	- 1.8
Operating income	**337.1**	**330.6**	**—**	**- 23.1**	**644.6**
Operating expenses* **	**- 151.7**	**- 63.2**	**—**	**- 48.2**	**- 263.1**
Operating result	**185.3**	**267.5**	**—**	**- 71.3**	**381.5**
Expenses from bank levy and deposit protection	- 6.3	- 5.9	—	—	- 12.2
Risk provisioning in the lending business	- 13.4	- 29.6	—	2.1	- 41.0
Result from restructurings	—	—	—	7.1	7.1
Result before taxes	**165.5**	**231.9**	**—**	**- 62.1**	**335.4**
Income tax	- 51.3	- 71.9	—	18.2	- 105.0
Result after taxes (profit)	**114.2**	**160.0**	**—**	**- 43.9**	**230.4**
Cost-income ratio (CIR)	**45.0**	**19.1**	**n/a**	**n/a**	**40.8**
Return on equity post tax in %	**32.3**	**18.8**	**n/a**	**n/a**	**15.8**

** Comprises trading result, result from hedging relationships and other income*

*** Including result from derecognition of financial instruments AC*

****Comprises personnel expenses, non-personnel expenses, depreciation, amortisation and impairments of intangible and tangible fixed assets and other expenses*

Private & Business Customers

Net interest income in the Private & Business Customers business field has declined above all due to the expenses incurred in the deposit business. The significant rise in fixed-term deposits and other term deposits has resulted in increased interest expense. While lending business achieved a slight increase in its net interest income by virtue of a higher volume of business, this was not sufficient to compensate for the negative effect. Net commission income developed positively. Moderate increases in income from payment transactions and securities business more than made up for decreases in other areas. Overall, operating income fell by 5.6 % year on year to EUR 318.1 million. While the direct costs for this segment rose only slightly, generally higher amounts apportioned for trade settlement and management led to a 6.4 % increase in operating expenses to EUR 161.4 million. The cost-income ratio in the PBC business field has increased by 5.7 percentage points to 50.7 %. The significant reduction in expenses for the bank levy and deposit protection has had a positive impact on segment earnings. At EUR 13.1 million, risk provision remained at the previous year's level. Overall, the profitability of the PBC business field has decreased slightly, by 7.2 percentage points to 25.1 %.

Corporates & Diversified Lending

Operating income in the Corporates & Diversified Lending business field increased compared with 2023, climbing 3.2 % to EUR 341.3 million. A significant factor here was sustained strong lending growth due to a further increase in net interest income, while commission business was stable. The lower margin contributions from deposit business as a result of the interest rate trend had a negative impact on net interest income. Due to the significant increase in the volume of business, at EUR 74.3 million total segment expenses considerably exceeded the previous year's level (EUR 63.2 million). Risk provision expense in this segment has increased considerably, from EUR 29.6 million in the previous year to EUR 42.1 million, as a result of the effects of the weak economic trend. Overall, segment earnings after taxes fell by EUR 6.7 million to EUR 153.3 million. As a result, the return on equity for the Corporates & Diversified Lending field of business also declined, from 19.1 % to 16.5 %.

Degussa Bank

The Degussa Bank business field has pooled all of Degussa Bank's business activities since the closing on 30 April 2024. The one-off effects resulting from its initial consolidation and the amortisation of the effects arising from the purchase price allocation have not been allocated to the Degussa Bank business field and are instead reported as part of the Bank's Corporate Center. This also applies for Degussa Bank's settlement and management units, which are likewise presented within the Corporate Center. Overall, at EUR 12.7 million in 2024 this segment already reported a clearly positive operating result. Risk provision expense in the amount of EUR 16.9 million has been mainly shaped by the EUR 11.5 million effect resulting from the first-time measurement of credit risks in accordance with IFRS 9. Within the scope of Degussa Bank's integration within OLB, earnings in this segment were also negatively affected by restructuring expenses in the amount of EUR 3.1 million. One-off effects are thus the key factor behind this segment's post-tax loss of EUR 5.4 million.

Corporate Center

In the financial year 2024, the Corporate Center registered a significant increase in net interest income. The key factors here were the amortisation of the markdowns on Degussa Bank's previous carrying amounts, fair value adjustments for underlying transactions in the hedge accounting as well as improved income from maturity transformation. In addition, operating income significantly benefited from a decrease in expenses within the scope of the trading result which had arisen in the previous year due to strong interest rate movements in the hedge accounting. Operating income rose overall by EUR 50.9 million to EUR 27.8 million. The increase in administrative expenses for the Corporate Center is attributable, above all, to non-recurring expenses incurred in connection with Degussa Bank's acquisition and preparations for its integration, project costs associated with preparations for OLB's future supervision by the ECB and expenses relating to the Bank's new brand identity. The costs of Degussa Bank's settlement and management units up to its merger with OLB were also recognised as expense here. On the other hand, lower expenses for the bank levy and deposit protection had a positive effect. The positive one-off income of EUR 45.1 million resulting from the initial consolidation of Degussa Bank was reported under "Result from non-trading portfolio (non-operative)" and has contributed to a positive result before taxes of EUR 26.3 million. Since income in the amount of EUR 45.1 million is tax-free, this accounts for the imputed tax benefit in this segment.

Forecast[9]

In view of the external conditions, the following factors and resulting risks and opportunities are considered to be material for OLB's expected course of business:

A rise in geopolitical tensions poses a substantial risk for the development of the world economy. If armed conflicts were to spread in the Middle East, this might ramp up geopolitical uncertainty and the price of oil beyond the levels currently predicted. This would negatively impact private consumption in particular. The German Council of Economic Experts expects that the outcome of the US presidential election will lead to a change of direction for US economic policy. A more strongly expansionary fiscal policy due to tax cuts might increase the US budget deficit and, in the short term, GDP growth in the United States, but also contribute to rising price pressure. A more restrictive immigration policy would reduce the supply of labour. US trade policy is likely to be increasingly protectionist as a result of the introduction of tariffs on US imports. In the short term, this might lead to a significant fall in US GDP by comparison with a scenario where tariffs are not raised. At the same time, it would have a significant adverse impact on export-driven economies such as China and Germany in terms of the business they do with the United States.

The outlook for the development of the *economic environment* in Germany in 2025 is subdued. Despite an improvement in the real income trend, private consumption is showing hardly any signs of recovery. Private household spending is being dampened by pessimistic expectations regarding the economic trend together with a continuing high level of economic uncertainty. In view of gloomy consumer sentiment and flattening income growth, in 2025 once again only a slight increase in the volume of private consumption is expected. In terms of the picture for the business sector, manufacturing industry in particular remains weak. While global economic growth and the Eurozone's recovery may buoy Germany's export sector, this effect will likely be weaker than in the past due to the diminished competitiveness of export-oriented companies. The forecast for the German economy is subject to downward risks, in particular due to the ongoing weakness of industry as well as a possible rise in uncertainty which may further delay an increase in the volume of investment and private consumption. These risks may intensify in the event of an economic trend which proves less favourable than expected and necessitates further cost-cutting for public sector budgets. On the other hand, a more positive trend may materialise should private households become less restrained in their consumer spending. On the basis of this economic outlook, in principle OLB anticipates only weak growth in the level of demand for credit in the private and commercial segments. Despite the gloomy economic outlook for Germany, the Bank nonetheless sees opportunities to expand its credit volume in the coming financial year. In particular, business fields where the Bank has specialised know-how and is thus exposed to a less intense level of competition or where it is active in less cyclically sensitive industries (e. g. Football Finance) may contribute to this. In addition, the Bank is active as a lender in selected European markets which have decoupled from Germany's expected weak economic trend: both in its PBC business field, via its mortgage financing business in the Netherlands, and in its CDL business field.

9 Reporting on the key risks and opportunities associated with the expected development of OLB is integrated in the following forecast on the Company's business performance and situation. In addition, the risk report in the management report provides further information on the risk management system and individual risks as well as the Bank's risk culture and risk position.

In terms of the ***interest rate trend,*** the Bank expects that the ECB will continue the interest rate turnaround which it initiated in June 2024 and implement further interest rate cuts. This is subject to the proviso of a stabilisation, or continuation, of the falling inflation seen in 2024. Further interest rate cuts may deliver growth momentum to boost the weak economy in 2025 and, in particular, positively affect the volume of investment in the construction industry. There is a risk of the US central bank Federal Reserve (Fed) being forced to raise key interest rates in the USA again if inflationary tendencies strengthen. This might lead to outflows of capital to the USA and to a depreciation of the euro and, as a result of rising yields on European bonds and higher import prices, higher inflation in Europe. In this scenario, the ECB might consider itself obliged to refrain from further interest rate cuts despite a weak economic trend.

The Bank moreover assumes that interest rates will fall for the short maturities and that, in the coming year, the inverse interest rate structure will therefore normalise, with the rate of interest in the longer maturities thus higher than short-term money market interest rates. On the basis of OLB's current balance-sheet structure and the planned interest rate adjustments for its deposit business especially, in principle the interest-rate level is likely to have a positive impact on net interest income, due to maturities as well as redemption payments for low-interest receivables together with the new business which the Bank envisages over the next few years. There is a risk that a reduction in short-term interest rates beyond what is expected may have a direct negative impact on net interest income, via variable-interest products and payer interest-rate swaps entered into for interest-rate hedging purposes – even if lowering of interest rates in this way would, in the short term, result in a significant increase in the fair value of the interest rate book, encompassing all of the Bank's interest-bearing positions. In addition, there is a risk of the Bank being obliged to increase its rate of interest on deposits beyond the envisaged level due to competitive pressure. This would adversely affect its net interest margin.

Customer deposits continue to represent the main source of ***funding.*** In addition, the Bank is increasingly financing its operations by issuing covered bonds and other bearer and registered securities as well as structured financing arrangements based on securitisations. Fundamentally, the Bank continues to adhere to the view that it has a low level of structural vulnerability to disturbances in the money and capital markets that would make raising liquidity difficult or only permit this subject to potentially high interest markups. There is a risk that deposit growth may not keep up with lending growth as planned, due to the growing level of competition. This would adversely affect the Bank's net interest margin as a result of the need for higher borrowing on the capital market at a rate of interest which exceeds the interest rate for deposits. OLB will manage its LCR so that it is above 120 % and thus significantly exceeds at all times the minimum level which is required by law. However, higher peak values are possible due to unplanned liquidity inflows, for instance.

The ECB's supervision of OLB from the financial year 2025 onwards and its related classification as a systemically important institution will lead to a significant increase in the ***regulatory requirements*** applicable for the Bank. The Bank expects that the ECB's onboarding process will entail a significant volume of expense. In particular, the Asset Quality Review (AQR) conducted by OLB's supervisory authority, compliance with the wide-ranging requirements of the EBA and the ECB and the establishment of a system for ongoing reporting to the ECB will tie up considerable internal resources and necessitate further use of external consultants in the coming year. The Bank does not expect the new rules to result in any restrictions in its business opportunities. Its planning includes the costs for the adjustment and expansion of processes which are required due to new or revised rules. The Bank does not envisage any risks arising from unexpected cost overruns. There is a risk of the ECB subjecting OLB to heightened capital requirements on the basis of the results of its onboarding process.

Within the scope of its normal business activities and in its role as an employer, investor and taxpayer, OLB is exposed to the ***risk of judicial and regulatory proceedings as well as tax audits.*** The Bank has established adequate provisions to cover the concrete risks arising from such processes. In other cases, the Bank has determined that OLB would be in a sufficiently strong legal position in the event of legal proceedings or a tax audit. It is therefore not necessary to make provision in the balance sheet to cover the risk of a decision to different effect. This also applies for concrete issues whose tax treatment raised questions of interpretation in the financial years 2020 and 2024. This includes the question of the carryforward of the book values for tax purposes in the context of WBP's merger with OLB in 2019 and Degussa Bank's merger with OLB in 2024. OLB has discussed this issue with its tax adviser and will disclose its legal position in the tax return which it submits to the tax authorities. However, the assessment reached in a future tax audit cannot be determined or predicted with absolute certainty. In the event of an unexpected outcome, the Bank might incur an additional eight-figure tax burden, which would likely arise over a period of 15 years.

Like other banks, OLB has made mandatory contributions to the Single Resolution Board (SRB) and to Germany's statutory and voluntary deposit protection schemes (EdB and ESF) in the form of collateralised irrevocable payment obligations. It is thus exposed to a potential risk with regard to its results of operations as a result of the decision which the ECJ is due to issue in March 2025 in response to current proceedings on appeal. This appeal is an application for annulment of the decision issued by the European General Court (EGC) on 25 October 2023 dismissing a French bank's action, following the return of its banking licence, for reimbursement of cash collateral for irrevocable payment obligations which it had met. Should the ECJ at final instance uphold its ruling of 23 October 2023, this will give rise to a question regarding the tenability of the current accounting practice whereby the transfer of cash as cash collateral on the part of the institution obliged to make contributions (the collateral provider) leads to the recognition of a financial claim against the collateral taker (SRB, EdB, ESF) and to derecognition of this cash. There is a risk that, in the context of the ongoing development of the generally accepted accounting standards, a methodology may become established such that the same situation would, either in whole or in part, give rise to expense recognised in profit or loss, in the value of the irrevocable payment obligations. As of 31 December 2024, OLB has entered into irrevocable payment obligations with an overall volume of EUR 45.0 million. Due to the current uncertainty regarding the outcome of the appeal and the potential impacts on the accounting treatment of irrevocable payment obligations, the Bank has prepared the following forecast for its course of business subject to the assumption of continued use of its current accounting method (Scenario 1). It has supplemented this with a statement regarding the potential consequences of a change in its current accounting practice which gives rise to recognition in profit or loss of the mandatory contributions covered by irrevocable payment obligations in 2025 *(Scenario 2).*

In the financial year 2025, OLB's ***market presence and the core areas of its sales activities*** will be shaped by the integration of Degussa Bank's business in its Private & Business Clients (PBC) and Corporates & Diversified Lending (CDL) business fields. Due to the structure of the business acquired from Degussa Bank, in OLB's PBC segment in particular the transfer of Degussa Bank's customers to this segment will result in a significant increase in its volume of lending and deposit business and its number of customers. The Central and Digital Sales channel and brokerage platform-based business will continue to gain in significance due to increasing digitalisation. This applies both for obtaining new deposits and for lending business. In its commission business, the Bank expects its positive earnings trend for securities business and asset management to continue. For this purpose, OLB also intends to expand to new customer segments the outsourcing of trade settlement for securities business and securities account maintenance which it began in 2023, since its target platform enables marketing of new asset management services.

In its CDL business field, apart from traditional business with corporate customers the Bank will continue to concentrate on attractive niche markets. The Bank has a leading position in these areas thanks to its specialised know-how and the high market entry barriers for competitors. Its central business fields continue to include Football Finance, Acquisition Finance, Fund Finance and the International Diversified Lending segment. Its offering in these segments is characterised by tailored solutions, higher-volume individual transactions and the commitment of a greater volume of resources to advisory processes and servicing. In 2025, the Bank expects to significantly expand its volume and income from lending business in this segment.

In summary, the Bank assumes that in 2025 it will significantly increase its volumes and earnings in its lending and deposit business and in its various business areas generating commission income, as key factors in its ***operating income.***

In 2024, OLB's ***operating expenses trend*** was shaped by a wide range of different factors in the context of the Bank's transformation. The one-off expenses attributable to Degussa Bank's acquisition and integration and the costs for its IT and management functions will no longer arise in the coming year. In arithmetical terms, OLB's cost trend in the coming year will be adversely affected by the fact that the personnel taken over from Degussa Bank and the costs for its expanded branch network will arise for a twelve-month period in 2025 and not just for eight months as in the past financial year. In addition, in 2025 OLB once again intends to obtain external support for its ECB onboarding process. Overall, in 2025 the Bank assumes that it will maintain its operating expenses at the same level as in the previous year. Together with the planned significant increase in its operating income, this would lead to a considerable improvement in its ***cost-income ratio*** in the coming year.

For its risk provisioning planning, the Bank applies an expected statistical value derived from risk models. This would represent a slight decrease on the financial year 2024. Since the Bank has factored into its planning further reinvestment of income to cover the expansion of its credit volume as well as potential negative impacts of the economic trend on the counterparty risks included in its Common Equity Tier 1 capital ratio, OLB envisages a stable trend for its ***Common Equity Tier 1 capital ratio*** and considers the counterparty risks included here to be slight. Since in its planning the Bank bases the expansion of its credit volume on further reinvestment of income, OLB envisages a stable trend for its Common Equity Tier 1 capital ratio. In terms of OLB's ***coverage ratio for its risk capital requirement,*** the Bank assumes that the increase in credit risks due to its envisaged volume growth and potential credit deteriorations will be offset by a corresponding increase in the net present value of its risk coverage equity and that this indicator will therefore remain at the same level as in the previous year, 2024.

The one-off positive effect of OLB's acquisition of Degussa Bank at a purchase price below the market value of its acquired assets and liabilities will no longer apply in the financial year 2025.

In summary, in ***Scenario 1*** with a stable cost base OLB expects to significantly increase its operating income in the coming year and thus considerably improve its cost efficiency. This would also significantly improve its cost-income ratio. The Bank expects that its risk provision expense will decrease slightly by comparison with the past financial year 2024. The fact that the positive effect of OLB's acquisition of Degussa Bank at a purchase price below its market value – which was not subject to income taxes and thus also improved the Bank's tax ratio – will no longer apply is a negative factor. Overall, the Bank anticipates a significant increase in its pre-tax profit. Taking into consideration the normalisation of its tax ratio, which has been factored into its planning, the Bank expects to achieve a result before taxes (IFRS) which will be close to the result which it recorded in the previous year. This would lead to a slight decrease in the Bank's ***return on equity*** due to the necessary further expansion of its capital base.

Should a change in the accounting treatment of irrevocable payment obligations adversely affect earnings in 2025 *(Scenario 2),* this would mean non-recurring costs for its bank levy and deposit protection expenses with a volume of EUR 45 million. This would lead to a significant decrease in its result after taxes and to a corresponding decline in its return on equity.

With its outstanding result for the financial year 2024 and the positive outlook for its operational development in the coming financial year, the Bank has laid the financial groundwork for a potential initial public offering. The Bank's shareholders will decide on the implementation path and the timing for this.

In principle, further risk factors in the case of an unfavourable course of events may adversely affect the Bank's predicted profit for the year in 2025 to a significant extent which cannot be reliably quantified. These risk factors mainly comprise risks resulting from the uncertain geopolitical situation and its possible impact on the economic picture.

The following table summarises OLB's current forecast for key ratios:

	31/12/2023	**31/12/2024**	**Forecast for 2025**	
Return on equity post tax	15.2 %[10]	17.1 %	Scenario 1	Marginal decrease
			Scenario 2	Significant decrease
Cost-income ratio	40.8 %	46.7 %	Significant improvement	
Common Equity Tier 1 capital ratio	14.4 %	13.1 %	Stable	
Coverage ratio – risk capital requirement	n / a[11]	437 %	Stable	
Liquidity-coverage ratio	147.4 %	161.8 %	Stable in a range above 120%	

10 On the basis of the definition revised in 2024.

11 No reference figure is available due to the changeover of method in 2024 to the net present value of risk coverage equity.

Risk report

Please see note (62) for the risk report.

Oldenburg, 20 February 2025
Oldenburgische Landesbank AG

The Executive Board

Stefan Barth
Chairman

Marc Kofi Ampaw

Aytac Aydin

Chris Eggert

Giacomo Petrobelli

Dr Rainer Polster

Consolidated financial statements

Notes

Consolidated financial statements of the Oldenburgische Landesbank AG for the financial year 2024

Statement of profit and loss and other comprehensive income
of the Oldenburgische Landesbank Group for the financial year 2024

Statement of profit and loss

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023	Notes
Interest income accounted for using the effective interest method	1,118.9	879.4	19
Interest income not accounted for using the effective interest method	240.4	105.5	19
Interest expenses	- 760.7	- 475.4	19
Net interest income	**598.6**	**509.4**	8, 19, 31
Commission income	204.3	167.1	20
Commission expense	- 71.0	- 46.5	20
Net commission income	**133.3**	**120.6**	20, 29
Trading result	8.8	20.1	21, 29, 32, 43
Result from hedging relationships	- 1.0	- 22.9	22, 29, 66
Other income	5.8	19.0	23, 29
Current income	**745.4**	**646.3**	
Personnel expenses	- 178.1	- 140.1	24, 29
Non-personnel expenses	- 135.6	- 99.9	24, 29
Depreciation, amortisation and impairments of intangible and tangible fixed assets	- 26.8	- 22.9	24, 29, 38, 39
Other expenses	- 2.1	- 0.2	24, 29
Expenses from bank levy and deposit protection	- 6.0	- 12.2	24, 29
Current expenses	**- 348.5**	**- 275.3**	
Risk provisioning in the lending business	- 71.1	- 41.0	8, 25, 29
Result from non-trading portfolio	41.5	- 1.8	8, 27, 29
Result from derecognition of financial instruments AC	—	—	29
Result from restructurings	- 2.3	7.1	26, 29
Result before taxes	**365.0**	**335.4**	29
Income tax	- 94.6	- 105.0	28, 29, 55, 56
Result after taxes (profit)	**270.4**	**230.4**	
Thereof Result after taxes (profit) attributable to the owners of the parent	270.4	230.4	

Statement of profit and loss

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023	Notes
Basic earnings per share (euros)	5.42	4.66	30
Diluted earnings per share (euros)	4.79	4.05	30

The above statement of profit and loss should be read in conjunction with the accompanying notes.

Other comprehensive income

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023	Notes
Result after taxes (profit)	**270.4**	**230.4**	
Items reclassifiable through profit or loss			8, 59
Change in debt instruments measured at fair value through other comprehensive income (FVOCI)	- 33.0	- 19.1	
Valuation changes	- 52.0	- 30.4	
Gains and losses reclassified to the income statement	4.1	2.8	
Deferred taxes	14.8	8.6	
Items not reclassifiable through profit or loss			8, 50, 59
Change from remeasurement of defined benefit plans recognised in other comprehensive income	4.2	- 11.6	
Valuation changes	6.0	- 16.7	
Deferred taxes	- 1.9	5.2	
Other comprehensive income	**- 28.9**	**- 30.6**	59
Total comprehensive income	**241.5**	**199.8**	
Thereof Total comprehensive income attributable to the owners of the parent	**241.5**	**199.8**	

The other comprehensive income items are further explained in note (59).

Balance sheet
of the Oldenburgische Landesbank Group for financial year 2024

Assets

EUR m	31/12/2024	31/12/2023	Notes
Cash reserve	357.6	77.7	31, 71
Trading portfolio assets	77.6	76.1	8, 21, 32, 62, 71
Positive fair values of derivative hedging instruments	1.9	35.1	9, 33, 62, 66, 71
Receivables from banks	1,120.1	548.8	8, 34, 62, 65, 71
Receivables from customers	25,441.0	19,724.6	8, 35, 62, 65, 71
Financial assets of the non-trading portfolio	6,479.7	4,882.4	8, 36, 71
Tangible fixed assets	59.0	53.2	13, 38
Intangible assets	54.4	32.9	14, 39
Other assets	492.1	335.7	40, 71
Income tax assets	1.8	0.0	11, 41
Deferred tax assets	183.4	110.8	11, 42, 54
Non-current assets held for sale	1.2	1.2	13
Total assets	**34,269.8**	**25,878.6**	

Equity & liabilities

EUR m	31/12/2024	31/12/2023	Notes
Trading portfolio liabilities	70.2	93.1	8, 43, 62, 71
Negative fair values of derivative hedging instruments	10.3	3.6	9, 44, 62, 66, 71
Liabilities to banks	7,538.3	5,628.7	8, 45, 65, 71
Liabilities to customers	22,254.2	16,917.6	8, 46, 65, 71
Securitised liabilities	1,707.7	1,196.6	8, 47, 65, 71
Subordinated debt	501.7	129.3	8, 48, 60, 61, 65, 71
Income tax liabilities	12.8	12.7	11, 53
Provisions	171.4	135.2	16, 17, 49, 50, 51
Other liabilities	137.8	80.9	
Equity	**1,865.3**	**1,681.0**	57, 60, 61
Subscribed capital	99.8	99.8	57, 60, 61
Capital reserves	540.0	540.0	57, 60, 61
Revenue reserves	1,143.8	980.2	60, 61
Additional equity components	148.8	99.2	28, 60, 61
Other comprehensive income (OCI)	- 67.1	- 38.2	59
Total equity and liabilities	**34,269.8**	**25,878.6**	

The accompanying notes are an integral part of the consolidated financial statements.

Statement of changes in equity
of the Oldenburgische Landesbank Group for financial year 2024

EUR m	Subscribed capital	Capital reserves	Revenue reserves	Additional equity components	Cumulative other comprehensive income: Debt instru-ments with reclassification	Cumulative other comprehensive income: Pensions	Total equity
Notes	60	60	60	61	10.62	19, 53, 62	
31/12/2023	**99.8**	**540.0**	**980.2**	**99.2**	**- 57.4**	**19.2**	**1,681.0**
Result after taxes (profit)	—	—	270.4	—	—	—	270.4
Other comprehensive income from changes in debt instruments measured at fair value through other comprehensive income (FVOCI)	—	—	—	—	- 33.0	—	- 33.0
Other comprehensive income from changes in defined benefit plans recognised directly in equity	—	—	—	—	—	4.2	4.2
Total result	**—**	**—**	**270.4**	**—**	**- 33.0**	**4.2**	**241.5**
Addition of Degussa Bank to the basis of consolidation	—	—	- 0.5	46.9	—	—	49.1
Capital consolidation	—	—	—	—	—	—	—
Instrument-based changes in equity	—	—	—	—	—	—	—
Other changes in equity	—	—	—	—	—	—	—
Payment on additional equity components	—	—	- 6.0	—	—	—	- 6.0
Dividend payment	—	—	- 100.3	—	—	—	- 100.3
31/12/2024	**99.8**	**540.0**	**1,143.8**	**148.8**	**- 90.5**	**23.4**	**1,865.3**
31/12/2022	**97.4**	**517.3**	**786.1**	**124.2**	**- 38.4**	**30.8**	**1,517.4**
Result after taxes (profit)	—	—	230.4	—	—	—	230.4
Other comprehensive income from changes in debt instruments measured at fair value through other comprehensive income (FVOCI)	—	—	—	—	- 19.1	—	- 19.1
Other comprehensive income from changes in defined benefit plans recognised directly in equity	—	—	—	—	—	- 11.6	- 11.6
Total result	**—**	**—**	**230.4**	**—**	**- 19.1**	**- 11.6**	**199.8**
Addition of Degussa Bank to the basis of consolidation	—	—	—	—	—	—	—
Capital consolidation	—	—	—	—	—	—	—
Instrument-based changes in equity	—	—	—	—	—	—	—
Other changes in equity	2.4	22.6	—	- 25.0	—	—	- 0.0
Payment on additional equity components	—	—	- 6.0	—	—	—	- 6.0
Dividend payment	—	—	- 30.2	—	—	—	- 30.2
31/12/2023	**99.8**	**540.0**	**980.2**	**99.2**	**- 57.4**	**19.2**	**1,681.0**

Based on 49,904,665 shares, EUR 2.01 per share was distributed in the 2024 reporting year (2023: EUR 1.72 based on 48,722,326 shares).

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Cash flow statement

of the Oldenburgische Landesbank Group for the financial year 2024

EUR m	31/12/2024	31/12/2023	Notes
Operating activities			
Result after taxes (profit)	270.4	230.4	
Adjustments for			
Depreciation, amortisation and impairments of intangible and tangible fixed assets and impairments / reversals of impairments in the lending business	102.0	66.6	25, 38, 39
Change in provisions	110.6	24.6	49, 50
Other non-cash expenses / income	- 44.3	- 20.5	
Gain / loss on disposal of fixed assets	- 2.1	3.3	38
Other adjustments	—	—	
Subtotal	**436.6**	**304.4**	
Change in trading portfolio assets	27.5	- 84.2	32
Change in receivables from banks	277.5	288.5	34
Change in receivables from customers	- 786.0	- 1,533.9	35
Change in financial assets of the non-trading portfolio	- 1,359.3	- 1,575.2	36
Change in other assets	- 628.8	- 722.7	40
Change in trading portfolio liabilities	- 15.4	19.7	43
Change in liabilities to banks	1,327.1	412.1	45
Change in liabilities to customers	263.9	576.2	46
Change in securitised liabilities	485.6	467.0	47
Change in other liabilities	203.7	383.6	52
Net interest income*	- 598.6	- 509.4	19
Income taxes	94.6	105.0	28, 41
Interest received	1,785.7	1,026.5	19
Dividend payments received	0.1	0.0	19
Interest paid*	- 1,135.8	- 418.2	19
Income tax paid	- 94.2	- 129.6	41
Cash flows from operating activities	**284.1**	**- 1,390.2**	18

** Including cash payments for the interest portion of lease liabilities*

EUR m	31/12/2024	31/12/2023	Notes
Investing activities			
Proceeds from disposal of financial assets of the non-trading portfolio	0.0	—	27
Proceeds from disposal of tangible fixed assets	4.1	6.8	23
Payments to acquire financial assets of the non-trading portfolio	- 193.6	- 0.0	4
Payments to acquire tangible fixed assets	- 13.3	- 15.2	38, 39
Cash flows from investing activities	**- 202.8**	**- 8.4**	18
Financing activities			
Proceeds from capital contributions	—	—	57
Dividends paid	- 100.3	- 30.2	57
Change in subordinated debt	301.9	- 32.0	48
Additional equity components	—	- 0.0	58
Interest expense for additional equity components	6.0	6.0	58
Change in cash funds from other financing activity**	- 9.0	2.8	57, 68
Cash flows from financing activities	198.5	**- 53.5**	18

***Including cash payments for the principal portion of lease liabilities*

Cash reserve			
Cash reserve as of 1/1/2024	77.7	1,529.8	31
Cash flow from operating activities	284.1	- 1,390.2	
Cash flow from investing activities	- 202.8	- 8.4	
Cash flow from financing activities	198.5	- 53.5	
Cash reserve as of 31/12/2024	357.6	77.7	31
Change in cash reserve	**279.9**	**- 1,452.0**	18, 31

The cash flow statement should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements of the Oldenburgische Landesbank Group for financial year 2024

General disclosures

(1) Basis of accounting

Pursuant to sec. 2 of its articles of association, the corporate purpose of the company is the operation of banking and financial activities of all kinds as well as such transactions and services conducive to the sale of banking and financial products.

OLB's registered office is situated at Stau 15 / 17, 26122 Oldenburg, Germany, and it is entered in the commercial register held by Oldenburg Local Court under the number HRB 3003. OLB is the parent company of the OLB Group which in addition to the OLB comprises the subsidiaries outlined in notes (5) and (73).

Pursuant to sec. 290 (5) of the German Commercial Code (Handelsgesetzbuch – HGB), OLB is exempt from the obligation to prepare consolidated financial statements pursuant to sec. 340i (1) HGB in conjunction with sec. 290ff. HGB as its subsidiaries are individually and in aggregate of minor importance (sec. 296 (2) HGB). The background to these financial statements is OLB's planned IPO and the requirements for a stock exchange prospectus, which require financial information in accordance with international accounting standards. Therefore, OLB has prepared consolidated financial statements as of 31 December 2024 in accordance with the requirements of the International Financial Reporting Standards ('IFRS Accounting Standards'™) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as well as reference figures as of 31 December 2023. The financial statements reflect all mandatory IFRS accounting standards and interpretations issued by the International Accounting Standards Board and adopted by the EU. The financial statements comprise the balance sheet, the statement of profit and loss and other comprehensive income, the cash flow statement, the statement of changes in equity and the notes to the consolidated financial statements.

The euro is the reporting and functional currency. Figures are generally shown as millions of euros, rounded to one decimal place. Due to rounding, in some cases individual figures may not add up exactly to the totals given. The OLB Group's accounting is based on uniform Group accounting and valuation methods, which are explained further in the following notes. Accounting and valuation are based on the going concern assumption. The reporting year corresponds to the calendar year.

All IFRS standards and interpretations adopted by the EU that were required to be applied as of the reporting date (31 December 2024) were applied to these consolidated financial statements, where relevant to the OLB Group.

(2) New and amended standards for the financial year ending 31/12/2024 and to be applied for the first time in subsequent years

The following IFRS were applied for the first time in the consolidated financial statements:

- In January 2020 the International Accounting Standards Board issued 'Classification of Liabilities as Current or Non-current' with amendments to IAS 1 Presentation of Financial Statements, to clarify its requirements for the presentation of liabilities in the statement of financial position. The amendments are effective from annual reporting periods beginning on or after 1 January 2024.
- On 25 May 2023, the IASB issued 'Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)'. The amendments are effective for reporting periods beginning on or after 1 January 2024.
- On 22 September 2022, the IASB published 'Lease liability in a sale and leaseback (Amendments to IFRS 16)'. It is effective for reporting periods beginning on or after 1 January 2024.
- On 31 October 2022, the IASB issued 'Non-current liabilities with covenants (Amendments to IAS 1)'. The amendments are effective for reporting periods beginning on or after 1 January 2024.

These had no material impact on the consolidated financial statements.

On 15 August 2023 the IASB published amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates. The amendments to IAS 21 are intended to help companies determine whether one currency can be exchanged for another currency and, if it cannot, which accounting treatment should be applied. The amendments to IAS 21 are effective for the first time for fiscal years beginning on or after 1 January 2025. Earlier application is permitted.

The IASB (International Accounting Standards Board) published targeted amendments to IFRS 9 and IFRS 7 'Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7' on 30 May 2024. The amendments to IFRS 9 relate to the derecognition of financial liabilities that are settled via an electronic payment system and selective adjustments to the provisions on the SPPI criteria in the context of ESG clauses. The amendments to IFRS 7 relate to disclosures on equity instruments designated at fair value through OCI and disclosures on contractual terms that may change the timing and amount of contractual cash flows. The amendments are effective for reporting periods beginning on or after 1 January 2026.

On 18 July 2024, the International Accounting Standards Board (IASB) published limited amendments to several standards and the associated guidelines as part of the regular review of the IFRS accounting standards (Annual Improvements – Volume 11).

These amendments include clarifications, simplifications, corrections and changes that are intended to improve the consistency of the affected accounting standards.

They are:
- IFRS 1 First-time Adoption of International Financial Reporting Standards,
- IFRS 7 Financial Instruments: Disclosures,
- IFRS 9 Financial Instruments,
- IFRS 10 Consolidated Financial Statements and
- IAS 7 Statement of Cash Flows.

The amendments are effective for financial years beginning on or after January 1, 2026, with earlier application permitted.

On 18 December 2024, the International Accounting Standards Board (IASB) issued targeted amendments to help entities better recognise the financial effects of nature-based electricity contracts, which are often structured as power purchase agreements (PPAs). The IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. These amendments are required to be applied for annual reporting periods beginning on or after 1 January 2026. Companies can apply the amendments earlier.

IFRS 18 Presentation and Disclosure of Financial Statements

The International Accounting Standards Board (IASB) has published its new standard IFRS 18 Presentation and Disclosure of Financial Statements, which will replace IAS 1 Presentation of Financial Statements. The new standard is the result of the primary financial statements project, which aims to improve the communication of companies in their financial statements and is effective for financial years beginning on or after 1 January 2027.

These new and amended standards, which are to be applied for the first time in subsequent years, are expected to have no material impact on the consolidated financial statements, specifically the introduction of IFRS 18, which essentially affects the breakdown structure of the income statement, which will change only insignificantly for the OLB Group.

OLB is still evaluating possible impacts on the consolidated financial statements.

(3) Effects of ESG criteria on the accounting

The effects of climate change and the sustainability factors E (environment), S (social) and G (responsible corporate governance) present both risks and opportunities for OLB. In particular, the consolidated financial statements may be affected through a possible impact on the financial assets held by the Bank due to potential climate-related risks. OLB distinguishes between physical and transitory risks. The Bank understands physical risks as the risk of impairment due to a creditor's solvency or the fair value of collateral being affected by changing climate, either directly through extreme weather events (e. g. drought and heat waves) or indirectly, e. g. through interruptions of supply chains.

Transitory risks are financial losses arising either directly or indirectly from to the process of transition to a lower-carbon and more sustainable economy.

The bank is continuing its project launched in 2023 to integrate ESG risk drivers into risk management. Key milestones are the integration into the Bank's risk framework, the establishment of green house gas accounting and the analysis of future data requirements, particularly with regard to disclosure (pursuant to the EU's Corporate Sustainability Reporting Directive and the Delegated Act supplementing art. 8 of the Taxonomy Regulation).

See also note (62), specifically "Management and controlling of specific risks", – "Credit risk" and "Risk management".

(4) Information about business combinations

General presentation of the acquisition of Degussa Bank AG

As of April 30, 2024 (closing date), OLB acquired all shares of Degussa Bank AG upon payment of a cash purchase price including a ticker fee and a contingent purchase price component.

Degussa Bank AG was a CRR credit institution with an omnichannel strategy that has served customers nationwide in the private and corporate customer business with a focus on industrial and economic centres in Germany (Ruhr area, Hesse / Rhineland-Palatinate, greater Munich area) as well as online.

The acquisition pursued the strategic objective of generating additional volumes in the retail business by expanding the customer base and extending the company's presence in strong economic regions.

Degussa Bank AG was merged into OLB AG by a formal entry into the Commercial Register on 31 August 2024, with retrospective effect as of 1 January 2024. The company's business operations were also fully integrated into OLB technically.

Presentation and composition of the purchase price

In addition to the agreed cash purchase price including a ticker fee (as a contractually agreed component of the purchase price) a contingent purchase price payment is part of the total purchase price. Taking these aspects into account, the total purchase price is composed as follows (in millions of euros):

EUR m	
Cash purchase price	194.8
Ticker fee component	3.45
Contingent purchase price component	2.65
Total purchase price	**200.9**

Taking into account acquired cash balances such as cash and cash equivalents, there was a net cash outflow of EUR 193.6 million, which is reflected in the cash flows from investing activities.

Contingent purchase price payment

The purchase price includes an agreement on a contingent consideration that is dependent on the full settlement of certain receivables. The purchase price increases retrospectively by EUR 5 million if certain receivables are repaid in full on certain dates in the following financial year. The lifetime PD was 40 %, so that the undiscounted expected payment is EUR 3 million (60 % of EUR 5 million). A payment date at the end of August 2025 was assumed, so that the discounted value of the contingent purchase price payment was EUR 2.65 million on 30 April 2024.

Fair values of the transferred net assets

The acquired net assets of Degussa Bank AG break down as follows at the time of acquisition:

Assets

EUR m	
Cash reserve	4.7
Trading assets	8.4
Receivables from banks	818.8
Receivables from customers	4,858.6
Financial assets	194.3
Property, plant and equipment	12.9
Intangible assets	10.1
Other assets	16.0
Tax receivables from current taxes	2.3
Tax receivables from deferred taxes	101.4
Total assets	**6,027.6**

Liabilities

EUR m	
Liabilities to banks	557.8
Liabilities to customers	4,974.5
Securitised liabilities	0.0
Subordinated liabilities	42.3
Tax liabilities from current taxes	4.1
Provisions	76.6
Other liabilities	34.5
Tax liabilities from deferred taxes	42.2
Total liabilities	**5,732.0**

The acquired net assets are further reduced by an acquired securitised liability (AT1 bond of Degussa Bank) in the amount of EUR 49.6 million, which is classified as equity under IFRS. See also note (58).

Net assets amounted to EUR 246 million.

Gain from a bargain purchase

The net of the acquisition-date amounts of the acquired net assets exceeded the total purchase price, mainly due to market interest-rate-induced valuation.

For these reasons, the acquisition resulted in a gain from a bargain purchase. OLB therefore acquired Degussa Bank for a total purchase price below the fair value of the acquired net assets, resulting in a gain from a bargain purchase of EUR 45.1 million, which was recognised in the result from non-trading portfolio. The determination of this component had not been fully completed at the date of release for publication of the condensed interim consolidated financial statements as of 30 June 2024 (at that date disclosed in the amount of EUR 49.4 million) and has been adjusted for this amount for the consolidated financial statements for the full financial year 2024. The adjustment was made because claims from collateral originally recognised in other assets had to be corrected in the amount EUR 4.3 million.

Costs associated with the business combination amounted to EUR 5.7 million, which were recognised beyond the transaction in administrative expenses and in the cash flows from operating activities. They mainly consist of legal costs and consultancy fees.

Acquired receivables

As part of the transaction, OLB acquired Degussa Bank AG's loans and advances to banks with a fair value of EUR 818.8 million (nominal value EUR 825.6 million). In addition, receivables from customers with a fair value of EUR 4,858.6 million (nominal value EUR 5,120.2 million which approximately corresponds to the gross contractual amounts) were acquired. For these receivables the best estimate of the gross contractual cash flows not expected to be collected was EUR 13.1 million. Additionally the application of IFRS 9 on loan loss provisioning on the acquired receivables resulted in the recognition of a risk provision in the consolidated financial statements in the rounded amount of EUR 0.0 million for receivables from banks and EUR 11.5 million for receivables from customers at the time of acquisition.

Contingent liabilities

Contingent liabilities were also recorded as part of the purchase price allocation. These include irrevocable payment obligations and liabilities from guarantees.

The irrevocable payment obligations in the amount of EUR 11.9 million were to the German Banks' Compensation Scheme, the Single Resolution Fund and the Deposit Protection Fund. The maturity of this contingent liability is uncertain. The liabilities from guarantees in the amount of EUR 1.3 million are customary bank guarantees from customer business. The maturity of these contingent liabilities is based on the respective agreed term of the customer transaction, but it is generally short term. Due to the circumstances on the valuation date and the short-term maturity, the fair value for payment obligations and guarantees was EUR 0. No further contingent liabilities were identified in the context of the business combination.

Revenue and profit contribution

In the period from acquisition on 1 May 2024 until legal merger on 31 August of the same year, Degussa Bank AG generated net interest income of EUR 41.7 million and net commission income of EUR 5.5 million. Overall, Degussa Bank AG generated a profit of EUR 12.2 million (considering an imputed group tax rate of 31%) for this period. Degussa Bank was merged into OLB as of 30 August 2024. The results of the bank's business activities were reported in a separate segment. For the period from 31 August to 31 December 2024 the segment reported net interest income of EUR 24.2 million, net commission income of EUR 1.6 million and a profit of EUR 18.8 million.

If Degussa Bank had been consolidated as of 1 January 2024 the OLB Group's consolidated income statement would have shown net interest income of EUR 640.5 million, net commission income of EUR 139.4 million and a profit or loss of EUR 269.6 million. These results represent the amounts after adjustment for OLB's accounting methods.

Pre-existing relationships

As of the acquisition date contractual relationships existed between OLB and Degussa Bank in the form of payment obligations. As of the acquisition date there were outstanding receivables of EUR 1.4 million from Degussa Bank to OLB, primarily due to OLB's obligations to cover costs for employee rewards and, to a minor extent, due to transaction-driven costs, which were eliminated as part of the debt consolidation.

Accounting policies

(5) Disclosures concerning the basis and methods of consolidation

The following table shows the subsidiaries included in the IFRS consolidated financial statements as of the respective reporting dates:

Entity	31/12/2024	31/12/2023
Weser Funding S. A. Compartment 2		X (P & L only)
Weser Funding S. A. Compartment 3	X (P & L only)	X
Weser Funding S. A. Compartment 4	X	X
Weser Funding S. A. Compartment 5	X	X
Weser Funding S. A. Compartment 6	X	X

Weser Funding S. A. Compartments 2, 3, 4, 5 and 6 were / are consolidated special purpose entities. Compartment 2 was repaid and run down in 2023, so was Compartment 3 in 2024. The Bank used or uses these to securitise parts of the loan portfolio so that the securitisations can be used as collateral to raise liquidity from the ECB and other counterparties (see also note (63)).

Please see note (74) for further details concerning the corporate Group.

We eliminate intra-Group receivables and liabilities as well as expense and income resulting from transactions in the respective years between subsidiaries included in the consolidated financial statements within the scope of the consolidation of liabilities, expense and income. Gains or losses arising within the Group from intra-Group transactions are also eliminated.

(6) Currency translation

Currency translation has been implemented accordance with IAS 21. All foreign-currency transactions were thus initially measured at the spot rate of that day for the transaction in question. On the following balance sheet date, monetary assets and liabilities denominated in foreign currency and spot transactions not executed as of the balance sheet date will be converted into euro at the balance sheet date's mean spot rates. Currency forwards are valued at current forward rates applicable for the remainder of the period.

As a rule, expenses and income arising from currency translation are included in the relevant items of the statement of profit and loss. No significant net open currency positions existed as of the end of the financial year.

As part of the currency translation of financial instruments not measured at fair value through profit or loss, EUR 29.6 million (2023: EUR 9 million) was recognised in profit or loss. As the functional currency for all Group units corresponds to the presentation currency of this report, there were no effects to be recognised in other comprehensive income.

(7) Uncertain estimates and discretionary judgments

In the context of the preparation of the consolidated financial statements, a number of permissible estimates, discretionary judgments and assumptions have been made which affect the amounts shown in the consolidated financial statements. All of the estimates required for accounting and valuation purposes have been made while taking into account experience and observable factors which are regularly reviewed. These estimates are based on the appropriate exercise of judgment in accordance with the relevant standards. The following estimates, discretionary judgments and assumptions have had the greatest impact on the amounts reported in the consolidated financial statements:

Within the scope of the application of the IFRS 9 impairment rules for financial assets measured at amortised cost or fair value through other comprehensive income and the contingent liabilities and loan commitments falling within the scope of IFRS 9, significant estimates and discretionary judgments have been made in respect of the stage to which the item in question was allocated and the determination of the risk provisioning amount. The determination of the criteria as to when a significant increase in credit risk has occurred constitutes a discretionary judgment. The estimates required for the determination of Stage 1 and Stage 2 risk provision and for the parameter-based calculation of Stage 3 risk provision are subject to significant uncertainty, particularly with regard to the integration of forward-looking macroeconomic scenarios. The Stage 3 risk provision calculated on the basis of individual transactions includes assumptions and forecasts with regard to the determination of the future recoverable amounts (see note (8)).

The retirement benefit obligations were measured using the projected unit credit method. In particular, this includes assumptions with regard to the assumed interest rate, the long-term pension trend and average life expectancy (see note (50)).

The recognised restructuring provisions are measured on the basis of qualified estimates and findings as to the likely costs of the specific measures. These estimates and findings are based on the implementation of previous measures.

Experience and forecasts of future events based on the currently available data are also relied upon to establish provisions for contingent liabilities and when assessing and evaluating legal risks resulting from supreme court rulings and current legal proceedings.

Deferred taxes are recognised and measured on the basis of assumptions and estimates when determining the assumed date of payment and cash flows (see note (54)). The assumptions regarding OLB's future earning power are regularly updated with regard to the assessment of deferred tax receivables and are factored into the valuation.

Of particular importance for the annual financial statements for the 2024 fiscal year were the estimates and assumptions regarding the risk provisions on the Bank's assets, financial position and results of operations. In assessing the necessary impairment gain or loss for expected credit losses (Stage 1 and Stage 2), OLB based its future development assumptions of the macroeconomic environment on three scenarios that were weighted with probabilities of occurrence with regard to their effects.

The regular review of the PMA showed that the risks anticipated by the PMA have already been reflected in the actual development of the provisions for expected credit losses due to the deterioration in the probabilities of default. In the course of the new assessment as of the balance-sheet date, the bank determined that certain risks resulting from recent economic and political developments are still not or not sufficiently reflected in the sensitivities of the economic parameters used in the model. This applies in particular to risks arising from the knock-on effects of inflation, electricity prices and the current downturn in the German construction industry, as well as from changes in the political situation (further developments in the US, the impact of the German parliamentary elections). The bank used an expert-based assessment of the impact of these risks on corporate default risk by industry to estimate the required PMA, resulting in a PMA of EUR 8 million as of 31 December 2024.

(8) Financial instruments

Recognition of financial assets and financial liabilities

According to IFRS 9, all financial assets and liabilities (including derivative financial instruments) must be reported in the balance sheet. A financial instrument is any contract that gives rise to a financial asset for one entity (recognised on the assets side of the balance sheet) and a financial liability or equity instrument for another entity (recognised on the equity and liabilities side of the balance sheet). Financial instruments thus arise through contractual agreements.

Derivatives are recognised and derecognised as of the trade date. Non-derivative financial assets (including regular spot purchases or sales) and non-derivative financial liabilities are recognised and derecognised at OLB as of the settlement date (settlement date accounting).

Financial assets – classification and measurement

Classification of financial assets

IFRS 9 distinguishes between the following measurement categories: Amortised cost (AC), fair value through other comprehensive income (FVOCI) and fair value through profit and loss (FVPL). Assets are allocated based on a classification decision by OLB to the measurement categories: on the one hand, on the basis of the Bank's business model for the management of the (respective) financial assets and, on the other, according to the nature of the contractually agreed cash flows.

All financial assets covered by the "hold to collect" (HTC) business model and whose contractual cash flows solely constitute non-leveraged interest and principal payments (solely payments of principal and interest, SPPI criterion) are allocated by OLB to the AC measurement category. If the portfolio which contains the financial asset does not have any clear intention to hold the asset in question and is prepared in principle to sell it, this financial asset is allocated to the FVOCI measurement category ("hold to collect and sell" (HTCS) business model). Financial assets which cannot be allocated to either the "hold to collect" business model or the "hold to collect and sell" business model and / or which do not fulfil the SPPI criterion are allocated by OLB to the FVPL measurement category. OLB makes no use of the fair value option for financial assets which may be allocated to the FVPL measurement category subject to the fulfilment of certain preconditions. Free-standing derivatives do not fulfil the SPPI criterion and are therefore classified as FVPL. Nor do equity instruments fulfil the SPPI criterion, since the investor does not have any entitlement to payments of interest and principal. They are therefore likewise measured by OLB at fair value through profit or loss. OLB has not exercised the option to allocate equity instruments not held for trading purposes to the FVOCI measurement category (FVOCI option).

For details on the allocation of financial assets to the measurement categories, please refer to note (71).

Definition of business models according to IFRS 9

The management of OLB defines the business model – which is based on the management of a group of financial assets – in order to achieve the Bank's business objectives and to generate cash flows.

The OLB uses the "hold to collect" and "hold to collect and sell" business models. Receivables from banks and receivables from customers – including the promissory notes reported in this item – are exclusively allocated to the "hold to collect" business model. In principle, financial assets of the non-trading portfolio are considered as falling within the "hold to collect and sell" business model. Investment securities and shares in affiliated companies which by their nature are allocable to the "hold to collect" business model are an exception.

For financial assets allocated to a portfolio with the "hold to collect" business model, OLB aims to collect their contractually agreed cash flows. However, subject to certain conditions the sale of an asset prior to the maturity date will not automatically conflict with the basic intention to hold it.

In addition to repayments and redemptions, financial assets that are allocated to a portfolio with the business model "hold to collect" can in principle also be sold without this contradicting the business model. Since sales will in principle only arise in individual cases, the Bank has opted not to prescribe specific threshold values and will assess the potential impacts on its business model on a case-by-case basis.

In the “hold to collect and sell” business model, OLB has the intention to collect the contractually agreed cash flows. Opportunistic sales out of the portfolios in question are likewise permitted. However, there is no initial intention to sell, unlike in the case of trading portfolios.

Analysis of the contractually agreed cash flows

As well as the relevant business model, the classification of financial assets also depends on the nature of the cash flows. When a financial asset is recognised for the first time, the contractual cash flows are analysed with regard to the SPPI criterion. The SPPI criterion defines interest as payments that are consistent with a basic lending arrangement. The contractual cash flows are evaluated, whether they essentially constitute compensation for the fair value of the money and the assumed credit risk of the counterparty. These payments may also include a settlement for the assumption of liquidity risks and a profit margin. Leverage which interferes with this compensation status will result in the non-fulfilment of the SPPI criterion. With regard to the nature of payments of principal, the bank considers whether repayments made while taking account of rights of termination may result in a deviation from the carrying amount recognised as of the date of repayment. In this case, such payments would be regarded as detrimental to the applicability of the SPPI criterion.

Non-recourse financing arrangements are characterised by their limited rights of recourse. This limitation means that a financing arrangement is of higher risk, and financing arrangements may constitute equity. By way of differentiation, OLB has developed an accounting policy which classifies non-recourse financing arrangements on the basis of defined risk characteristics (such as rating grades, loan to value).

Financial instruments with embedded derivatives (including termination rights, interest rate options) are assessed in their entirety to determine whether they meet the SPPI criterion.

Reclassifications

In principle, following their initial recognition financial assets will continue to be ascribed to the business model to which they were allocated as of their addition. Reclassifications will only be made in exceptional cases, where this is consistent with the actual management of OLB and further conditions are met. In the event of an exceptional reclassification, this will be separately indicated. No reclassification occurred in the relevant period.

Initial measurement of financial assets

Derivative trading portfolio assets are recognised at their fair value as of the trade date. Transaction costs are recognised through profit or loss.

Receivables from banks, receivables from customers and financial assets of the non-trading portfolio are recognised at fair value, which is generally the transaction price (amount paid out). The directly allocable transaction costs are accrued for the AC measurement category and likewise in the case of the FVOCI measurement category. The transaction costs for FVPL financial assets of the non-trading portfolio are recognised through profit or loss.

Subsequent measurement of financial assets

Financial instruments of the measurement category FVPL are measured at their fair values. In principle, these are calculated on the basis of stock exchange prices. In those cases where no stock exchange quotations are available, the market prices of comparable instruments or recognised valuation models (in particular, present value methods or option pricing models) will be used in order to determine the fair value.

Financial instruments of the measurement category AC (in particular receivables from banks and receivables from customers) will be measured at amortised cost. Risk provisioning and impairment will be deducted from the gross carrying amount. Any difference between the amount paid out and the nominal amount as well as loan processing fees will – where equivalent to interest – be allocated to profit or loss in accordance with the effective interest rate and will be recognised in the interest income resulting from the application of the effective interest method. In the case of the disposal of financial instruments in the AC measurement category, the result is recognised in the result from the disposal of AC-valued financial instruments.

Financial instruments of the measurement category FVOCI (parts of financial investments) are measured at fair value. With the exception of risk provisioning and impairment as well as currency translation, changes in value will be recognised in other comprehensive income (OCI) while taking into account deferred taxes. As these are exclusively debt instruments, the accumulated net measurement gain recognised in other comprehensive income will be reclassified to profit or loss upon disposal. Interest income and expense of those instruments are recognised using the effective interest rate.

If the contractual rights to the cash flows from financial assets expire or have expired (e. g. through redemption or disposal), they are derecognised.

Risk provisioning and impairment of financial instruments

OLB uses an expected credit loss model to recognise impairment of financial assets in the AC and FVOCI categories and of loan commitments and financial guarantees. Expected losses are already recognised in the balance sheet as of the date of addition.

Risk provisioning is based on the three-stage model of IFRS 9. As of the date of initial recognition, an asset will be allocated to Stage 1 and risk provisions will be recognised in the amount of the 12-month expected credit loss. OLB uses the parameters PD, LGD and EAD, as well as the CCF for off-balance sheet transactions. The EAD is determined based on the contractual or expected cash flows.

In the event of a significant increase in credit risk as of the following balance sheet date, OLB allocates the financial instrument to Stage 2 and establishes risk provisions in the amount of the lifetime expected loss. Here, too, the calculation is based on the parameters lifetime PD, lifetime LGD and the EAD and, if applicable, CCF determined on the basis of the contractual or expected cash flows.

According to OLB's rules, a Stage 2 allocation will be made if the following criteria are met:

- Rating-related criteria: The threshold for determining a significant deterioration in credit quality is established on the basis of a quantile analysis depending on the rating at the time of addition. This analysis may result in rating changes depending on the initial credit rating, age of the financial instrument and portfolio from which a significant deterioration in credit quality exists.
- Process-related criteria: Features established in OLB's credit risk management process are used as qualitative criteria of a significant deterioration in credit quality. These include the escalation levels of the early risk detection system, according to which a financial instrument is assigned to Stage 2 as soon as it is being restructured. This criterion ensures that a financial instrument is assigned to Stage 2 after a forbearance measure has been applied.
- Delay in payment of more than 30 days.

If a financial instrument is credit impaired at the balance sheet date, it is assigned to Stage 3. A credit impairment exists where it is probable, on the basis of current information or events, that the customer will not fulfil its contractual interest or principal obligations as of the due date. In particular, this will apply if the following criteria are met:

- opening of insolvency proceedings of the debtor or issuer or a high probability of insolvency or comparable reorganisation proceedings,
- significant financial difficulties of the debtor or issuer,
- concessions made to the debtor in connection with the debtor's financial difficulties that result in a significant reduction in the debtor's financial obligations. A reduction in the financial obligations is deemed to be significant if the present value of the financial obligations is significantly reduced as a result of the concessions granted.

In addition, an allocation to Stage 3 is made if there is a payment delay of more than 90 days. The risk provision is still calculated as lifetime expected loss, but with a default probability of 100 %.

OLB calculates risk provisions for the homogeneous, small-scale lending business in Stage 3 on the basis of parameters such as lifetime PD, lifetime LGD, EAD and CCF. For the inhomogeneous credit portfolio of Stage 3, the risk provision is determined as a undistorted and probability-weighted amount on the basis of the estimate of the discounted cash flows still to be expected for the assets concerned. The expected cash flows from realisation of collateral are also taken into account. In this context, supplementary methods are used to determine the expected cash flows from the realisation of collateral, particularly in the case of acquisition financing, in order to determine potential cash flows from the sale of the borrower's shares pledged as part of the financing. These are standard market procedures for determining company values using EBITDA multiples and on the basis of discounted cash flow (DCF) valuations in various scenarios.

The historical default information forms the basis for determining the risk parameters. These are adjusted taking into account the current economic environment as well as macroeconomic forecasts of overall economic development. For this purpose, the bank determines scenarios for further economic development and derives the effects on the risk parameters using statistical models.

Post-model adjustment (PMA):
The required consideration of macroeconomic factors for which no historical scenarios are available or mappable is by means of a post-model adjustment allocated to the individual exposures and thus distributed across the levels. A post-model adjustment is generally reversed as soon as the measurement of risk provisioning for the relevant credit risks can again be modelled with sufficient reliability using macroeconomic parameters. In particular, a reversal occurs if the reasons for the inclusion of the general PMA no longer apply (e. g. due to an improvement in economic conditions or consideration of specific risk provision items).

An allocation from Stage 2 to Stage 1 or from Stage 3 to Stage 2 or Stage 1 takes place if the criteria that led to the stage transfer no longer exist on the respective balance sheet date.

At Stage 1 and Stage 2, interest is recognised on the basis of the gross carrying amount, i. e. through application of the effective interest rate to the carrying amount prior to deduction of risk provisions. At Stage 3, interest is recognised on the basis of the net carrying amount, i. e. the carrying amount after deduction of the risk provisions.

The derecognition of financial instruments assigned to Stage 3, e. g. in the case of debt waivers, is always carried out by using up the risk provision. If there is no sufficient risk provision, a write-off is made directly in profit or loss. Recoveries on loans written off are also recognised in the item risk provisioning in the lending business.

No separate risk provisions will be established for financial instruments in the FVPL measurement category, since this already occurs within the scope of the fair value measurement through profit or loss.

No risk provisions will be established in the balance sheet for assets in the AC and FVOCI measurement categories which were already impaired as of the date of their addition (i. e. on acquisition or in the case of substantial modifications on delivery) to the balance sheet (purchased or originated credit-impaired financial assets, POCI). Any change in the lifetime expected loss will be taken into account on subsequent balance sheet dates by means of the risk provisioning result. For POCI, interest will be recognised on the basis of the net carrying amount with the initial effective interest rate as recalculated at the date of acquisition, which is a credit-adjusted effective interest rate.

Changes in contractual cash flows – modifications

Changes in contractual cash flows or other changes to significant contractual components occurring during the life of a financial asset are referred to as modifications. If a financial instrument is derecognised as a result of a modification and subsequently recognised as a new financial instrument at fair value, this will entail a substantial modification. On the other hand, a non-substantial modification will apply where the gross carrying amount must be recalculated on the basis of the changed contractual cash flow and a modification result recognised. The result from a non-substantive modification is the difference between the gross carrying amount immediately prior to the modification and the recalculated gross carrying amount.

Financial liabilities – classification and measurement

As a rule, financial liabilities must be assigned to the AC category if the FV option is not used. Financial liabilities held for trading purposes are an exception. These will be allocated to the FVPL category. At OLB, they consist of derivatives exclusively.

OLB is not currently making any use of the fair value option which may be applied in order to eliminate or reduce an accounting mismatch or in order to avoid a separation of embedded derivatives whose separation would otherwise be required.

These liabilities are initially measured at fair value. In the case of financial liabilities in the AC measurement category, directly allocable transaction costs must be additionally taken into consideration. In the FVPL measurement category, they are directly recognised through profit or loss. Within the scope of their subsequent measurement, financial liabilities in the AC measurement category are measured at amortised cost. Any premium or discount will be allocated to profit or loss pro rata temporis in accordance with the effective interest method.

Financial liabilities in the FVPL measurement category are measured at fair value through profit or loss.

OLB accordingly applies the following IFRS 9 measurement categories for financial liabilities:

- Amortised cost (AC)
- Fair value through profit or loss (FVPL)

Financial liabilities (or parts thereof) are derecognised when they have been redeemed or repurchased.

Repo transactions and reverse repo transactions

In the case of a repo transaction, the Group sells securities while simultaneously agreeing to repurchase these securities on a certain date for an agreed price. The Group will retain the risks and opportunities associated with these securities in respect of a change in interest rates and counterparty default throughout the term of these transactions. These securities will thus continue to be reported in the Group's balance sheet as trading portfolio assets or financial assets of the non-trading portfolio. The proceeds of their legal sale are included in the balance sheet item liabilities to banks / liabilities to customers and reported as a liability resulting from repo transactions.

In the case of a reverse repo transaction, the Group purchases securities while simultaneously agreeing to return these securities on a certain date for an agreed price. The counterparty will retain the risks and opportunities associated with these securities in respect of a change in interest rates and counterparty default throughout the term of these transactions. These securities will thus not be reported in the Group's balance sheet as trading portfolio assets or financial assets of the non-trading portfolio. The proceeds of their legal purchase are included in the balance sheet item receivables from banks / receivables from customers and reported as a receivable from reverse repurchase transactions.

The interest expenses for repo transactions and the interest income from reverse repo transactions are recognised on an accrual basis and reported in net interest income.

Offsetting in the balance sheet

Financial assets and liabilities will be netted in the balance sheet if there is an unconditional enforceable right in relation to the counterparty (both in the normal course of business and on the occurrence of a credit event) to offset the respective amounts and the transactions are fulfilled on a net basis (actual shortening of the payment channel) or if the liability is settled at the same time as the asset's realisation. At OLB, derivatives business cleared through the central counterparty (CCP) EUREX is the main scenario for balance-sheet offsetting. Positive and negative fair values of derivatives held on the reporting date vis-à-vis EUREX and the related cash collateral balance will be offset and reported in the balance sheet as a single net receivable or as a single net liability.

(9) Fair value hedge accounting

OLB applies portfolio fair value hedge accounting according to the IAS 39 rules which continue to apply for this type of hedge. Here, maturity ranges are established at the level of the underlying transaction and allocated to the interest rate swaps. IAS 39 portfolio fair value hedge accounting is currently only used at OLB for interest rate swaps which hedge underlying lending business and do not already have a 1:1 relationship with a specific underlying transaction. The underlying transactions used for portfolio fair value hedge accounting are loans and advances to customers measured at AC (amortising long-term loan transactions). OLB also uses interest rate swaps which are designated and recognised as IFRS 9 micro fair value hedges (these are on the one hand interest rate swaps with reference to financial assets valued at FVOCI and on the other hand interest rate swaps with reference to AC-valued liabilities).

For portfolio fair value hedge accounting the hedged risk is always the interest rate risk – in terms of the EUR swap curve – and interest rate swaps alone are used as hedging instruments.

With regard to the income statement presentation, for both portfolio hedges and micro hedges the measurement of the underlying transactions in relation to the hedged risk (EUR swap curve) and the measurement of the hedging instruments (EUR interest rate swaps) are shown in the result from hedging relationships. Offsetting valuation changes net one another out here; any ineffective hedges will mean that a net measurement gain or net measurement loss will arise in the result from hedging relationships. Ineffective hedges must always be expected to a certain degree. On the one hand, the multi-curve measurement of the interest rate swaps means that the measurement results are sensitive to interest rate tenor spreads – which is not true of the underlying transactions, which always have fixed interest rates. On the other hand, the transaction volumes on the two sides of a hedging relationship may, over time, move apart from one another through the loss of underlying transactions. In the event of significant volume decreases at the level of the underlying transaction, OLB will re-designate the affected hedging relationships and re-establish volume parity. Ineffectiveness other than that expected did not occur in the reporting period.

The fair values of hedging derivatives used for the purpose of micro or portfolio hedge accounting are shown in the positive / negative fair values of hedging derivatives items. The valuation change for the underlying transactions in question which is attributable to the hedged risk (EUR swap curve) will be shown under the underlying transaction in the balance sheet, i. e. the valuation adjustment is presented in the same item as the hedged underlying transaction (e. g. receivables from customers, if lending business is subject to interest rate hedging).

This also applies for the underlying transactions in portfolio fair value accounting (i. e. the Bank will not make use of the simplification permitted for this type of hedge where the valuation adjustments for the underlying transactions are reported in a separate balance sheet item, separately from the underlying transaction).

OLB utilises regression analysis (for IFRS 9 micro fair value hedges) and the dollar offset method (for IAS 39 portfolio fair value hedges) as methods to assess hedging effectiveness.

The actual value adjustments between the underlying and hedging transactions for the portfolio hedge and for all micro hedges are recognised in the income statement under net income from hedge relationships.

The amortisation of the accumulated valuation adjustments (“line items”) from terminated hedge relationships is recognised in net interest income. Accumulated valuation adjustments of the line item for receivables from customers from portfolio hedges and of the line item for other comprehensive income (OCI) for micro hedges for assets are released and recognised in interest income accounted for using the effective interest method. The amortisation of accumulated valuation adjustments for underlying transactions from terminated portfolio hedges is partly matched by the remaining maturity effects of the hedging instruments with interest-like characteristics; these are reported in interest income not accounted for using the effective interest method. Accumulated valuation adjustments of the line item for Liabilities to customers from micro hedges for liabilities are released and recognised in interest expense.

(10) Result from restructuring

Restructuring expenses are recognised as of the Bank approving a detailed restructuring plan for specific programmes and commencing the implementation of this plan or as of the Bank announcing the core aspects of this plan to the concerned parties. The recognised expenses are measured on the basis of qualified estimates as to the likely costs of the specific measures.

Future obligations which exceed a one-year horizon are discounted to the underlying present value. The Bank regularly reviews whether its estimates are still appropriate and adjusts them where necessary. Restructuring costs for which it is not possible to establish provisions are recognised in the period in which they are incurred.

Restructuring expenses relate to discontinued activities or business segments which are clearly defined so that they cannot be associated with the Bank’s future going concern activities.

(11) Income taxes

Income taxes levied on profits on the basis of applicable tax legislation are recognised as expense on an accrual basis. Deferred income taxes are recognised in full by means of the balance-sheet oriented approach for temporary differences between the amounts recognised for assets and liabilities for tax purposes and their carrying amounts in the financial statements, irrespective of the date of their reversal. Deferred taxes are measured at the tax rates which have already been adopted or announced by law and which are expected to apply as of the date on which these deferred taxes are reversed. Income tax assets or income tax liabilities will be recognised for additional tax payments or for any reimbursements which are due. Deferred tax assets will be recognised in the amount in which it is probable that future taxable profits will be available against which the temporary differences can be utilised.

(12) Disclosures on segment reporting

In accordance with IFRS 8, the internal financial reporting – as a decision-oriented tool produced on a monthly basis to assist with corporate management and control and to reflect risks and opportunities – forms the basis for the segment reporting.

For management purposes, the Bank divides up its business activities by business segments, in terms of its target customers, products and services as well as from a procedural and settlement point of view.

Business with private clients and regional small and medium-sized enterprises (SMEs) is the first core pillar of OLB’s business operations. This has formed the ***Private & Business Customers*** strategic business segment. OLB offers these clients competent advisory and support services based on personal and trusting contact via its centrally managed network of branches and its Advisory Centre Oldenburg (CDS). At the same time, customers are also able to directly access products that meet their needs and up-to-date services via online and mobile banking. OLB thus combines a branch presence in its Weser-Ems core business area with the offering of a digital bank active throughout Germany, together with distribution partners and brokerage business. The Bank's offering concentrates on current accounts and credit cards, online banking and mobile banking (via its OLB banking app), instalment loans, private construction financing and private investments. In addition, the Bank offers insurance brokering and assistance with private real estate purchases and sales. The Bank operates under the Bankhaus Neelmeyer brand in the area of Private Banking and Wealth Management.

The second pillar of the Bank's business model is the larger-volume corporate business segment, including Football Finance, as well as Acquisition Finance, including Fund Finance, International Diversified Lending and Commercial Real Estate Finance. The Bank's offering in these subsegments is characterised by an individually tailored profile, larger individual transactions and the commitment of an increased volume of resources to advisory processes and servicing. However, on the other hand this enables higher margins. This business segment is supplemented by Wind Power Finance. The Bank's activities which fall under the scope of its manufactory business have been combined in its ***Corporates & Diversified Lending*** strategic business segment.

The business operations of ***Degussa Bank AG*** from the time the transaction was closed until legal merger, i. e. from 1 May 2024 to 31 August 2024, and the business operations concluding the legal merger until year end 2024 were managed and reported as a separate segment.

Personnel and non-personnel expenses resulting from central operational, management and administrative functions are presented as part of OLB's ***Corporate Center***. Back office and settlement services are provided centrally for the strategic business segments in the operating units. The management and administrative units are responsible for steering the Bank. The costs incurred by central units for the performance of services within the scope of business operations are apportioned to the strategic business segments on the basis of the source of these costs. In addition, any items which do not belong else-where – in particular, those arising from the Bank's asset / liability management, earnings from affiliated companies, investment securities and reconciling items – are also presented within the scope of OLB's Corporate Center. The Corporate Center is not a business segment.

OLB primarily assesses the financial success of its segments for which reporting is required and of its other units on the basis of its operating result (i. e. before risk provisions). Its operating result is the balance of income and expenses from core business operations which can be allocated to the segment or unit in question. The result after taxes is another key indicator.

Net interest income is broken down into its profit components per customer based on the market interest method and allocated to the segments per customer. Net commission income and other operating income are also allocated to the segments based on customer classification.

Operating expenses comprise direct costs allocated to the segments as well as the costs of central units which arise through the performance of services within the scope of business operations. Personnel and non-personnel costs of the sales units are considered direct costs and are allocated directly to the segment without allocation. Costs for the support units for the front office and directly attributable costs for the back office are considered to be almost direct costs if they have a close operational connection to the sales units and are allocated directly on the basis of keys. Costs allocated to the back office and general costs for staff functions, as well as all regulatory costs, are allocated based on expert judgment. The keys for cost allocation are reviewed and adjusted annually as part of the planning process.

Income taxes were allocated to the segments based on the Group's imputed rate of 31% to generate the segments' profit after taxes.

Risk capital is assigned on the basis of the allocation of risk-weighted assets to the segments. Market price risk, operational risks and currently free capital shares are allocated to the Corporate Center unit.

(13) Tangible fixed assets

Land and buildings and operating and business equipment are reported at amortised cost. Subsequent costs will be capitalised if they increase the economic benefit of the relevant assets. Repairs, servicing and other maintenance costs will be registered as expense in the period in question. Tangible fixed assets are depreciated on a straight-line basis over the following periods, in line with their expected economic lives:

- Buildings 25 to 50 years
- Operating and business equipment 3 to 13 years
- Right-of-use assets 1 to 15 years

The depreciation expense is reported under depreciation, amortisation and impairments of intangible and tangible fixed assets. Gains or losses resulting from the sale of tangible fixed assets or owner-occupied land and buildings are reported under other income or other expenses.

To a very limited extent, property, plant and equipment were reclassified to the balance sheet item non-current assets held for sale because buildings and, in some cases, operating and business equipment from assets no longer required for operations are to be sold. Expected realisation gains from this were not recognised in total comprehensive income. These items of property, plant and equipment were not allocated to a business segment, but to the Corporate Center.

(14) Intangible assets

Intangible assets are reported at cost upon initial recognition. They are subsequently measured at amortised cost, i. e. less any accumulated amortisation over the expected useful life as well as write-offs. OLB reports acquired software and an acquired domain name under this item.

In principle, host applications are amortised on a straight-line basis over a period of seven years and client-server applications on a straight-line basis over a period of five years. The amortisation period of the rights of use (software) is between 3 and 5 years. The amortisation expense is reported under depreciation, amortisation and impairments of intangible and tangible fixed assets.

The costs for servicing of software programs are recognised through profit or loss upon accrual.

(15) Leasing

The OLB Group has various leasing arrangements under which the OLB Group is the lessee. Pursuant to IFRS 16, a right-of-use asset for the leased asset and a corresponding leasing liability must be recognised for these leases. These right-of-use assets are reported – under the cost model – as tangible fixed assets as part of the fixed assets and as intangible assets (see notes (38) and (39)) and are depreciated on a straight-line basis over the useful life of the lease. The depreciation amounts are reported in depreciation, amortisation and impairments of intangible and tangible fixed assets. The leasing liabilities are carried in the amount of the present value of the future lease payments discounted at OLB's marginal borrowing rate (i. e. the refinancing rate used in internal management) and reported in the other liabilities item (see note (52)). The leasing liability is subsequently measured using the effective interest method.

The OLB Group does not use its option of excluding short-term leases with terms of less than 1 year and leases with a low value from this accounting treatment.

(16) Provisions

Provisions are established according to IAS 37 where the Group has existing legal or constructive obligations resulting from past transactions or events. For these provisions, it is probable that an outflow of resources with an economic benefit is necessary in order to fulfil this obligation and that a reliable estimate can be made of the amount of this obligation. Provisions are subject to an annual review and are newly determined.

(17) Retirement benefit obligations

Most of OLB's employees are enrolled in a company pension scheme. When the benefits fall due, they are paid out in the form of an old-age pension, a survivors' pension, a work incapacity pension or, where applicable, a capital payment.

Pension plans are generally funded through payments made by OLB. There are also arrangements for employees to make their own contributions.

For the actuarial calculation of the present value of pension entitlements earned, net pension expense and, where applicable, additional expenses due to changes to defined benefit pension plans, independent qualified actuaries calculate the pension obligations annually according to the projected unit credit method. This entails an accrued benefit method pro-rated on service.

The pension obligation is reported at the present value of the pension entitlements earned as of the measurement date. An interest rate corresponding to current market conditions (for high-grade fixed-interest industrial bonds with matching maturities) is applied and assumed wage and salary increases, pension trends and expected income from the plan assets are taken into consideration. Actuarial gains and losses – resulting from experience adjustments, adjustments to actuarial assumptions and plan changes – are recognised in cumulative other comprehensive income. Pension expenses are recognised in "current expenses" as post-employment benefit costs.

A portion of the company pension scheme for employees comprises benefit entitlements due to indirect benefit obligations. To fund these entitlements, defined contributions are made – with the participation of the employees – to external pension funds, including Versicherungsverein des Bankgewerbes a.G., Berlin. The contributions made to these external pension funds are recognised as current expenses and reported in the "current expenses" item as post-employment benefit costs.

In 2024 the acquisition of Degussa Bank AG and legal migration was completed. The company pension schemes of the Degussa Bank employees are unchanged and now funded through payments by Oldenburgische Landesbank AG.

(18) Additional disclosure to the cash flow statement

The cash flow statement presents the change in the OLB Group's cash and cash equivalents due to cash flows from operating activities, investing activities and financing activities. Cash flows from operating activities are derived from the Group's net profit for the financial year by means of the indirect method. Cash flows from investing activities which are presented according to the direct method mainly comprise proceeds from the disposal of, and payments to acquire, financial assets of the non-trading portfolio and tangible fixed assets. Financing activities – which are likewise presented according to the direct method – reflect all of the cash flows resulting from transactions involving equity as well as subordinated capital and profit participation capital. All other cash flows are allocated to operating activities, in line with international practice for banks. Cash and cash equivalents comprise cash in hand and balances with central banks.

Notes to the statement of profit and loss and segment reporting

(19) Net interest income

Interest income and interest expense are recognised on an accrual basis. Interest income resulting from application of the effective interest method comprises:

- calculated positive interest income from receivables and securities;
- amortised loan processing fees which form part of the effective interest rate; and
- premiums and discounts for financial assets in the AC and FVOCI measurement categories.

Interest income also includes current income, such as dividends from shares, dividends from shares in affiliated companies and investment securities. Dividends are recognised in profit or loss as of the date of the dividend entitlement arising with legal effect.

Negative interest from receivables and securities, positive and negative interest from derivatives, current income from affiliated companies, income from profit pooling, profit transfer or partial transfer agreements are shown under other interest income.

Interest income and expenses from repo and reverse repo transactions are likewise recognised on an accrual basis and reported in net interest income.

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Interest income accounted for using the effective interest method	**1,118.9**	**879.4**
Interest income from lending transactions accounted for using the effective interest method	1,053.5	823.8
Interest income from securities business accounted for using the effective interest method	65.4	55.5
Interest income not accounted for using the effective interest method	**240.4**	**105.5**
Negative interest from financial assets	- 0.1	- 1.3
Current income from shares and other non-fixed income securities	—	0.0
Current income from investment securities and non-consolidated affiliated companies	0.1	0.0
Other interest income	240.5	106.7
Total interest income	**1,359.3**	**984.9**
Interest expenses from liabilities to banks	- 116.0	- 116.0
Interest expenses from liabilities to customers	- 407.2	- 224.1
Interest expenses from securitised liabilities	- 54.5	- 33.7
Interest expenses from subordinated debt	- 32.2	- 5.4
Other interest expenses	- 151.1	- 96.5
Positive interest from financial liabilities	0.3	0.2
Total interest expenses	**- 760.7**	**- 475.4**
Net interest income	**598.6**	**509.4**

(20) Net commission income

Income and expenses from the utilisation of services are recognised in this item. OLB applies IFRS 15 which establishes a five-step model governing revenue recognition. The five-step model requires the bank to (i) identify the contract with the customer, (ii) identify each of the separate performance obligations included in the contract, (iii) determine the amount of consideration in the contract, (iv) allocate the consideration to each of the identified separate performance obligations and (v) recognise revenue as each performance obligation is satisfied. One-off fees received which do not form part of the effective interest rate are recognised in commission income as of the date of fulfilment of the separate performance obligation. Income for services provided over a period of time is recognised on the balance sheet date according to the degree of fulfilment. For further details regarding the nature of the services provided pleas refer to note (12).

The breakdown of commissions by type of services based on IFRS 15 is as follows:

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Account fees et al.	**31.2**	**29.0**
Income	46.6	37.2
Expense	- 15.4	- 8.2
Securities business and asset management	**50.0**	**35.5**
Income	94.0	67.0
Expense	- 43.9	- 31.5
Private real estate, house-saving and insurance business	**9.1**	**9.7**
Income	11.3	11.2
Expense	- 2.2	- 1.6
Loan business fees	**40.6**	**43.9**
Income	48.8	48.5
Expense	- 8.1	- 4.6
Others	**2.2**	**2.6**
Income	3.6	3.2
Expense	- 1.4	- 0.6
Total net commission income	**133.3**	**120.6**
Income	204.3	167.1
Expense	- 71.0	- 46.5

(21) Trading result

The trading result comprises all realised and unrealised gains and losses from OLB's trading portfolio assets and liabilities. The trading result also includes commissions and any income from interest rate derivatives from customer business resulting from trading activities (see also note (66)).

Trade-related commissions comprise the Bank's stock market settlement expenses and margins earned in foreign exchange and precious metals business.

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Trading in interest rate products	4.4	10.2
Foreign exchange and precious metal business	4.5	10.0
Others	- 0.0	- 0.0
Current trading result	**8.8**	**20.1**

(22) Result from hedging relationships

The changes in value for the underlying transactions in relation to the hedged risk (EUR swap curve) and the changes in value for the hedging instruments (EUR interest rate swaps) are shown in the result from hedging relationships. This item includes the changes in value for the micro fair value hedges and likewise the portfolio fair value hedges. The effects of the amortisation of carrying amount adjustments made for previous underlying transactions are not reported here. Instead, they are reported in net interest income. This also applies for ongoing interest payments for underlying transactions and hedging transactions.

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Result from micro hedges	- 2.9	- 6.6
Result from portfolio hedges	1.9	- 16.2
Result from hedging relationships	**- 1.0**	**- 22.9**

Within the scope of the establishment of micro hedges shown in the balance sheet according to the fair value hedge accounting rules, interest rate swaps used for management of the interest exposure book were subject to fair value changes in the amount of EUR - 37.9 million (2023: EUR - 118.5 million). Overall, fair value changes in the amount of EUR 35.0 million (2023: EUR 111.9 million) arose for corresponding receivables from and liabilities to customers and for financial assets of the non-trading portfolio.

Within the scope of the establishment of the portfolio hedging relationship shown in the balance sheet according to the fair value hedge accounting rules, interest rate swaps used for management of the interest exposure book were subject to fair value changes in the amount of EUR –76.4 million (2023: EUR –172.4 million). Overall, fair value changes in the amount of EUR 78.3 million (2023: EUR 156.2 million) arose for corresponding receivables from and liabilities to customers and for financial assets of the non-trading portfolio.

The net effect (hedge ineffectiveness) of the micro hedges and the portfolio hedge, at a total amount of EUR –1.0 million (2023: EUR –22.8 million) is the net result on hedge accounting.

(23) Other income

EUR m	1/1 – 31/12/2024	1/1 – 31/12/2023
Payments for compensation of disadvantages	—	10.0
Result from sale of owner-occupied land and buildings	3.0	6.8
Further other income	2.8	2.2
Other income	**5.8**	**19.0**

The other income from 2024 includes income of EUR 3.0 million from the sale of tangible fixed assets (previous years: EUR 6.8 million).

(24) Current expenses

EUR m	1/1 – 31/12/2024	1/1 – 31/12/2023
Wages and salaries	- 147.7	- 115.2
Social contributions	- 20.9	- 16.6
Expenses fo retirement benefits and support	- 9.6	- 8.3
Total current personnel expenses	**- 178.1**	**- 140.1**
IT expenses	- 39.5	- 22.6
Room costs	- 5.9	- 6.5
Information costs	- 8.7	- 6.4
Insurances	- 3.0	- 2.2
Advertising and representation expenses	- 6.7	- 4.3
Audit and association costs	- 6.9	- 6.3
Other services	- 17.8	- 20.7
Consulting and legal costs	- 42.9	- 27.4
Capital market costs	- 2.3	- 3.0
Digital Banking	- 1.7	- 1.8
Other administrative expenses	- 0.2	1.3
Non-personnel expenses	**- 135.6**	**- 99.9**
Depreciation / amortisation of IFRS 16 right-of-use assets	- 14.1	- 11.8
Depreciation of IAS 16 assets	- 7.6	- 7.4
Amortisation of IAS 38 intangible assets	- 5.0	- 3.6
Write-offs	—	—
Depreciation, amortisation and impairments of intangible and tangible fixed assets	**- 26.8**	**- 22.9**
Other expenses	- 2.1	- 0.2
Expenses from bank levies and deposit protection	- 6.0	- 12.2
Current expenses	**- 348.5**	**- 275.3**

(25) Risk provisions in the lending business

The change in risk provisions – recognised in profit or loss or other comprehensive income (OCI) – for receivables from banks and receivables from customers for which risk provisions are required and for financial assets of the non-trading portfolio and off-balance-sheet lending business (irrevocable loan commitments, financial guarantees) is reported in risk provision expense. Risk provision expense consists of the following:

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Receivables from banks measured at AC		
Non-significant increase in credit risk since initial recognition (Stage 1 / 12-month ECL)	- 0.0	- 0.0
Significant increase in credit risk since initial recognition (Stage 2 / lifetime ECL)	- 0.0	0.0
Result from changes in the risk provisions of receivables from banks measured at AC	**- 0.0**	**- 0.0**
Receivables from customers		
Non-significant increase in credit risk since initial recognition (Stage 1 / 12-month ECL)	3.4	4.4
thereof measured at AC	3.4	4.4
thereof measured at FVOCI	—	—
Significant increase in credit risk since initial recognition (Stage 2 / lifetime ECL)	- 8.1	- 3.1
thereof measured at AC	- 8.1	- 3.1
Credit-impaired assets (Stage 3 / lifetime ECL)	- 64.2	- 46.3
thereof measured at AC	- 64.2	- 46.3
Purchased or originated credit impaired (POCI)	—	—
thereof measured at AC	—	—
Result from changes in the risk provisions of receivables from customers	**- 68.9**	**- 44.9**
Financial assets of the non-trading portfolio measured at FVOCI		
Non-significant increase in credit risk since initial recognition (Stage 1 / 12-month ECL)	- 0.1	0.4
Significant increase in credit risk since initial recognition (Stage 2 / lifetime ECL)	—	—
Credit-impaired assets (Stage 3 / lifetime ECL)	—	—
Result from changes in the risk provisions of financial assets of the non-trading portfolio measured at FVOCI	**- 0.1**	**0.4**
Off-balance- sheet business		
Non-significant increase in credit risk since initial recognition – banks (Stage 1 / 12-month ECL)	- 0.0	0.0
Significant increase in credit risk since initial recognition – banks (Stage 2 / lifetime ECL)	—	0.1
Non-significant increase in credit risk since initial recognition – customers (Stage 1 / 12-month ECL)	2.2	1.3
Significant increase in credit risk since initial recognition – customers (Stage 2 / lifetime ECL)	- 0.1	1.6
Credit-impaired assets – customers (Stage 3 / lifetime ECL)	1.9	- 0.3
Result from changes in provisions in credit business	**4.0**	**2.7**

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
+ Direct write-offs	- 9.2	- 4.5
– Recoveries on receivables written off	3.1	5.8
Result from other changes in risk provision	**- 6.1**	**1.2**
Total risk provisions	**- 71.2**	**- 40.6**

(26) Result from restructuring

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Additions to the restructuring provisions	- 3.0	- 0.3
Reversal of the restructuring provisions	1.6	7.6
Restructuring expenses not eligible for provision and other effects	- 0.9	- 0.1
Result from restructuring	**- 2.3**	**7.1**

With the acquisition and merger of Degussa Bank in 2024 restructuring charges were due for the decommissioning of buildings and operating and business equipment (mainly software). Restructuring provisions for personnel of Degussa Bank before the date of acquisition were not included in this result, since they were recognised prior to the acquisition date and were included in the purchase price allocation and reflected in the gain from a bargain purchase of the transaction.

See also note (10).

(27) Result from non-trading portfolio

The result from financial assets of the non-trading portfolio comprises net disposal and measurement gains on securities held as financial assets of the non-trading portfolio as well as investment securities and shares in subsidiaries which are not included in the basis of consolidation.

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Result from financial assets of the non-trading portfolio measured at FVOCI	- 2.4	- 9.5
Result from financial assets of the non-trading portfolio measured at FVPL	- 1.2	7.7
Result from non-trading portfolio (non-operative)	45.1	—
Result from non-trading portfolio	**41.5**	**- 1.8**

The result from non-trading portfolio (non-operative) represents the gain from a bargain purchase related to the acquisition of Degussa Bank (see note 4).

(28) Income taxes

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Actual taxes (current year)	- 93.3	- 96.7
Actual taxes (previous years)	- 1.7	- 0.8
Actual taxes (sum)	**- 95.0**	**- 97.4**
Deferred taxes (current year)	1.5	- 8.1
Deferred taxes (previous years)	- 1.1	0.5
Deferred taxes (sum)	**0.4**	**- 7.6**
Income tax	**- 94.6**	**- 105.0**

Please see notes (55) ff. for further details.

(29) Segment reporting

Please see the accounting policies explained in note (12) for details of the basis and methods for the segment reporting.

The following tables show the results of segment reporting in terms of the structure of the segments which were actually managed in financial years 2023 and 2024:

EUR m	Private & Business Customers	Corporates & Diversified Lending	Degussa Bank	Corporate Center	OLB Group
1/1 - 31/12/2024					
Net interest income	233.5	279.9	46.4	38.9	598.6
Net commission income	78.9	48.5	8.3	- 2.5	133.3
Other operating income*	5.7	12.9	0.2	- 5.2	13.6
Result from non-trading portfolio**	—	—	- 0.1	- 3.5	- 3.6
Operating income	**318.1**	**341.3**	**54.7**	**27.8**	**741.8**
Operating expenses* **	**- 161.4**	**- 74.3**	**- 42.0**	**- 64.9**	**- 342.6**
Operating result	**156.7**	**267.0**	**12.7**	**- 37.1**	**399.3**
Expenses from bank levy and deposit protection	- 2.6	- 2.8	- 0.5	0.0	- 6.0
Risk provisioning in the lending business	- 13.1	- 42.1	- 16.9	1.0	- 71.1
Result from restructurings	—	—	- 3.1	0.8	- 2.3
Result from non-trading portfolio** (non operative)	—	—	—	45.1	45.1
Result before taxes	**141.0**	**222.1**	**- 7.8**	**9.7**	**365.0**
Income tax	- 43.7	- 68.9	2.4	15.5	- 94.6
Result after taxes (profit)	**97.3**	**153.3**	**- 5.4**	**25.2**	**270.4**
Cost-income ratio (CIR)	**50.7**	**21.8**	**76.8**	**n. a.**	**46.2**
Return on equity post tax in %	**25.1**	**16.5**	**- 8.2**	**n. a.**	**17.1**

EUR m	Private & Business Customers	Corporates & Diversified Lending	Degussa Bank	Corporate Center	OLB Group
1/1 - 31/12/2023					
Net interest income	258.1	271.8	—	- 20.4	509.4
Net commission income	76.2	48.2	—	- 3.7	120.6
Other operating income*	2.8	10.7	—	2.8	16.3
Result from non-trading portfolio**	—	—	—	- 1.8	- 1.8
Operating income	**337.1**	**330.6**	**—**	**- 23.1**	**644.6**
Operating expenses* **	**- 151.7**	**- 63.2**	**—**	**- 48.2**	**- 263.1**
Operating result	**185.3**	**267.5**	**—**	**- 71.3**	**381.5**
Expenses from bank levy and deposit protection	- 6.3	- 5.9	—	—	- 12.2
Risk provisioning in the lending business	- 13.4	- 29.6	—	2.1	- 41.0
Result from restructurings	—	—	—	7.1	7.1
Result before taxes	**165.5**	**231.9**	**—**	**- 62.1**	**335.4**
Income tax	- 51.3	- 71.9	—	18.2	- 105.0
Result after taxes (profit)	**114.2**	**160.0**	**—**	**- 43.9**	**230.4**
Cost-income ratio (CIR)	**45.0**	**19.1**	**n. a.**	**n. a.**	**40.8**
Return on equity post tax in %	**32.3**	**18.8**	**n. a.**	**n. a.**	**15.8**

** Comprising trading result, result from hedging relationships and other income*

*** Including results from derecognition of financial instruments AC*

****Comprising personnel expenses, non-personnel expenses, depreciation, amortisation and impairments of intangible and tangible fixed assets and other expenses*

The business operations of Degussa Bank AG from the time the transaction was closed until legal merger, i. e. from 1 May 2024 to 31 August 2024, and the business operations concluding the legal merger until year end 2024 were managed and reported as a separate segment.

With regard to the allocation of results to geographical regions, OLB is guided by the location of the branches. Since the Bank has no branches or subsidiaries abroad, all results are allocated to Germany.

Return on equity (post tax)

Adjustments were made for calculation on the OLB Group level only and not for the segments. The calculation of this key performance indicator was changed in these financial statements. For this reason, the new and old (reported prior years) methods are shown her.

EUR m	31/12/2024 new method	31/12/2024 old method	31/12/2023 new method	31/12/2023 reported	31/12/2022 new method	31/12/2022 reported
Equity	1,865.3	1,865.3	1,681.0	1,681.0	1,517.4	1,517.4
./. Additional equity components AT1	- 148.8	- 148.8	- 99.2	- 99.2	- 124.2	- 124.2
+ Payment on additional equity components	—	6.0	—	6.0	—	—
- Prior year dividend still to be distributed in current reporting year	—	—	—	—	—	—
- Current year dividend proposed to be distributed in next reporting year	- 130.3	—	- 100.3	—	- 30.2	—
= Shareholder's equity	1,586.2	1,722.5	1,481.5	1,587.8	1,363.0	1,393.2
Ø Shareholder's equity	**1,533.9**	**1,655.1**	**1,422.3**	**1,490.5**		

EUR m	1/1 - 31/12/2024 new method	1/1 - 31/12/2024 old method	1/1 - 31/12/2023 new method	1/1 - 31/12/2023 reported
Result after taxes (profit)	270.4	270.4	230.4	230.4
./. Interest expenses additional equity components AT1	- 7.8	- 5.4	- 6.0	- 4.1
Result after taxes (profit) ./. Interest expenses additional equity components	262.5	265.0	224.4	226.2
Ø Shareholder's equity	1,533.9	1,655.1	1,422.3	1,490.5
Return on equity post tax in %	**17.1%**	**16.0%**	**15.8%**	**15.2%**

(30) Basic and diluted earnings per share

To determine the basic and diluted earnings per share, the profit is divided by the average weighted number of shares in circulation during the financial year.

	1/1 - 31/12/2024	1/1 - 31/12/2023
Profit (million euros)	270.4	230.4
Average number of shares in circulation (million shares)	49.9	49.4
Basic earnings per share (euros)	**5.42**	**4.66**
Average diluted number of shares in circulation (million shares)	56.5	56.8
Diluted earnings per share (euros)	**4.79**	**4.05**

The dilution affects result from the conversion rights of some subordinated financial instruments.

Notes to the balance sheet – assets

(31) Cash reserve

The cash reserve includes cash in hand as well as balances with central banks due daily which are reported at their nominal value.

EUR m	31/12/2024	31/12/2023
Cash in hand	42.4	36.2
Balances with central banks	315.2	41.5
thereof eligible for refinancing with the Deutsche Bundesbank	315.2	41.5
Cash reserve	**357.6**	**77.7**

(32) Trading portfolio assets

Trading portfolio assets comprise holdings resulting from customer business involving foreign exchange and interest-rate hedging instruments.

Positive fair values from derivative financial instruments are reported under trading portfolio assets, except where these derivatives are included in the hedge accounting in accordance with IFRS.

Fair values of hedging derivatives which are used for the purpose of internal risk management but which are not eligible for the hedge accounting are also reported here:

EUR m	31/12/2024	31/12/2023
Positive fair values of interest rate derivatives, unless included in hedge accounting	169.2	113.4
Positive fair values of currency derivatives	38.3	35.0
Non-derivative trading assets measured at FVPL	0.4	0.3
Credit value adjustment (CVA) for derivative financial instruments	- 1.0	- 3.6
IAS 32 off-setting amount	- 129.3	- 69.0
Trading portfolio assets	**77.6**	**76.1**

(33) Positive fair values of derivative hedging instruments

As of the end of the year, interest rate swaps with a nominal volume of EUR 7,155.8 million (2023: EUR 7,127.0 million) were designated as hedging instruments within the scope of the micro fair value hedge accounting. In addition, interest rate swaps with a nominal volume of EUR 5,696.0 million (2023: EUR 3,006.0 million) were designated as hedging instruments in the portfolio fair value hedge accounting. Please see note (66) for further disclosures on hedge accounting.

(34) Receivables from banks

EUR m	31/12/2024	31/12/2023
Receivables from banks (gross carrying amount)	1,120.1	548.8
less risk provision	- 0.1	- 0.0
Receivables from banks	**1,120.1**	**548.8**
thereof receivables from banks measured at AC	1,120.1	548.8

The risk provision made on gross receivables from banks amounted to EUR 0.1 million.

(35) Receivables from customers

EUR m	31/12/2024	31/12/2023
Private & Business Customers	10,538.3	10,269.6
Corporates & Diversified Lending	10,479.0	9,823.4
Degussa Bank	4,701.0	—
Corporate Center	- 38.8	- 171.3
less risk provision	- 238.5	- 197.2
Receivables from customers	**25,441.0**	**19,724.6**
thereof receivables from customers measured at AC	25,441.0	19,724.6
thereof receivables from customers measured at FVOCI	—	—

The risk provision for credit losses recognised on gross receivables amounted to EUR 238.5 million (2023: EUR 197.2 million).

The following table shows the split of receivables from customers by industry type:

EUR m	31/12/2024	31/12/2023
Activities of households as employers and goods- and services-producing activities of households for own use	10,678.7	7,302.4
Financial and insurance activities	3,810.2	2,239.4
Real estate activities	2,392.6	1,954.0
Manufacturing	1,832.2	1,841.9
Wholesale and retail trade, repair of motor vehicles and motorcycles	990.2	1,056.4
Administrative and support service activities	969.6	928.8
Electricity, gas, steam and air conditioning supply	753.1	837.5
Arts, entertainment and recreation	1,028.9	821.0
Professional, scientific and technical activities	830.7	820.8
Agriculture, forestry and fishing	524.9	589.8
Transport and storage	482.2	452.6
Information and communication	536.3	348.3
Human health services and social work activities	256.8	252.4
Construction	219.2	177.6
Accommodation and food service activities	100.0	102.5
Other service activities	129.8	75.2
Water supply, sewerage, waste management and remediation activities	33.6	40.1
Public administration and defense, compulsory social security	51.1	34.0
Education	42.1	27.4
Mining and quarrying	17.3	19.6
Less risk provision	- 238.5	- 197.2
Total	**25,441.0**	**19,724.6**

Receivables from customers are secured with standard bank collateral, except in the case of non-recourse financing within the scope of specialised lending business in the Corporates & Diversified Lending segment. This collateral mainly comprises mortgages, contractual security agreements, securities accounts and other forms of cash collateralisation. Within the framework of the hedge accounting, positive adjusted fair value changes arising since the start of the hedging relationships in the amount of EUR 72.8 million (2023: EUR 194.3 million) were allocated to amortised costs.

Please see note (63) with regard to the receivables from customers which were transferred by way of collateral for the Bank's own liabilities.

(36) Financial assets of the non-trading portfolio

The Group's financial assets of the non-trading portfolio comprise bonds including other fixed-interest securities, shares including other non-fixed-interest securities, investment securities and shares in non-consolidated affiliated companies. Per end of 2024 the shares in affiliated companies related to two companies in which the OLB Group held a majority interest but which were not included in the consolidated financial statements due to their minor significance for the Group's net assets, financial position and results of operations.

Investment securities are shares in companies over which the Bank is unable to exercise a significant influence and which serve to establish a permanent relationship with the companies in question. Current income from bonds, including premiums or discounts accrued over the respective term, is reported in net interest income.

Dividend income from shares and income from shares in affiliated companies and investment securities have been included in the same item. The gains and losses realised as of the sale of these securities have been reported under result from financial assets of the non-trading portfolio.

Financial assets of the non-trading portfolio have the following breakdown:

EUR m	31/12/2024	31/12/2023
Bonds and other fixed-income securities	6,479.0	4,881.7
Financial assets of the non-trading portfolio classified at FVOCI	**6,479.0**	**4,881.7**
Shares	—	—
Investment securities	0.6	0.6
Shares in non-consolidated subsidiaries	0.1	0.1
Financial assets of the non-trading portfolio classified at FVPL	**0.7**	**0.7**
Financial assets of the non-trading portfolio	**6,479.7**	**4,882.4**

The following table shows the bonds and other fixed-income securities, broken down by their issuer and as well as their capital market readiness or stock exchange quotation:

EUR m	31/12/2024	31/12/2023
Bonds and debt instruments from public-sector issuers	2,269.5	1,530.3
Bonds and debt instruments from other issuers	4,209.5	3,351.3
Debt instruments and other fixed-income securities	**6,479.0**	**4,881.7**
thereof marketable securities	6,479.0	4,881.7
thereof listed	6,459.5	4,862.2

In 2024, bonds and other fixed-income securities with a volume of EUR 174.6 million (2023: EUR 214.2 million) will fall due.

The portfolio of debt instruments and other fixed-income securities of EUR 6.5 billion serves as a liquidity reserve.

At the balance sheet date in 2024 there were, as in the prior year, no shares and other non-fixed income securities.

EUR m	31/12/2024	31/12/2023
Shares	—	—
Other	—	—
Shares and other non-fixed-income securities	**—**	**—**
thereof marketable securities	—	—
thereof listed	—	—

OLB transfers bonds to third parties within the scope of repo transactions, pledging of securities and open-market transactions. The Bank retains the interest rate and counterparty risks for these bonds. The Bank reports these bonds in financial assets of the non-trading portfolio at a fair value of EUR 2,409.3 million (2023: EUR 1,307.8 million). The related liabilities for the repo transactions amount to EUR 2,740.1 million (2023: EUR 2,560.3 million). These liabilities for the repo transactions are reported in liabilities to banks.

As of 31 December 2024, shares in non-consolidated affiliated companies include the amounts recognised for the non-consolidated wholly owned subsidiaries OLB-Service Gesellschaft mbH, Oldenburg, in the amount of EUR 0.026 million (2023: EUR 0.026 million) and QuantFS, Hamburg, in the amount of EUR 0.110 million (2023: EUR 0.110 million).

(37) Risk provision

Default risks in lending and securities business are taken into account by establishing risk provisions. The following risk provisions have been established:

EUR m	31/12/2024	31/12/2023
Risk provision for lending business		
Risk provision for receivables from banks	0.1	0.0
Risk provision for receivables from customers	247.6	197.2
Risk provision for off-balance-sheet obligations to customers	13.2	17.2
Risk provision for off-balance-sheet obligations to banks	0.0	0.0
Risk provision for financial assets of the non-trading portfolio	0.4	0.2
Total	**261.2**	**214.6**

Risk provision for financial assets measured at AC as of 31/12/2024:

	Receivables from banks					Receivables from customers				
EUR m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 31/12/2023	**0.0**	**0.0**	**—**	**—**	**0.0**	**35.3**	**42.8**	**119.1**	**—**	**197.2**
Changes in balance from transfer between stages										
from Stage 1										
to Stage 2	—	—	—	—	—	- 5.6	19.7	—	—	14.1
to Stage 3	—	—	—	—	—	- 1.3	—	26.5	—	25.2
from Stage 2										
to Stage 1	—	—	—	—	—	0.8	- 7.5	—	—	- 6.7
to Stage 3	—	—	—	—	—	—	- 4.0	33.7	—	29.7
from Stage 3										
to Stage 1	—	—	—	—	—	0.0	—	- 0.8	—	- 0.8
to Stage 2	—	—	—	—	—	—	0.3	- 1.0	—	- 0.7
Disposal	- 0.0	- 0.0	—	—	- 0.0	- 4.6	- 3.3	- 15.7	- 5.0	- 28.6
Additions	0.0	—	—	—	0.0	13.1	7.0	20.0	13.3	53.3
Changes in parameters	0.0	0.0	—	—	0.0	- 5.7	- 4.0	1.4	0.7	- 7.6
Utilisation	—	—	—	—	—	—	—	- 27.5	—	- 27.5
Balance as of 31/12/2024	**0.0**	**0.0**	**—**	**—**	**0.1**	**32.0**	**50.9**	**155.6**	**9.1**	**247.6**

Risk provision for off-balance-sheet obligations as of 31/12/2024:

	Off-balance-sheet obligations to banks					Off-balance-sheet obligations to customers				
EUR m	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Balance as of 31/12/2023	**0.0**	**—**	**—**	**—**	**0.0**	**5.8**	**2.8**	**8.6**	**—**	**17.2**
Changes in balance from transfer between stages										
from Stage 1										
to Stage 2	—	—	—	—	—	- 0.8	1.1	—	—	0.3
to Stage 3	—	—	—	—	—	- 0.1	—	0.6	—	0.5
from Stage 2										
to Stage 1	—	—	—	—	—	0.1	- 0.7	—	—	- 0.6
to Stage 3	—	—	—	—	—	—	- 0.2	0.7	—	0.6
from Stage 3										
to Stage 1	—	—	—	—	—	0.0	—	- 0.2	—	- 0.2
to Stage 2	—	—	—	—	—	—	0.0	- 0.0	—	- 0.0
Disposal	- 0.0	—			- 0.0	- 1.2	- 0.5	- 2.1	- 0.0	- 3.8
Additions	0.0	—	—	—	0.0	2.1	1.0	0.0	0.0	3.2
Changes in parameters	0.0	—	—	—	0.0	- 2.4	- 0.7	- 0.9	- 0.0	- 4.0
Utilisation	—	—	—	—	—	—	—	—	—	—
Balance as of 31/12/2024	**0.0**	**—**	**—**	**—**	**0.0**	**3.6**	**2.9**	**6.7**	**—**	**13.2**

See also note (69).

Risk provision for financial assets measured at FVOCI as of 31/12/2024:

	Financial assets of the non-trading portfolio				
EUR m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 31/12/2023	**0.2**	**- 0.0**	**—**	**—**	**0.2**
Changes in balance from transfer between stages					
from Stage 1					
to Stage 2	- 0.0	0.0	—	—	0.0
to Stage 3	—	—	—	—	—
from Stage 2					
to Stage 1	—	—	—	—	—
to Stage 3	—	—	—	—	—
from Stage 3					
to Stage 1	—	—	—	—	—
to Stage 2	—	—	—	—	—
Disposal	- 0.1	—	—	—	- 0.1
Additions	0.2	—	—	—	0.2
Changes in parameters	- 0.1	—	—	—	- 0.1
Utilisation	—	—	—	—	—
Balance as of 31/12/2024	**0.3**	**0.0**	**—**	**—**	**0.4**

Change in gross carrying amounts of financial assets measured at AC for which a risk provision was recognised as of 31/12/2024:

	Receivables from banks					Receivables from customers				
EUR m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 31/12/2023	**547.8**	**1.0**	**—**	**—**	**548.8**	**18,439.6**	**1,180.3**	**301.8**	**—**	**19,921.7**
Changes in balance from transfer between stages										
from Stage 1										
to Stage 2	—	—	—	—	—	- 812.1	761.9	—	—	- 50.2
to Stage 3	—	—	—	—	—	- 102.5	—	121.5	—	19.0
from Stage 2										
to Stage 1	—	—	—	—	—	333.1	- 350.2	—	—	- 17.2
to Stage 3	—	—	—	—	—	—	- 68.3	61.0	—	- 7.3
from Stage 3										
to Stage 1	—	—	—	—	—	6.1	—	- 6.4	—	- 0.3
to Stage 2	—	—	—	—	—	—	4.2	- 4.5	—	- 0.3
Disposal	- 217.7	- 1.0	—	—	- 218.6	- 2,250.0	- 158.9	- 40.5	- 1.7	- 2,449.3
Additions	193.7	—	—	—	193.7	8,536.1	330.9	99.3	10.8	8,966.3
Changes in parameters*	596.2	0.0	—	—	596.3	- 620.5	- 38.1	- 25.0	- 0.9	- 683.5
Utilisation	—	—	—	—	—	—	—	- 27.5	—	- 27.5
Balance as of 31/12/2024	**1,120.1**	**0.0**	**—**	**—**	**1,120.1**	**23,529.9**	**1,661.9**	**479.6**	**8.1**	**25,679.5**

** The "Change in gross carrying amounts" tables show the corresponding gross receivables for the risk provisions presented above. The line "Changes in parameters" therefore shows the change in the credit volume of contracts that existed both at the beginning and at the end of the period.*

Risk provision for financial assets measured at AC as of 31/12/2023:

	Receivables from banks					Receivables from customers				
EUR m	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Balance as of 31/12/2022	**0.0**	**0.0**	**—**	**—**	**0.0**	**39.8**	**39.7**	**105.5**	**—**	**184.9**
Changes in balance from transfer between stages										
from Stage 1										
to Stage 2	—	—	—	—	—	- 3.2	22.3	—	—	19.1
to Stage 3	—	—	—	—	—	- 0.9	—	24.4	—	23.5
from Stage 2										
to Stage 1	—	—	—	—	—	1.0	- 11.1	—	—	- 10.1
to Stage 3	—	—	—	—	—	—	- 4.8	10.7	—	5.9
from Stage 3										
to Stage 1	—	—	—	—	—	0.0	—	- 0.5	—	- 0.5
to Stage 2	—	—	—	—	—	—	0.3	- 2.4	—	- 2.0
Disposal	- 0.0	- 0.0	—	—	- 0.0	- 4.9	- 3.2	- 9.9	—	- 18.0
Additions	0.0	0.0	—	—	0.0	8.3	1.5	12.7	—	22.5
Changes in parameters*	0.0	0.0	—	—	0.0	- 4.8	- 2.0	9.8	—	3.0
Utilisation	—	—	—	—	—	—	—	- 31.3	—	- 31.3
Balance as of 31/12/2023	**0.0**	**0.0**	**—**	**—**	**0.0**	**35.3**	**42.8**	**119.1**	**—**	**197.2**

** The "Change in gross carrying amounts" tables show the corresponding gross receivables for the risk provisions presented above.*
The line "Changes in parameters" therefore shows the change in the credit volume of contracts that existed both at the beginning and at the end of the period.

Risk provision for off-balance-sheet obligations as of 31/12/2023:

	Off-balance-sheet obligations to banks					Off-balance-sheet obligations to customers				
EUR m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 31/12/2022	**0.0**	**0.1**	**—**	**—**	**0.1**	**7.0**	**4.5**	**8.3**	**—**	**19.8**
Changes in balance from transfer between stages										
from Stage 1										
to Stage 2	—	—	—	—	—	- 0.2	1.6	—	—	1.4
to Stage 3	—	—	—	—	—	- 0.0	—	0.7	—	0.7
from Stage 2										
to Stage 1	—	—	—	—	—	0.2	- 1.5	—	—	- 1.3
to Stage 3	—	—	—	—	—	—	- 0.3	0.1	—	- 0.1
from Stage 3										
to Stage 1	—	—	—	—	—	0.0	—	- 0.1	—	- 0.1
to Stage 2	—	—	—	—	—	—	0.0	- 0.1	—	- 0.1
Disposal	- 0.0	- 0.1	—	—	- 0.1	- 2.4	- 0.5	- 0.9	—	- 3.8
Additions	—	—	—	—	—	1.9	0.3	0.4	—	2.6
Changes in parameters	- 0.0	—	—	—	- 0.0	- 0.8	- 1.3	0.2	—	- 1.9
Utilisation	—	—	—	—	—	—	—	—	—	—
Balance as of 31/12/2023	**0.0**	**—**	**—**	**—**	**0.0**	**5.8**	**2.8**	**8.6**	**—**	**17.2**

See also note (69).

Risk provision for financial assets measured at FVOCI as of 31/12/2023:

	Financial assets of the non-trading portfolio				
EUR m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 31/12/2022	**0.2**	**0.5**	**—**	**—**	**0.6**
Changes in balance from transfer between stages					
from Stage 1					
to Stage 2	—	—	—	—	—
to Stage 3	—	—	—	—	—
from Stage 2					
to Stage 1	0.0	- 0.5	—	—	- 0.5
to Stage 3	—	—	—	—	—
from Stage 3					
to Stage 1	—	—	—	—	—
to Stage 2	—	—	—	—	—
Disposal	- 0.0	—	—	—	- 0.0
Additions	0.1	—	—	—	0.1
Changes in parameters	- 0.0	—	—	—	- 0.0
Utilisation	—	—	—	—	—
Balance as of 31/12/2023	**0.2**	**- 0.0**	**—**	**—**	**0.2**

Change in gross carrying amounts of financial assets measured at AC for which a risk provision was recognised as of 31/12/2023:

	Receivables from banks					Receivables from customers				
EUR m	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance as of 31/12/2022	**774.8**	**0.4**	**—**	**—**	**775.2**	**16,975.4**	**945.0**	**273.4**	**—**	**18,193.9**
Changes in balance from transfer between stages										
from Stage 1										
to Stage 2	—	—	—	—	—	- 593.0	595.4	—	—	2.3
to Stage 3	—	—	—	—	—	- 85.3	—	84.4	—	- 1.0
from Stage 2										
to Stage 1	—	—	—	—	—	271.3	- 286.4	—	—	- 15.0
to Stage 3	—	—	—	—	—	—	- 46.3	46.9	—	0.6
from Stage 3										
to Stage 1	—	—	—	—	—	5.3	—	- 5.5	—	- 0.2
to Stage 2	—	—	—	—	—	—	12.8	- 12.1	—	0.7
Disposal	- 712.8	- 0.4	—	—	- 713.2	- 1,568.9	- 77.4	- 53.1	—	- 1,699.4
Additions	459.6	1.0	—	—	460.6	3,953.2	60.0	16.7	—	4,029.9
Changes in parameters*	26.2	- 0.0	—	—	26.2	- 518.4	- 22.8	- 17.5	—	- 558.8
Utilisation	—	—	—	—	—	—	—	- 31.3	—	- 31.3
Balance as of 31/12/2023	**547.8**	**1.0**	**—**	**—**	**548.8**	**18,439.6**	**1,180.3**	**301.8**	**—**	**19,921.7**

** The "Change in gross carrying amounts" tables show the corresponding gross receivables for the risk provisions presented above.*
The line "Changes in parameters" therefore shows the change in the credit volume of contracts that existed both at the beginning and at the end of the period..

(38) Tangible fixed assets

EUR m	31/12/2024	31/12/2023
Land and buildings according to IAS 16	20.2	23.0
Land and buildings according to IFRS 16	20.9	13.2
Operating and business equipment according to IAS 16	17.0	16.4
Operating and business equipment according to IFRS 16	0.9	0.6
Total	**59.0**	**53.2**

Tangible fixed assets (excluding rights of use) developed as follows:

EUR m	1/1 - 31/12/2024		
	Land and buildings according to IAS 16	**Operating and business equipment according to IAS 16**	**Total**
Historical acquisition costs	117.3	108.2	225.4
Historical write-ups	—	—	—
Historical depreciation, amortisation, write-offs and impairments	- 94.3	- 91.7	- 186.0
31/12/2023	**23.0**	**16.4**	**39.4**
Additions of Degussa Bank at 1/5/2024	—	1.0	1.0
Additions measured at cost	—	5.5	5.5
Disposals measured at cost	- 7.2	- 17.3	- 24.5
Write-ups included in disposals for the year	—	—	—
Depreciation, amortisation and impairments included in disposals	6.2	17.1	23.3
Additions through reclassification	—	0.0	0.0
Disposals through reclassification		- 0.0	- 0.0
Changes in portfolio during the year	**- 1.0**	**6.4**	**5.4**
Write-ups during the year	—	—	—
Depreciation and amortisation during the year	- 1.9	- 5.7	- 7.6
Write-offs and impairments during the year	—	—	—
Changes in measurement during the year	**- 1.9**	**- 5.7**	**- 7.6**
31/12/2024	**20.2**	**17.0**	**37.2**

EUR m	1/1 - 31/12/2023 Land and buildings according to IAS 16	Operating and business equipment according to IAS 16	Total
Historical acquisition costs	124.2	103.4	227.5
Historical write-ups	—	—	—
Historical depreciation, amortisation, write-offs and impairments	- 98.6	- 86.8	- 185.4
31/12/2022	**25.5**	**16.5**	**42.1**
Additions measured at cost	—	4.9	4.9
Disposals measured at cost	- 6.9	- 0.5	- 7.4
Write-ups included in disposals for the year	—	—	—
Depreciation, amortisation and impairments included in disposals	6.3	0.5	6.9
Additions through reclassification	—	0.4	0.4
Disposals through reclassification	—	—	—
Changes in portfolio during the year	**- 0.5**	**5.3**	**4.8**
Write-ups during the year	—	—	—
Depreciation and amortisation during the year	- 2.0	- 5.4	- 7.4
Write-offs and impairments during the year	—	—	—
Changes in measurement during the year	**- 2.0**	**- 5.4**	**- 7.4**
31/12/2023	**23.0**	**16.4**	**39.4**

The rights of use from the leases reported in Tangible fixed assets have developed as follows.

EUR m	1/1 - 31/12/2024 Land and buildings according to IFRS 16	Operating and business equipment according to IFRS 16	Total
Historical rights of use	26.1	1.7	27.8
Historical modifications	5.1	1.2	6.3
Historical amortisation and impairments	- 18.0	- 2.3	- 20.3
31/12/2023	**13.2**	**0.6**	**13.8**
Additions of Degussa Bank at 1/5/2024	10.0	—	10.0
Additions during the financial year	2.2	—	2.2
Disposals during the financial year	- 0.0	—	- 0.0
Changes in balance during the financial year	**12.1**	**—**	**2.1**
Change in duration during the financial year	1.9	0.8	2.7
Depreciation, amortisation and impairments during the financial year	- 6.4	- 0.4	- 6.8
Changes in measurement during the financial year	**- 4.5**	**0.4**	**- 4.1**
31/12/2024	**20.9**	**0.9**	**11.8**

EUR m	1/1 - 31/12/2023 Land and buildings according to IFRS 16	Operating and business equipment according to IFRS 16	Total
Historical rights of use	28.2	1.7	29.9
Historical modifications	5.4	1.2	6.6
Historical amortisation and impairments	- 16.1	- 2.0	- 18.1
31/12/2022	**17.5**	**0.9**	**18.4**
Additions during the financial year	0.3	0.1	0.3
Disposals during the financial year	- 0.0	—	- 0.0
Changes in balance during the financial year	**0.3**	**0.1**	**0.3**
Change in duration during the financial year	0.2	—	0.2
Depreciation, amortisation and impairments during the financial year	- 4.7	- 0.4	- 5.1
Changes in measurement during the financial year	**- 4.5**	**- 0.4**	**- 4.9**
31/12/2023	**13.2**	**0.6**	**13.8**

The group used land and buildings with a carrying amount of EUR 40.8 million (2023: EUR 23.0 million).

All write-offs were recognised in non-personnel expenses in the year of the write-off.

As of the balance sheet date, as in the previous year no tangible fixed assets had been transferred by way of collateral for the Bank's own liabilities.

(39) Intangible assets

EUR m	31/12/2024	31/12/2023
Intangible assets according to IAS 38	12.7	11.0
Intangible assets according to IFRS 16	32.9	21.9
Intangible assets according to IFRS 3	8.8	—
Total	**54.4**	**32.9**

EUR m	1/1 - 31/12/2024 Intangible assets according to IAS 38	1/1 - 31/12/2023 Intangible assets according to IAS 38
Historical acquisition costs	61.6	53.4
Historical write-ups	—	—
Historical amortisation and impairments	- 50.5	- 46.9
31/12/2023	**11.0**	**6.5**
Additions of Degussa Bank at 1/5/2024	—	—
Additions measured at AC	5.5	8.6
Disposals measured at AC	—	—
Write-ups included in the disposals for the year	—	—
Amortisation and impairments included in the disposals for the year	—	—
Additions due to transfers	—	—
Disposals due to transfers	—	- 0.4
Changes in balance during the financial year	**5.5**	**8.2**
Write-ups during the financial year	—	—
Depreciation and amortisation during the year	- 3.9	- 3.6
Write-offs and impairments during the year	—	—
Changes in measurement during the financial year	**- 3.9**	**- 3.6**
31/12/2024	**12.7**	**11.0**

EUR m	1/1 - 31/12/2024 Intangible assets according to IFRS 3	1/1 - 31/12/2023 Intangible assets according to IFRS 3
Historical acquisition costs	—	—
Historical write-ups	—	—
Historical amortisation and impairments	—	—
31/12/2023	**—**	**—**
Additions of Degussa Bank at 1/5/2024	10.1	—
Changes in balance during the financial year	**10.1**	**—**
Depreciation and amortisation during the year	- 1.3	—
Write-offs and impairments during the year	—	—
Changes in measurement during the financial year	**- 1.3**	**—**
31/12/2024	**8.8**	**—**

EUR m	1/1 - 31/12/2024 Intangible assets according to IFRS 16	1/1 - 31/12/2023 Intangible assets according to IFRS 16
Historical rights of use	21.0	19.8
Historical modifications	30.4	28.6
Historical amortisation and impairments	- 29.5	- 23.9
31/12/2023	**21.9**	**24.5**
Additions of Degussa Bank at 1/5/2024	0.4	—
Additions during the financial year	1.6	2.6
Disposals during the financial year	—	—
Changes in balance during the financial year	**2.0**	**2.6**
Change in duration during the financial year	16.4	1.5
Depreciation, amortisation and impairments during the financial year	- 7.3	- 6.8
Changes in measurement during the financial year	**9.1**	**- 5.3**
31/12/2024	**32.9**	**21.9**

The intangible assets are acquired software (IAS 38), an acquired customer portfolio of Degussa Bank (IFRS 3) and leased software (IFRS 16).

Write-offs – where applicable – were recognised in non-personnel expenses in the year of the write-off in question.

(40) Other assets

EUR m	31/12/2024	31/12/2023
Cash collaterals CCP	336.3	220.9
Accrued interest	18.7	15.6
Accident insurance with premium return	17.8	15.4
Receivables Human Resources	4.1	1.8
Receivables from commissions and fees	24.6	17.6
Irrevocable payment obligation	45.0	30.6
Other assets	45.7	33.9
Total other assets	**492.1**	**335.7**

The other assets include receivables from cash collateral provided to central counterparties. For irrevocable payment obligations see note (70).

(41) Income tax assets

EUR m	31/12/2024	31/12/2023
Income tax refund claims	1.8	0.0

Income tax assets relate to tax items pursuant to IAS 12, i. e. income tax assets resulting from corporate income tax and trade tax as income taxes are shown in this balance sheet item. Additional tax receivables from other taxes are reported in the balance sheet item other assets.

(42) Deferred tax assets

Please see the explanations in note (54) and note (55).

Notes to the balance sheet – equity & liabilities

(43) Trading portfolio liabilities

The trading portfolio liabilities exclusively comprise negative fair values of derivatives.

EUR m	31/12/2024	31/12/2023
Negative fair values of interest rate derivatives, unless included in hedge accounting	130.6	87.5
Negative fair values of currency derivatives	27.8	28.0
IAS 32 off-setting amount	- 88.1	- 22.4
Trading portfolio liabilities	**70.2**	**93.1**

(44) Negative fair values of derivative hedging instruments

As of the end of the year, interest rate swaps with a nominal volume of EUR 7,155.8 million (2023: EUR 7,127.0 million) were designated as hedging instruments within the scope of micro fair value hedge accounting. In addition, interest rate swaps with a nominal volume of EUR 5,696.0 million (2023: EUR 3,006.0 million) were designated as hedging instruments in portfolio fair value hedge accounting. Please see note (66) for further disclosures on hedge accounting.

(45) Liabilities to banks

EUR m	31/12/2024	31/12/2023
Demand deposits	107.6	480.8
Development banks	2,284.3	1,990.5
Promissory notes / registered notes	13.1	13.1
Covered bonds	80.6	65.5
Other term deposits	5,052.7	3,078.8
Liabilities to banks (AC)	**7,538.3**	**5,628.7**

The cash funds received within the scope of the transfer of assets subject to the simultaneous conclusion of repurchase agreements through repo transactions, including cash collateral received, amounted to EUR 2,740.1 million (2023: EUR 2,560.3 million).

(46) Liabilities to customers

EUR m	31/12/2024	31/12/2023
Demand deposits	10,634.4	8,143.2
Promissory notes / registered notes	400.3	397.9
Covered bonds	290.5	177.2
Other term deposits	9,848.3	7,079.5
Saving deposits	1,080.6	1,119.9
Liabilities to customers (AC)	**22,254.2**	**16,917.6**

Within the framework of the hedge accounting, negative adjusted fair value changes arising since the start of the hedging relationships in the amount of EUR 50.9 million (2023: EUR 103.2 million) were allocated to amortised costs.

The following table shows the breakdown of liabilities to customers by customer group:

EUR m	31/12/2024	31/12/2023
Private & Business Customers	12,997.7	12,207.2
Corporates & Diversified Lending	3,468.5	3,208.0
Degussa Bank	4,390.5	—
Corporate Center	1,397.6	1,502.4
Liabilities to customers (AC)	**22,254.2**	**16,917.6**

(47) Securitised liabilities

EUR m	31/12/2024	31/12/2023
Covered bonds issued	1,210.6	700.1
Other debt securities issued	497.1	496.5
Securitised liabilities (AC)	**1,707.7**	**1,196.6**

Securitised liabilities exclusively comprise bonds which the Bank has issued itself. Of the volume of bonds issued, tranches with a nominal value of EUR 4.9 million (2023: EUR 1.9 million) will fall due in 2025. The securitised liabilities include variable-interest bonds in an amount of EUR 497.1 million (2023: EUR 496.5 million).

(48) Subordinated debt

EUR m	31/12/2024	31/12/2023
Convertible bonds (Tier 1)	1.7	1.7
Debt instruments (Tier 2)	338.3	—
Promissory note loans (Tier 2)	115.4	125.1
Customer deposits (Tier 2)	46.3	2.5
Subordinated debt	**501.7**	**129.3**

In the event of insolvency or liquidation, subordinated debt in the amount of EUR 501.7 million (2023: EUR 129.3 million) – which consists of subordinated promissory note loans (Tier 2) and subordinated customer deposits (Tier 2) in the amount of EUR 161.7 million (2023: EUR 127.6 million) as well as subordinated debt instruments (Tier 2) long with subordinated convertible bonds (Tier 1) in an amount of EUR 340.0 million (2023: EUR 1.7 million) – may only be repaid upon satisfaction of all of the non-secondary creditors. No early repayment obligation applies.

The interest expense for subordinated debt came to EUR 32.2 million in the past financial year (2023: EUR 5.3 million). The interest rates for fixed-rate subordinated debt fall within a range of 1.75 % to 8.50 %. The average interest rate is 6.74 %.

Convertible bonds (Tier 1)

	31/12/2024	31/12/2023
Year of issue	2014	2014 - 2018
Nominal amount (EUR m)	0.1	—
Issuer	OLB	OLB
Interest rate in %	3.10 %	0.00 % - 10.00 %
Maturity	2025	n / a

Debt instruments (Tier 2)

	31/12/2024	31/12/2023
Year of issue	2024	n / a
Nominal amount (EUR m)	320.0	n / a
Issuer	OLB	n / a
Interest rate in %	8.00 % - 8.50 %	n / a
Maturity	2034	n / a

Promissory note loans (Tier 2) and customer deposits (Tier 2)

	31/12/2024	31/12/2023
Year of issue	2010 - 2023	2010 - 2023
Nominal amount (EUR m)	160.3	124.5
Issuer	OLB	OLB
Interest rate in %	1.75 % - 5.73 %	1.75 % - 5.73 %
Maturity	2025 - 2032	2024 - 2031

(49) Provisions

EUR m	31/12/2024	31/12/2023
Provisions for pensions and similar obligations	86.1	65.6
Other provisions	85.3	69.5
Provisions	**171.4**	**135.2**

While the provisions for pensions and similar obligations are of a long-term nature, the other provisions are of a short- to medium-term nature.

Provisions for credit risks in off-balance-sheet loan commitments are established at the expense of the risk provisions in the lending business. In principle, the other amounts added to the provisions are charged to administrative expense and, where applicable, interest and commission expense. Reversals are recognised under the items in which the provisions have been established.

Other provisions mainly comprise provisions for bonuses as well as provisions for lending business and legal risks.

(50) Provisions for pensions and similar obligations

EUR m	2024	2023
Pension provisions recognised as of 1/1	**65.6**	**46.1**
Current service cost	2.9	3.0
Imputed interest expense	11.8	11.0
Return on assets	- 8.9	- 9.6
Repayment of costs from plan amendment	0.1	—
Net pension expense	**5.8**	**4.5**
Amortisation and repayment	35.6	—
Acquisitions	—	—
Pension commitments through deferred compensation	—	—
Allocation to defined contribution pension plan	- 22.4	- 0.9
Pension benefits provided in the reporting year	- 2.3	- 0.9
Taxes paid from assets	—	—
Gains (–) / losses (+) from demographic assumptions	—	—
Gains (–) / losses (+) from financial assumptions	10.4	18.4
Gains (–) / losses (+) from experience adjustments	- 5.2	3.8
Return on plan assets excluding interest income	- 11.3	- 5.5
Change in actuarial gains (–) / losses (+)	**- 6.0**	**16.7**
Additions (+) / disposals (–)	—	—
Transfer from / to asset surplus	9.7	—
Pension provisions recognised as of 31/12	**86.1**	**65.6**

The changes in the scope of obligations and in the fair value of fund assets are presented below, together with the carrying amounts for the defined benefit pension plans:

EUR m	2024	2023
Changes in the scope of obligations	**7.6**	**25.7**
Present value of pension entitlements earned as of 1/1	320.5	294.8
Current service cost	2.9	3.0
Imputed interest expense	11.8	11.0
Employee contributions	1.2	1.0
Costs from change of plan	0.1	—
Gains (-)/ losses (+) from demographic assumptions	—	—
Gains (-)/ losses (+) from financial assumptions	10.4	18.4
Gains (-)/ losses (+) from experience adjustments	- 5.2	3.8
Actuarial gains (-)/ losses (+)	5.3	22.2
Pension payments	- 13.6	- 11.6
Acquisitions	35.6	—
Additions (+) / disposals (-)	—	—
Present value of pension entitlements earned as of 31/12	363.8	320.5
Change in fair value of fund assets	32.5	6.2
Fair value of fund assets as of 1/1	254.9	248.7
Return on assets	8.9	9.6
Return on plan assets excluding interest income	11.3	5.5
Employer contributions	22.4	0.9
Employee contributions	1.2	1.0
Pensions paid from fund assets	- 11.3	- 10.7
Taxes paid from fund assets	—	—
Transfers	—	—
Fair value of fund assets as of 31/12	287.4	254.9
Additional asset surplus recognised	9.7	—
Financing status (balance sheet value) as of 31/12	**86.1**	**65.6**

Fund assets

The current allocation of these assets is as follows with regard to the fair value of the fund assets:

EUR m	31/12/2024	31/12/2023
Shares and other non-interest-bearing securities	154.7	147.3
Bonds	7.6	7.8
Real estate	1.0	1.0
Other	124.1	98.8
Total	**287.4**	**254.9**

Reinsurance policies comprise most of the fund assets reported in the item other.

The key figures for defined benefit pension plans are listed below:

EUR m	31/12/2024	31/12/2023
Present value of pension entitlements earned	363.8	320.5
Fair value of fund assets	287.4	254.9
Additional asset surplus recognised	9.7	—
Financing status (balance sheet value)	86.1	65.6

Valuation assumptions

The calculations are based on current, actuarially developed biometric probabilities. In addition, assumptions are made regarding the future rate of fluctuation, depending on age and number of years of service, as well as intra-Group retirement probabilities.

The current mortality tables are referred to with regard to life expectancy.

The weighted assumptions for the determination of the present value of pension entitlements earned and for the determination of net pension expense are as follows:

in %	31/12/2024	31/12/2023
Discount rate	3.25	3.50
Expected salary increase	3.00	3.00
Expected pension increase	2.25	2.25

The respective assumptions for net pension expense apply as of the balance sheet date in the previous financial year. The assumptions regarding the accounting discount rate reflect the market conditions on the balance sheet date for high-grade fixed-interest bonds matching the currency and duration of the pension liabilities.

The accounting discount rate in particular gives rise to uncertainty, with a significant level of risk. The sensitivity analysis presented below takes into consideration the changes in this assumption and would have the following impact on the present value of the pension obligations:

EUR m	31/12/2024	31/12/2023
Interest rate sensitivity		
Discount rate + 50 basis points	- 22.6	- 18.9
Discount rate – 50 basis points	24.7	21.1
Pension increase sensitivity		
Pension increase + 25 basis points	8.8	7.7
Pension increase – 25 basis points	- 8.1	- 7.1
Sensitivity when adjusting life expectancy		
Life expectancy + 1 year	13.0	10.5

The range which is considered reasonably possible for changes in the discount rate – as one of the key actuarial assumptions – would have had the above effects on the defined benefit obligation, subject to the other assumptions and parameters remaining unchanged. While this analysis does not take into consideration the full distribution of the cash flows expected under the plan, it provides an approximate value for the level of sensitivity of the assumptions presented.

The current Heubeck Mortality Tables 2018 G are used as biometric computational bases. As in the previous year, the actuarial assumptions applied for employees covered by collective pay agreements and for employees outside the scope of such agreements.

On the balance sheet date, the weighted average term of defined benefit commitments was 13.5 years (2023: 13.0 years).

Employer's pension liability insurance policies were taken out with Allianz Lebensversicherungs-AG in order to fund the pension commitment through deferred compensation. The benefits under the pension commitment match the benefits under the employer's pension liability insurance policy. The benefits under this employer's pension liability insurance policy have been pledged in order to secure the benefit entitlements resulting from the pension commitment for the Bank's employees and their survivors with benefit entitlements.

Premium payments

For the financial year 2025, the Group expects employer contributions to the fund assets to be paid for defined benefit pension plans in the amount of EUR 1.1 million (actual figure for 2024: EUR 1.1 million) as well as direct pension payments to beneficiaries in the amount of EUR 3.1 million (actual figure for 2024: EUR 2.3 million).

Defined contribution plans

Defined contribution plans are funded through external pension funds or similar institutions. Firmly defined premiums (e. g. calculated according to the relevant amount of income) are paid to these bodies. The beneficiary will hold a claim against these bodies and the employer effectively does not have any further obligation beyond payment of the premiums.

In the financial year 2024, expenses were incurred for defined contribution plans in the amount of EUR 3.4 million (2023: EUR 3.1 million) as premiums for employees paid to Versicherungsverein des Bankgewerbes a. G., Berlin; to Allgemeine Rentenanstalt Pensionskasse AG, Stuttgart; to Allianz Pensionsverein e. V., München, and to Unterstützungskasse Degussa e. V., Marl. Premiums in the amount of EUR 11.2 million (2023: EUR 8.7 million) were paid to the German statutory pension insurance scheme.

(51) Other provisions

EUR m	31/12/2024	31/12/2023
Provisions for financial guarantees, loan commitments and other indemnity agreements	13.2	17.2
Further provisions	**72.1**	**52.3**
Restructuring provisions	12.4	3.8
Other provisions in the personnel area	44.9	36.1
Remaining provisions	14.8	12.4
Other provisions	**85.3**	**69.5**

Please see note (37) on the development of the provisions for financial guarantees, loan commitments and other indemnity agreements.

Further provisions developed as follows:

EUR m	Restructuring provisions	Other provisions in the personnel area	Remaining provisions	Total
Balance as of 31/12/2023	**3.8**	**36.1**	**12.4**	**52.3**
Additions of Degussa Bank at 1/5/2024	26.9	6.7	7.4	40.9
Additions	3.0	26.8	6.9	36.7
Utilisation	- 19.2	- 31.9	- 10.2	- 61.3
Reversals	- 1.6	- 1.0	- 4.6	- 7.2
Unwinding of discount	- 0.0	1.6	0.1	1.7
Transfers	- 0.4	6.7	2.8	9.1
Balance as of 31/12/2024	**12.4**	**44.9**	**14.8**	**72.1**

EUR m	Restructuring provisions	Other provisions in the personnel area	Remaining provisions	Total
Balance as of 31/12/2022	**15.6**	**38.2**	**9.2**	**63.0**
Additions	0.7	23.1	9.4	33.2
Utilisation	- 3.9	- 30.0	- 3.1	- 37.0
Reversals	- 7.6	- 0.6	- 3.0	- 11.2
Unwinding of discount	0.0	0.8	0.0	0.8
Transfers	- 1.0	4.6	—	3.5
Balance as of 31/12/2023	**3.8**	**36.1**	**12.4**	**52.3**

The other provisions include discounted provisions in an amount of EUR 57.4 million (2023: EUR 35.3 million) with a term of more than one year. No other discounting was implemented. The interest effect for the other provisions is net expenses of EUR 1.3 million (2023: expenses of EUR 0.8 million) and consists of EUR 1.0 million of expenses from time effects (2023: expenses of EUR 1.1 million) and EUR 0.4 million in expenses from the change in the interest rate (2023: income of EUR 0.3 million).

In 2024, plan assets managed on a trust basis in the amount of EUR 18.6 million (2023: EUR 24.0 million) under a contractual trust agreement (CTA) for phased-retirement obligations amounted to EUR 18.6 million (2023: EUR 24.0 million) and were offset in the other provisions item against other assets.

(52) Other liabilities

EUR m	31/12/2024	31/12/2023
Leasing liabilities	56.9	37.5
Trade accounts payable	14.7	12.2
Liabilities Human Resources	4.8	2.9
Prepaid expenses	1.1	0.2
Other taxes payable	20.9	12.2
Liabilities from commissions	12.3	12.7
Cash collaterals CCP	20.0	1.0
Further liabilities	7.1	2.3
Other liabilities	**137.8**	**80.9**

Other liabilities include leasing liabilities in the amount of EUR 56.9 million (2023: EUR 37.5 million) and trade payables not yet billed in the amount of EUR 14.7 million (2023: EUR 12.2 million), among others.

(53) Income tax liabilities

EUR m	31/12/2024	31/12/2023
Balance at 1/1	**12.7**	**44.8**
Additions from mergers	4.1	—
Utilisations	7.2	41.5
Reversals	—	—
Additions	3.2	9.3
Balance at 12/31	**12.8**	**12.7**

Income tax liabilities relate to tax items pursuant to IAS 12; i. e. income tax liabilities resulting from corporate income tax and trade tax as income taxes are shown in this balance sheet item. Further tax liabilities are reported on the balance sheet in the provisions and other liabilities.

(54) Deferred tax assets and liabilities

Deferred tax assets and deferred tax liabilities have been established for the following balance sheet items on account of the differences between the amounts recognised for tax purposes and the amounts recognised in the IFRS balance sheet:

EUR m	31/12/2024	31/12/2023
Trading portfolio assets	—	—
Receivables from banks	0.1	—
Receivables from customers	91.2	68.6
Financial assets of the non-trading portfolio	352.1	149.7
Tangible fixed assets	—	—
Other assets	—	0.7
Trading liabilities	17.5	26.6
Negative fair values from derivative hedging instruments	15.0	3.5
Liabilities to customers	—	—
Subordinated liabilities	—	—
Provisions	55.9	49.2
Other liabilities	6.6	—
Other	—	—
Deferred tax assets	**538.5**	**298.2**

EUR m	31/12/2024	31/12/2023
Trading portfolio assets	- 20.8	- 19.4
Positive fair values of derivative hedging instruments	- 16.5	- 8.3
Receivables from banks	—	—
Receivables from customers	- 17.3	—
Financial assets of the non-trading portfolio	—	—
Tangible fixed assets	- 6.2	- 2.9
Intangible assets	- 13.7	- 7.0
Other assets	- 1.2	—
Trading liabilities	—	—
Liabilities to banks	—	—
Liabilities to customers	—	- 32.5
Securitised liabilities	- 267.5	- 57.3
Subordinated liabilities	- 1.3	- 0.1
Provisions	- 10.5	- 8.6
Other liabilities	- 0.0	- 51.3
Other	—	—
Deferred tax liabilities	**- 355.1**	**- 187.4**
Net deferred tax assets / liabilities recognised in the balance sheet	**183.4**	**110.8**
Deferred tax assets recognised in the balance sheet	183.4	110.8
Deferred tax liabilities recognised in the balance sheet	—	—

Deferred tax assets and liabilities were offset against one another in the balance sheet at company level, in the case of income taxes which are payable to the same tax authority and for which a legally enforceable offsetting right applies.

The change in the balance of deferred taxes in the amount of EUR 72.6 million (2023: EUR 6.1 million) has resulted from changes in temporary differences and from the transfer of assets and liabilities as part of the merger with Degussa Bank AG. Of this amount, EUR 0.4 million (2023: EUR - 8.0 million) related to the statement of profit and loss and EUR 12.9 million (2023: EUR 13.8 million) to other comprehensive income.

(55) Income taxes

Current income taxes and the deferred tax expense / income amount are reported as income taxes:

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Current taxes (current year)	- 93.3	- 96.7
Current taxes (previous years)	- 1.7	- 0.8
Current taxes (total)	**- 95.0**	**- 97.4**
Deferred taxes (current year)	1.5	- 8.1
Deferred taxes (previous years)	- 1.1	0.5
Deferred taxes (total)	**0.4**	**- 7.6**
Income taxes (total)	**- 94.6**	**- 105.0**

The actual taxes for 2024 are calculated by means of an effective corporate income tax rate including solidarity surcharge of 15.8 % (2023: 15.8 %) plus an effective trade tax rate of 15.1 % (2023: 15.1 %).

The deferred taxes for 2024 are calculated by means of an effective corporate income tax rate including solidarity surcharge of 15.8 % (2023: 15.8 %) plus an effective Group trade tax rate of 15.2 % (2023: 15.2 %).

The deferred taxes for previous years are a revaluation due to the change in the differences between the amounts recognised for assets and liabilities for tax purposes and their carrying amounts in the financial statements for tax assessment notices issued in the current year for previous years. The corresponding current tax expense is shown in the actual tax expense / income for the current year.

The following table reconciles the expected income tax expense with the effectively reported tax expense.

(56) Income tax reconciliation

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Pre-tax profit or loss	**365.0**	**335.4**
Income tax rate in %	31.00 %	31.00 %
Calculated income taxes	**- 113.2**	**- 104.0**
Tax effects		
Trade tax	- 0.1	- 0.1
Tax-free income	—	0.3
Non-deductible expenses	- 3.4	- 2.7
Change in accounting differences	5.2	1.5
Taxes previous years	- 2.8	- 0.3
Foreign taxes	—	- 0.1
Effect of tax rate change	0.5	0.3
Other tax additions and deductions	19.1	0.0
Income taxes (total)	**- 94.6**	**- 105.0**

(57) Disclosures on equity

EUR m	2024	2023
Subscribed capital	99.8	99.8
Capital reserves	540.0	540.0
Revenue reserves	1,143.8	980.2
Additional equity components	148.8	99.2
Other comprehensive Income	- 67.1	- 38.2
Total equity	**1,865.3**	**1,681.0**

Subscribed capital: The Group's subscribed capital amounted to EUR 99.8 million as of the balance sheet date. This was composed of 49.9 million no-par value shares with a nominal value of EUR 2.00 each. The shares were included in the share capital.

Each share represents a pro rata amount of the share capital and grants one vote at the shareholders' meeting. The shares were fully paid in.

Capital reserves: The capital reserves include the additional proceeds (premium) generated from the issue of the company's own shares. In 2024 there has been no change in the capital reserves.

Revenue reserves: The revenue reserves include the Group's retained profits as well as any consolidation measures recognised through profit or loss.

Conditional capital: The share capital is conditionally increased by up to EUR 13.1 million (conditional capital 2014). The conditional capital increase will be carried out by issuing up to 6 .6 million new bearer shares with no-par value with a right to receive dividends as of the beginning of the business year of their issuance. The conditional capital serves purely as security for claims of holders of convertible bonds issued by Bremer Kreditbank Aktiengesellschaft, Bremen, on the basis of a shareholders' resolution dated 1 October 2014 and for which the Company grants comparable rights in accordance with sec. 23 German Transformation Act (Umwandlungsgesetz) based on the merger agreement with Bremer Kreditbank Aktiengesellschaft dated 14 August 2018. The conditional capital increase will be carried out only to the extent holders of the above-mentioned convertible bonds exercise their conversion rights or to the extent that holders who are obligated to convert their bonds, fulfil such obligation. Only holders of such convertible bonds are entitled to subscription. The Executive Board is authorised to determine the further details of the execution of the conditional capital increase.

The share capital is conditionally increased by up to EUR 17.2 million (conditional capital 2023). The conditional capital increase will be carried out by issuing up to 8.6 million new bearer shares with no-par value with a right to receive dividends as of the beginning of the business year of their issuance. To the extent legally permissible, the Executive Board may, with the consent of the Supervisory Board, determine the profit participation of new ordinary shares in deviation from the foregoing and from sec. 60 (2) German Stock Corporation Act (Aktiengesetz), including for a financial year that has already expired. The conditional capital increase shall be executed only to the extent that the holders of warrant or conversion rights or those with conversion or warrant obligations arising from warrant or convertible bonds issued or guaranteed by the company or an affiliate of the company according to sec. 18 German Stock Corporation Act (Aktiengesetz), in which the company holds at least 90 percent of the shares, directly or indirectly, based on the authorisation adopted by the General Meeting of 2 March 2023, exercise their warrant or conversion rights or, where they are obligated for conversion or to exercise warrants, fulfil their obligation for conversion or for exercise of warrants, or to the extent the company exercises an option to provide ordinary shares of the company in lieu of paying the cash amount due, in whole or in part. The conditional capital increase shall not be executed insofar as a cash settlement is provided or treasury shares or shares of another listed company are used for the settlement. The issue of the new ordinary shares is effected at the warrant or conversion price in each case to be determined in accordance with the authorisation resolution set forth above. The Executive Board is authorised, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase.

(58) Additional equity components

The acquisition of Degussa Bank resulted in an increase of additional equity components amounting to EUR 49.6 million through transfer of its additional Tier 1 capital.

(59) Cumulative other comprehensive income (OCI)

This item includes the valuation changes resulting from the FVOCI financial instruments which are transferred to the statement of profit and loss as of the date of actual realisation. It also includes valuation changes from net pension obligations which are not realisable through the statement of profit and loss.

EUR m	2024	2023
Balance as of 1/1	**- 38.2**	**- 7.6**
Items reclassifiable through profit or loss		
Change in debt instruments measured at fair value through other comprehensive income (FVOCI)	- 33.0	- 19.1
Valuation changes	- 52.0	- 30.4
Gains and losses reclassified to the income statement	4.1	2.8
Deferred taxes	14.8	8.6
Items not reclassifiable through profit or loss		
Change from remeasurement of defined benefit plans recognised in other comprehensive income	4.2	- 11.6
Valuation changes	6.0	- 16.7
Deferred taxes	- 1.9	5.2
Other comprehensive income	**- 28.9**	**- 30.6**
Balance as of 31/12	**- 67.1**	**- 38.2**

(60) Capital management, own funds and risk assets under sec. 10 KWG

With regard to its capital resources, OLB is subject to the regulatory provisions of the German Banking Act (Kreditwesengesetz, KWG) in conjunction with the Capital Requirements Regulation (CRR) (art. 25 – 92), which prescribe the necessary capital backing for risk-weighted assets.

The Bank's aim is to maintain a common equity Tier 1 capital ratio of at least 12.25 % at all times. In order to ensure this despite the planned credit growth, it remains necessary to maintain an appropriate retention ratio and to closely manage the development of risk assets over the entire planning period. The Bank's dividend policy is based on the aforementioned framework conditions and pursues two objectives: (1) an appropriate participation of the shareholders in the company's success and (2) securing the future viability and stability of the Bank by continuing to retain profits generated. The resulting increase in capital is used to refinance growth on the capital side.

With regard to the required strategic capitalization, the following key factors must be considered for OLB:

- According to the IRBA implementation plan, OLB will have transferred additional portions of its portfolio to the F-IRBA until the end of 2026. The transfer of the existing portfolios will result in subsegment-specific charges and reductions in RWA, which are included in the Bank's capital planning as part of its medium-term planning.
- The amendments to the CRD and CRR under "Basel IV", which were finalised this year, will take effect in 2025 and therefore within the current planning period (2025 – 2027). These amendments were reflected for the current planning period and resulted in a reduction of the planned RWA. In particular, the rules on the new standardised approach for credit risks, in conjunction with an output-floor rule for IRBA institutions based on it, may increase the minimum capital requirements for OLB in the long term. The amendments include transitional periods during which the requirements gradually take full effect ("phase-in"), therefore not resulting in increased capital requirements for the planning period. The transitional period, which continues until 2032, allows sufficient time to respond to the future effects of this output-floor rule with structural measures.
- For some time now, OLB has countered the expected future burdens with a consistently risk / return-oriented new business policy that is intended to improve RWA density over the long term, especially in the more RWA-intensive areas. To strengthen its total capital, the Bank is prepared to issue additional debt or equity components in the form of additional Tier 1 capital and Tier 2 capital. Weighing the effect on earnings and the market situation, OLB uses these financing instruments to optimise its capital structure. To comply fully with the requirements of the Internal Capital Adequacy Assessment Process (ICAAP), the Bank's management cycle assesses the extent to which the actual ratio of capital to risks assumed is in line with the plan, by means of the monthly key performance indicator (KPI) report discussed by the full Executive Board. Regulatory and economic risks are allocated to OLB's strategic business segments as part of the planning process. The RWAs under the German Solvency Ordinance (Solvabilitätsverordnung, SolvV) are an important control parameter here. Actual developments in the business segments are compared monthly with the planned results, and corresponding deviations are analysed.

EUR m	31/12/2024	31/12/2023
Common Equity Tier 1 capital	1,664.6	1,432.5
Additional Tier 1 capital (AT1)	151.3	101.3
Tier 1 capital	**1,815.9**	**1,533.8**
Tier 2 capital	463.3	117.9
Share capital and reserves	**2,279.2**	**1,651.7**
Risk assets for counterparty risks	11,502.0	9,014.8
Risk assets for market price risks	—	—
Risk assets for operational risks	1,247.3	960.5
Risk assets	**12,749.3**	**9,975.3**

The prudential equity requirements were complied with at all times.

(61) Capital ratios under sec. 10 KWG

The institution-specific surcharge to be met in addition to the statutory minimum requirements under article 92 CRR as part of the Supervisory Review and Evaluation Process (SREP) was 2.41 % for OLB as of 31 December 2024. This consists of a risk-weighted asset-related SREP surcharge of 2.5 % before the merger of OLB and 1.7 % for Degussa Bank. This weighting procedure must be applied until the supervisory authority issues a new order on the basis of an evaluation of the risk management procedures and the risk situation of the merged entity. In addition, as part of the acquisition and merger with Degussa Bank, OLB has agreed a one-year increase of 1.0 percentage point of the equity requirements with the ECB.

The Tier 1 capital ratio was 14.2 % as of 31 December 2024 (31 December 2023: 15.4 %) and was thus well above the regulatory requirement (including the combined capital buffer requirement and own funds recommendation under sec. 10i KWG) of 12.1 % (31 December 2023: 10.2 %).

in %	31/12/2024	31/12/2023
Common Equity Tier 1 capital ratio	13.1	14.4
Tier 1 capital ratio	14.2	15.4
Aggregate capital ratio	17.9	16.6

Notes to the balance sheet – further disclosures

(62) Risk management strategy
Principles of Bank-wide risk management

Basic principles of risk control
OLB strictly observes the principle that front-office and back-office operations must be kept entirely independent from risk monitoring. It therefore maintains a strict separation between the market units' active assumption of risk, together with their risk management, on the one hand, and risk monitoring, on the other. In lending business and treasury operations, additionally, a separation between the front office and back office is maintained at all levels up to the Executive Board.

When new products are introduced, a predefined process (the procedure for introducing new products or for entering new markets – new products, new markets, "NPNM") ensures that all concerned functions of OLB are able to participate in the risk and earnings analysis before planned new business activities begin.

Before changes are made to the Bank's structure and procedures or its IT and rating systems (per CRR), the impact on the internal control system and on the risk management and controlling system is assessed and classified in a defined procedure by means of an internal controlling and risk assessment group. This ensures that before any planned measure is introduced, it has been reviewed by the organisational units affected and any necessary adjustments to the risk management and controlling system have been prepared.

A number of panels support the Executive Board in preparing for decisions on risk management. The most important entity here is the Risk Committee. The Risk Committee includes the Chief Executive Officer, the Chief Risk Officer, the Chief Financial Officer and the heads of Risk Control, Finance, Controlling and Treasury & Markets.

The risk reporting system established within the Group ensures that the Executive Board is kept involved and informed about the risk management process.

Suitable employee training measures within the scope of the risk management process ensure that employees have the necessary and appropriate knowledge and experience.

Risk culture
Knowingly assuming (credit) risks is inherent in the Bank's business model and forms part of its business and risk strategy.

Shared ethical values and a Group-wide risk culture consistent with its risk strategy are important factors in terms of the success of the Bank's sustainable business performance. A well-defined corporate and risk culture can lastingly reduce misconduct by employees, while at the same time exerting a positive influence on the public's perception of the Bank and its reputation.

For OLB, this means continuously encouraging a risk culture within the Bank, and deliberately reinforcing a value system that firmly anchors risk management and risk awareness in its corporate culture. In this connection, the principles of conduct established and communicated within the Bank are of particular importance.

OLB's Code of Conduct is a significant basic component of the Bank's practiced system of values and must be considered a minimum standard for all employees' conduct. Not only the Executive Board but all of the Bank's executives play a significant role in shaping OLB's guiding principles by setting an example through their own conduct. An appropriate risk culture, such as the one which the Bank has defined for itself, presupposes a management concept of open communication and cooperation, in which recognised risks are frankly communicated and crisis situations are approached with a focus on finding a solution. Employees are motivated to align their conduct with the Bank's defined system of values and Code of Conduct, and to act within the bounds of risk tolerance as defined in further detail in the risk strategy. The implemented system of risk management and the transparency and communication needed for that purpose offer employees a chance to make the most of opportunities within the prescribed general conditions for risk management. At the same time, however, employees are also responsible for assessing risk comprehensively and managing it actively. One significant component of risk culture is the conscious care and discipline with which participants approach their tasks in the customer and risk management process.

A risk culture implies a constructive, open dialog within the Bank that is encouraged and supported at all levels of management. In past years, the Bank has taken steps (such as establishing appropriate incentive structures) to further refine and lastingly reinforce a risk culture as part of its corporate culture.

Risk strategy

The Bank's Executive Board adopts the risk strategy, reviews it at least once a year, and discusses it with the Supervisory Board.

It is based on the Bank's business strategy and takes account of the results of the Bank's risk assessment, risk-bearing capacity, and organisational environment. The risk strategy is developed in a structured strategy process that ensures

- that OLB's business and risk strategy is consistent with its business plans;
- that OLB enters into only those risks that are subject to a control process, and in amounts that pose no threat to the Groups's continuing existence,
- that claims by the Bank's customers and other creditors are secured;
- that OLB's risk-bearing capacity is assured at all times through a risk-sensitive limitation of the principal risk categories and of the risks at the level of the Bank's lines of business;
- that the Bank's solvency is assured at all times and monitored by way of limits; and
- that the Bank has appropriate risk reporting and monitoring capabilities in place.

OLB operates with a long-term perspective, applying a business model focusing on soundness and consistency. The Bank's risk management process supports the implementation of this strategy by managing risk exposure so as to ensure that the Group's net assets, financial position and results of operations remain stable.

From the viewpoint of business and risk strategy, an appropriate employee compensation system plays an especially important role, because in addition to other goals of human resources policy, it also ensures that employees counteract risk adequately. For that reason, the structure of that system is regularly reviewed by the Executive Board, revised if necessary, and formally noted by the Supervisory Board.

The decision about a strategic approach is made while taking due account of the opportunities associated with the risks or, in the case of operational risks, considering the costs associated with reducing or avoiding these risks.

Definition of risk categories / types

As part of the annual risk assessment process, OLB examines what risks are relevant to it, and whether all significant types of risk undergo an appropriate risk management process. Credit risk, market price risk, liquidity risk and operational risk are defined as significant risks that, because of their amount and nature, are material to the OLB's continued existence. The results of the risk assessment are incorporated in the risk-bearing capacity process by way of the risk strategy.

The Bank also deals with sustainability risks. This is not a separate risk category, but rather a factor or driver of existing risk types. The appropriate consideration of ESG risks in the material risks is reviewed as part of the risk inventory. OLB has bundled the coordination of its most important sustainability activities in the Sustainability department. Sustainability risks are managed and limited in accordance with the Bank's risk and business principles, and analysed by means of scenario considerations. Sustainability risks, like the effects of financing and investment decisions on sustainability factors, are included in strategic considerations. Thus, in addition to economic aspects, OLB has set itself the goal of acting sustainably in ecological and social terms also. In this regard, its business activities are guided by the Principles for Responsible Banking, among other things.

Credit risk

Credit risk is subdivided into default risk, migration risk, country risk, validity risk as well as collateral risk.

- *Default risk*
  Default risk is defined as the potential loss inherent in the default of a business partner – whether a counterparty or another partner to a contract, or an issuer of a security – in other words, the party's potential inability or unwillingness to meet contractual obligations.
- *Migration risk*
  Migration risk is defined as the potential change in the present value of a claim as a result of a deterioration in creditworthiness, i. e. in particular in case of a change in the rating for the non-default classes.
- *Country risk*
  The country risk as an element of credit risk is defined as the assumption of a cross-border risk, in particular a transfer and conversion risk, i. e. the risk that the transfer or the convertibility of the amounts paid by the debtor will not be made or will be delayed due to payment problems as a result of official or legislative measures.
- *Validity risk*
  Validity risk in the narrower sense is the risk of a directly or indirectly purchased receivable lacking legal validity.
- *Collateral risk*
  The collateral risk is the risk that the loan collateral taken to secure a loan may suffer a loss in value during the term of the loan and may therefore not be sufficient to cover the loan or may not even be able to contribute at all. Collateral risk includes not only the possibility that the collateral may lose value, but also the ability to liquidate this collateral efficiently and promptly in the event of a payment default by the borrower. Legal risks involved in the realisation of collateral are not part of the collateral risk.

OLB has introduced a separate ESG scoring tool for corporates and SMEs in the credit process. The tool is also used to assess existing ESG risks for the credit portfolio.

Market price risk

Market price risk refers to the risk that the Bank may suffer losses due to changes in market prices or the parameters that influence market prices (e. g. share prices, interest rates, exchange rates or prices for real estate as well as the volatility of these parameters). It also includes changes in value that result from the specific illiquidity of sub-markets if, for example, the purchase or sale of large items within a specified timeframe is only possible at prices that are not standard for the market. Credit spread risk is a component of market risk. It is defined as the potential change in credit spreads as a result of changes in liquidity and credit spreads in the market.

Liquidity risk

By liquidity risk, OLB first of all means the risk that it might be unable to meet its payment obligations at all times (risk of inability to meet payments).

Under liquidity risk, the Bank also includes the risk of increases in the price of raising funds to cover funding gaps as a result of liquidity and loan markups on interest rates given the same level of creditworthiness (liquidity cost risk).

Operational risk

Operational risk (OR) is the risk of losses due to the inadequacy or failure of internal procedures, persons or systems or due to external events that are manifested in the institution itself.

OLB subsumes the following types of risk under the "operational risk" category:

- *Legal risk and risk of changes in the law*
  Legal risk is the risk that a loss will occur because the legal framework established by law and case law has not been taken into account or has been taken into account incompletely. The law amendment risk represents the risk of a loss for transactions concluded in the past due to a change in the legal situation (change in case law or change in legislation) and also the risks that may arise due to inadequate or missing implementation of legal bases that come into force in the future.
- *Conduct risk*
  OLB defines conduct risk as the abstract risk of other criminal acts resulting from internal offenses such as theft, corruption or antitrust violations. Furthermore, conduct risk arises when damages occur due to the inappropriate provision of financial services by the bank or its employees and / or when employees, customers or investors are disadvantaged as a result.
- *Compliance risk*
  Compliance risk is defined as the risk of criminal or administrative sanctions, fines (for example, under the GDPR or the German Money Laundering Act, or special audits by banking regulators) and other financial losses or reputational damage resulting from violations of legal and administrative regulations / regulatory requirements and codes of conduct / ethics in connection with the Bank's regulated activities (collectively, the "regulations"), investor protection / consumer protection, and the Bank's status as a capital market-oriented company. This also includes the risks arising from uncertainties from audits and findings by external third parties, e. g. the supervisory authorities (BaFin, Deutsche Bundesbank). Specific risks are taken into account by recognizing provisions. In addition to the necessary expenses for remedying the findings of such audits, this may result in further charges, e. g. in the form of legal and litigation costs.
- *External fraud*
  External fraud describes operational risks from losses due to other criminal acts by third parties, e. g. losses due to fraudulent acts, misappropriation of property or circumvention of legal provisions by a third party.
- *Model risk*
  Model risk describes the potential loss from incorrect control impulses due to improper application, unsuitable use of the model for its application, unsuitable or incorrect input parameters and inconsistency of the model (model outdated or improperly modelled). All models that are used in product or (balance sheet) valuation (e. g. product calculation, valuation of financial instruments, monitoring of risk limits etc.) for decision-making or that influence equity capital requirements or are used to review them (Pillar I and Pillar II – quantification models) are subject to (potential) model risk.
- *Reputational risk*
  OLB defines reputational risk as the risk of a loss of reputation for the Bank among the general public, investors, (potential) clients, employees, business partners and supervisory authorities with regard to its competence, integrity and trustworthiness as a result of negative events in its business activities. This also includes the business disadvantage to OLB's earnings, equity or liquidity resulting from the loss of reputation.
- *Project risk*
  The Bank defines project risk as the loss that may result from delays, cost increases, quality losses or project failures.
- *Outsourcing risk*
  Outsourcing risk comprises the risk of inadequate or limited performance by external service providers for functions essential to the Bank.
- *IT and information security risk*
  This refers to the risk of loss due to the exposure, manipulation or unavailability of IT systems or information.

ESG risks are considered in the context of scenario analyses. Reputational risk management regulates the handling of sensitive areas, e. g. in lending, through prohibitions and increased audit requirements.

Organisation of risk management and controlling

As part of its overall responsibility, and under the terms of sec. 25c KWG, OLB's Executive Board is responsible for defining the Bank's strategies and for establishing and maintaining an appropriate, consistent and up-to-date risk management system. It defines the principles for risk management and controlling, together with the organisational structure, and monitors their implementation.

Risk management system

The risk policy – as an embodiment of the requirements under the risk strategy – describes the principal aspects for organising risk management. As part of that policy, below the Executive Board, the Risk Committee is established as the central body that monitors and manages the Bank's risk-bearing capacity. The full Executive Board makes the final decision on aspects strategically relevant to risk. Any decisions outside the authority of the full Executive Board are made by the Supervisory Board or its Risk Committee or Loans Committee.

Risk management

The following bodies and organisational units – as units supporting the full Executive Board – are responsible for managing the principal risk categories:

Risk category	Board / organisational unit
Credit risk	Risk Committee, Retail Risk Committee
Market price and liquidity risk	Risk Commitee, Bank Steering Committee
Operational risk	Risk Committee, Securities Business Committee

In keeping with the strategic focus and goals defined by the full Executive Board in the business and risk strategy as well as prescribed areas of authority and limits, these bodies and organisational units have the task of duly controlling risk on the basis of their analyses and assessments. This task also includes adequately designing organisational structures, processes and target agreements. However, decisions on individual credit risks are the responsibility of various levels of the organisation as defined in the current allocation of authority.

Risk monitoring

Risk monitoring is performed by the Risk Control department, and in the case of operational risks, additionally by the Compliance, Corporate Resilience and Governance, Process & Controls departments. These departments are organisationally independent elements of OLB's risk management system. They are kept strictly separate both from each other and from the units in charge of initiating, entering into, assessing and approving transactions. The task of the Risk Control department is to fully and consistently analyse, measure and monitor risks. It provides the risk analyses and risk information that risk management needs for active management adequate to the risk at hand.

The compliance function works to implement effective methods to ensure compliance with key legal rules and requirements for the Bank. It advises and assists the Executive Board in relation to regulatory issues.

It is the responsibility of each individual employee to identify operational risks. Operational risk management (ORM) is organised on a decentralised basis and is ensured and managed by the heads of the departments. The Corporate Communications and Investor Relations unit coordinates the handling of reputational risks.

The Legal department is responsible for the identification, measurement and assessment of legal risks and risks of changes in the law, as a sub-category of operational risk.

In addition, Internal Audit performs an assessment of the adequacy of the risk management and controlling system from outside the process by auditing the structure, functionality and efficacy of the entire risk process and the other processes associated with it.

Risk reporting

In risk reporting, the Risk Control department reports regularly to decision makers (the full Executive Board, Risk Committee, pertinent department managers) and the Supervisory Board, as well as the Risk Committee appointed by the Supervisory Board. The frequency of reporting depends on the significance of the risk and on regulatory requirements. Information that is significant for risk is immediately conveyed to management, the officers in charge, and to Internal Audit and Compliance departments, if applicable.

Filing external risk reports with the Deutsche Bundesbank regarding the lending business is the task of the Finance department.

Management and controlling of specific risks

Credit risk

Risk measurement

OLB uses the Credit Metrics™ simulation model to measure economic credit risk. This model reflects default risk and migration risk.

Based on the loss risks for each individual item, the model calculates a collective loss allocation for all items and thus assigns a value to the portfolio. The changes in value in the entire portfolio are then used to derive the key figures and limit values needed for risk management. A credit value at risk (99.9 %/1 year) is used to measure and control risk.

In addition, the risk value associated with investments within the scope of the pension fund – to which a significant portion of the Bank's pension obligations was transferred in previous years – is provided by an external company and taken into consideration. This value is determined by means of a credit risk model using a Credit Metrics™ approach, with the same confidence level and risk horizon as for OLB.

Credit risks are limited at both the whole-portfolio and partial-portfolio levels. Stress tests are additionally performed at regular intervals. The scenarios considered there are regularly reviewed in terms of their up-to-dateness and relevance.

The country risk is monitored by means of limits specified for the countries in which and with which transactions are currently being carried out or have been carried out in the past.

The Bank does not carry out any trading on its own account. To limit credit risk from trading transactions, for derivatives the Bank applies the Standard Approach for Counterparty Credit Risk (SA-CCR) supplemented with regulatory add-ons.

OLB has integrated the credit risks from trading transactions in its internal credit portfolio model; these are incorporated into the credit value-at-risk key figures for the portfolio as a whole and the corresponding sub-portfolios.

Risk management
Management of all ***credit risks in the customer lending business*** is based on an integrated concept of guidelines, structures of authority and requirement systems consistent with the Bank's strategic focus and objectives.

The loan decision process is structured consistently with this concept. An organisational and disciplinary separation between front office and back office is ensured at all levels.

Various organisational rules have been adopted depending on the credit risk to be decided on. The aim is for the structure and the distribution of duties to ensure that decision-making and processing for credit exposures are both adequate to risk and efficient, as a function of lot sizes, risk content, and complexity. Exposures that are integral parts of business that OLB defines as not relevant to risk are subject to simplified approval, decision-making and monitoring processes. Exposures that are part of business that the Bank categorises as risk-relevant are approved and decided under shared authority between front and back office, on the basis of their specific risk content and in compliance with firmly defined rules.

Risk assessment and credit approval in non-risk-relevant business depend on the type of transaction and on who is in charge of providing customer support. For all other exposures, risk assessment and the credit decision are carried out in cooperation between the front office and back office.

In new business, the risk of insolvency is determined for each borrower, in the form of a credit rating category, on the basis of statistical creditworthiness procedures. At the same time, the collateral provided by the customer is evaluated. This valuation takes place with involvement of the back office and / or external experts, depending on the scope and complexity. The total lendings, debt servicing calculation, credit rating and collateral together provide an indication of the customer's credit risk. The customer's sustainability risk is also determined (ESG).

During the life of the credit, all exposures are monitored at all times. A manual update of the rating is performed annually for risk-relevant exposures and a prolongation report is prepared. Furthermore, automated status ratings are carried out monthly.

In addition, all exposures are monitored by various automated and manual early detection procedures for risk; when needed, these procedures trigger a mandatory rating review together with predefined analytical and reporting processes.

The timing and scope of recurring appraisals of collateral depend on the nature of the collateral and the value attributed to it. Since real estate property plays such an important role as collateral for the Bank, a central real estate monitoring unit has been set up that tracks regional changes in prices in the real estate market, and triggers an individual review of the affected regional real estate figures when material changes occur.

The qualitative and quantitative requirements for approving and monitoring exposures are coupled to the risk involved in each case. Depending on volume, risk content and credit rating, spheres of authority are defined so that credit decisions are always made at a level adequate to the risk involved.

Appropriate systems of requirements have been established to keep the risk of the credit portfolio as a whole within reasonable bounds. For example, there are guidelines for the acceptance and appraisal of collateral. Risk-dependent prices, in conjunction with risk-adjusted measurement of sales units' earnings, create incentives to engage in new business only where there is adequate creditworthiness and appropriate collateral.

To ensure an adequate assessment of risk over the long term, an emphasis is placed on high-quality processes. The initial and continuing training for employees plays a crucial role, as does a regular review of processes. Moreover, follow-up analyses and validations make it possible to judge how meaningful the results of a credit assessment and collateral appraisal actually are, and permit projections about the future risk picture.

In addition, the Risk Control department examines the development of credit risks through the customer credit portfolio every month. It performs structural analyses of the portfolio (rating, collateral, defaulted customers, economic sectors, new business, etc.), and investigates the impact on economic indicators such as the expected loss and the regulatory equity requirements. The results are reported to the Risk Committee and incorporated into the quarterly risk report to the full Executive Board and the Supervisory Board.

The quarterly risk reporting also includes an examination of potential risk concentrations in credit risk. This includes analyses on the basis of individual exposures, sectors, or other defined partial portfolios. In addition, at least once a year, risk concentration is extensively reviewed as part of the risk assessment, so as to detect any additional needs in connection with updating the risk strategy.

To avert risk concentrations, partial-portfolio limits are also defined above and beyond areas of authority. Monitoring these limits is the task of the Risk Control department.

Risk provision is determined using an Expected Credit Loss Model according to IFRS9 standard. Loans are classified under Stages 1 to 3, depending on their default risk.

Loans in default are measured individually and are provided with an Individual Assessed Loan Loss Provision (IALLP), at the latest upon expiry of defined periods of time. The length of these periods of time is dependent, in particular, on the collateral and the Bank's experience. This does not affect the existence or pursuit of the Bank's legal rights.

The Bank conducts ***trading transactions*** in the non-trading portfolio when they are intended to safeguard the Bank's long-term liquidity and to control the risk of changes in interest rates within the defined limits. In this way, they serve to safeguard the Bank's long-term survival and earnings stability. The principal lines of business included in the non-trading portfolio are money trading and trading in or issuing bonds. They are complemented by derivative transactions to mitigate risk. OLB counters issuer and counterparty default risks in the trading business with banks, and in securities investments, by limiting its dealings fundamentally to trading partners who have first-class credit ratings and to central-bank counterparties, as well as by maintaining a firmly established system of limits and pursuing a broadly diversified portfolio. The strategic orientation is defined in the Bank's risk strategy. In terms of the approval process, credit risks from the trading business are treated analogously to the commercial lending business.

Risk situation

OLB awards customer loans to private clients, on the one hand, and to small and medium-sized corporate clients on the other. The Commercial Real Estate, Acquisition Finance, Football Finance and Ship Finance business segments are further areas of focus. Retail Banking concentrates on mortgages and consumer loans. Business with corporate clients is mainly in financing for operating equipment, other capital investments and real estate.

In assessing the necessary provisioning for expected credit losses (Stage 1 and Stage 2), OLB based its future development assumptions of the macroeconomic environment on three scenarios that were weighted with probabilities of occurrence with regard to their effects.

The regular review of the PMA showed that the risks anticipated by the PMA have already been reflected in the actual development of the provisions for expected credit losses due to the deterioration in the probabilities of default. In the course of the new assessment as of the balance sheet date, the bank determined that certain risks resulting from recent economic and political developments are still not or not sufficiently reflected in the sensitivities of the economic parameters used in the model. This applies in particular to risks arising from the knock-on effects of inflation, electricity prices and the current downturn in the German construction industry, as well as from changes in the political situation (further developments in the US, the impact of the German parliamentary elections). The bank used an expert-based assessment of the impact of these risks on corporate default risk by industry to estimate the required PMA, resulting in a PMA of EUR 8 million as of 31 December 2024.

The following table shows an overview of the loan volume:

EUR m	31/12/2024	31/12/2023
Private & Business Customers	10,538.3	10,269.6
Corporates & Diversified Lending	10,479.0	9,823.4
Degussa Bank	4,701.0	—
Corporate Center	- 38.8	- 171.3
Receivables from customers (gross carrying amount)	25,679.5	19,921.7
Receivables from banks (gross carrying amount)	1,120.1	548.8
Total of gross receivables	**26,799.7**	**20,470.5**
less risk provision	- 238.5	- 197.2
Total of net receivables (after risk provision)	**26,561.1**	**20,273.3**

Positive and negative adjustments of the book value resulting from fair value hedge accounting were reflected in the Corporate Center.

Please see note (37) for details of the development of the structure and volume of the lending business.

Credit ratings

Creditworthiness, which is assessed by means of specific rating methods, is an important indicator used to assess credit risk. Within OLB, credit ratings are determined using an internal master scale which allocates clients to internal credit ratings corresponding to their probability of default (PD). The relationship between the Bank's internal credit ratings and the ratings of the external rating agency Standard & Poor's (S & P) is evaluated and, where appropriate, adjusted regularly on the basis of the default rates published by S & P.

The following tables show the distribution of loans and impairment, with a breakdown by credit rating:

Credit rating	PD range	Standard & Poor's	Assessment
1 - 6	< 0.02 % - 0.46 %	AAA to BBB–	Ability to meet the payment obligation (investment grade)
7 - 9	0.46 % - 2.45 %	BB+ to BB–	Ability to meet the payment obligation with limitations
10 - 12	2.45 % - 13.25 %	B+ to B–	Impaired ability to meet the payment obligation
13 - 14	13.25 % - ≤ 100 %	CCC+ to C	Increased or severe vulnerability to delinquency
15 - 16	1.0	D	Borrower is delinquent under CRR or considered to have defaulted

Private & Business Customers

		Lifetime ECL		
EUR m	12-month ECL	not impaired	impaired	POCI
31/12/2024				
Low risk (AAA to BBB-)	3,454.4	12.6	—	—
Medium risk (BB+ to BB-)	6,249.2	195.6	—	—
Increased risk (B+ to B-)	184.2	216.6	—	—
Vulnerable to delinquency (CCC+ to C)	0.3	84.5	—	—
Delinquent under CRR or defaulted (D)	—	—	140.9	0.0
Risk provision	- 10.4	- 18.0	- 42.9	—
Total	**9,877.7**	**491.3**	**98.0**	**0.0**
31/12/2023				
Low risk (AAA to BBB-)	4,286.1	17.3	—	—
Medium risk (BB+ to BB-)	5,142.6	290.2	—	—
Increased risk (B+ to B-)	150.0	182.3	—	—
Vulnerable to delinquency (CCC+ to C)	0.2	71.1	—	—
Delinquent under CRR or defaulted (D)	—	—	129.8	—
Risk provision	- 9.6	- 15.4	- 44.5	—
Total	**9,569.3**	**545.5**	**85.3**	**—**

Corporates & Diversified Lending

EUR m	12-month ECL	Lifetime ECL not impaired	Lifetime ECL impaired	POCI
31/12/2024				
Low risk (AAA to BBB-)	4,955.9	29.5	—	—
Medium risk (BB+ to BB-)	3,381.3	130.8	—	—
Increased risk (B+ to B-)	727.6	725.3	—	—
Vulnerable to delinquency (CCC+ to C)	—	199.9	—	—
Delinquent under CRR or defaulted (D)	—	—	328.7	—
Risk provision	- 14.3	- 30.3	- 110.1	—
Total	**9,050.5**	**1,055.1**	**218.6**	**—**
31/12/2023				
Low risk (AAA to BBB-)	4,812.7	6.7	—	—
Medium risk (BB+ to BB-)	3,527.6	88.6	—	—
Increased risk (B+ to B-)	676.2	405.2	—	—
Vulnerable to delinquency (CCC+ to C)	15.4	118.9	—	—
Delinquent under CRR or defaulted (D)	—	—	172.0	—
Risk provision	- 25.7	- 27.4	- 74.6	—
Total	**9,006.3**	**592.1**	**97.4**	**—**

Degussa Bank

EUR m	12-months ECL	Lifetime ECL not impaired	Lifetime ECL impaired	POCI
31/12/2024				
Low risk (AAA to BBB-)	2,176.5	0.5	—	0.3
Medium risk (BB+ to BB-)	2,342.8	13.0	—	0.7
Increased risk (B+ to B-)	57.3	45.9	—	0.0
Vulnerable to delinquency (CCC+ to C)	39.2	7.8	—	0.1
Delinquent under CRR or defaulted (D)	—	—	10.0	7.0
Risk provision	- 7.2	- 2.6	- 2.2	—
Total	**4,608.5**	**64.6**	**7.8**	**8.1**

The maximum risk of default has been calculated below as a portion of the credit risk for each class of financial instrument.

EUR m	31/12/2024	31/12/2023
Balance sheet assets	**34,269.8**	**25,878.6**
Cash reserve	357.6	77.7
Receivables from banks	1,120.1	548.8
Receivables from customers	25,441.0	19,724.6
Receivables from customers measured at AC	25,441.0	19,724.6
Receivables from customers measured at FVOCI	—	—
Other receivables	473.4	320.2
Risk provision	**238.5**	**197.2**
Financial assets measured at FVPL	80.2	112.0
Mandatorily measured at FV	79.5	111.2
Positive fair values of derivative hedging instruments	1.9	35.1
Trading portfolio assets	77.6	76.1
Financial assets of the non-trading portfolio	0.7	0.7
Risk provision	**—**	**—**
Financial assets measured at FVOCI	6,479.0	4,881.7
Equity instruments	—	—
Debt instruments	6,479.0	4,881.7
Loans and receivables	—	—
Risk provision	**0.4**	**0.2**
Bonds and other fixed-income securities measured at AC	—	—
Risk provision	**—**	**—**
Maximum risk of default for all balance sheet assets	**34,189.9**	**25,862.0**
Financial guarantees	627.7	606.8
Irrevocable loan commitments	2,080.5	1,791.1
Risk provision	**13.2**	**17.2**
Maximum risk of default	**36,911.3**	**28,277.1**

Risk concentrations

The industry distribution of the loan portfolio is generally characterised by the clientele, which is mainly based in the business region. In the corporate client business, there is no industry concentration in this respect. In the area of commercial real estate, the portfolio is diversified into the usual asset classes such as offices, apartments, logistics and retail. Acquisition financing is mainly spread across the service, production and retail industry clusters. There are separate limits for the special financing portfolios.

Collateral

All in all, 42.8 % of the gross credit risk in customer lending business is secured with collateral. Most of this 40 % collateral is mortgages on residential and commercial property. As a rule, residential and commercial property is not measured at fair value here and is instead measured according to the specifications of the more conservative Collateral Valuation Ordinance (Beleihungswertverordnung). Further receivable claims are mainly secured with liquid collateral such as account balances, building loan agreements and chattel mortgages. The transfer of wind turbines and ship mortgages for security purposes, in order to hedge the corresponding portfolios, serves as other noteworthy collateral. Export financing outside Europe is usually collateralised by means of government export credit insurance (ECA).

Apart from concentration on individual borrowers, risk concentration may also arise from a focus on individual providers of security. Credit insurances are internally limited to prevent potential concentrations. Since other collateral and security derives from the broadly diversified customer lending portfolio, at present the Bank does not foresee any relevant risk concentrations.

Suitable monitoring measures have been implemented for areas in which concentrations may arise due to the type of collateral or the collateral item. Collateral recovery rates are monitored on an ongoing basis and any changes observed are taken into account when determining credit risks. The collateral ratio of non-performing loans was 63.7 % as of 31 December 2024. In addition to the above-mentioned allocated collateral, the loan loss provisions were also taken into account.

Banks

The credit risk from loans and advances to banks (incl. Deutsche Bundesbank) and from bonds issued by credit institutions is low overall. The receivables volume of EUR 3.6 billion as of 31 December 2024 consisted almost entirely of the excellent and good credit rating classes 1–6. The remaining receivables amount to approx. EUR 1.5 million and are in credit rating classes 7–14.

Country risk

OLB calculates the country risk based on the country of the debtor's economic risk, in line with Delegated Regulation (EU) No. 1152 / 2014. Accordingly, as of 31 December 2024 Germany accounts for 76 % (31 December 2023: 74 %) of customer and bank lending business and the rest of the EU for 19 % (31 December 2023: 20 %). Only 3.1 % (31 December 2023: 6 %) of the economic risk is situated outside of the EU.

Market price risk

Risk measurement

OLB is exposed to market price risks in its customer business and in trading. Significant factors here include:

- changes in interest rates and yield curves,
- changes in currency exchange rates and
- fluctuations (volatility) in these parameters.

The risk from the non-trading portfolio derives primarily from changes in interest rates (in terms of the effect on the present value of the interest rate book). An open foreign-currency position is possible only for very minor technical amounts. The limit for open foreign-currency positions is set at EUR 1 million.

Risk positions are monitored by the Risk Control department, which reports the evolution of risks and the results for the liquidity reserve daily, and for the value at risk of the non-trading portfolio monthly.

All risk positions are measured as the sum of all relevant individual transactions, including applicable measures to limit risk (net presentation).

Market price risks are quantified and limited at the Whole Bank level, primarily using value-at-risk models.

The value-at-risk model for the non-trading portfolio is based on a historical simulation that incorporates changes in interest rates, equally weighted over time since. To quantify the interest rate risk, the method calculates how the present value of the interest rate book would change if the historically observed changes in interest rates were to occur.

The value-at-risk model for credit spread risk is based on a historical simulation in which the credit spread changes from mid-2019 are considered in equal time weighting. To quantify the credit spread risk, the deviations in the development of the risk premium are considered, which arise when the historical credit spread scenarios occur compared to the development without a scenario.

Under EBA Guideline 2022 / 14, changes in net present value are additionally calculated using ad hoc shifts of the yield curve in different directions and to different extents as stress scenarios. On the basis of these stress scenarios, several early warning indicators have been set up in accordance with EBA guidelines.

For the variable interest rate products, an expiry assumption for various product groups (base rate models) is parameterised in the interest book cash flow. Special repayment rights in the lending business are also included in the risk measurement as model cash flow.

For the limitation of open currency positions from spot transactions, forward exchange transactions, FX swaps, non-deliverable forwards (NDFs), currency options and certain loans / deposits, the total currency position is calculated in accordance with the standard method for market price risks of the CRR.

For the purpose of assigning limits to open currency positions, the overall currency position will be determined on the basis of all net foreign currency balances. In deviation from the definition provided in the CRR, risk positions resulting from value adjustments are not deducted from currency positions. OLB hedges currency positions resulting from customer transactions up to the write-off date.

Risk management

The Bank Management Committee and the Risk Committee of the Bank are responsible for managing market price risk. Positioning in the non-trading portfolio is deliberated and decided by the Bank Management Committee. Market price risks are monitored by the Risk Control department, and limits are adopted by the full Executive Board, taking due account of recommendations from the Risk Committee.

Value at risk for market price risks (99.9 %/1 year) serves to limit risk.

To assess market price risk, in addition to statistical risk assessment using value-at-risk models the Bank regularly applies both regulatory and economic stress tests.

The risk position essentially derives from developments in new lending business, highly liquid bonds held within the scope of the required liquidity reserves, and the funding structure. Investments for the purpose of the Bank's liquidity reserve may be made only within a specifically defined range of product types. The Treasury department largely manages the risk of interest rate changes by means of interest rate derivatives. In addition, the Treasury department can influence the securities held in the liquidity reserve at any time with respect to the volume and the fixed interest rate. In addition to the interest rate book, the risk value resulting from the outsourced pension provisions is provided by an external company and taken into consideration. The risk for the outsourced pension provisions is determined by means of a delta normal model, with the same confidence level and the same holding period as the risk in the interest rate book.

Risk situation

Trading business:

Trading to generate short-term gains was discontinued as of the end of 2012; any new positions were allocated to the non-trading portfolio.

Value at risk for the non-trading portfolio (99.9 %/1 year):

EUR m	2024 VaR (99.9 %)	2023 VaR (99.9 %)
Minimum	70.9	82.0
Mean	137.0	134.2
Maximum	186.4	165.5

Market price risk in the non-trading portfolio is assessed and limited on a value basis through historical changes in interest rates. The growing lending business was the driver behind risk.

Liquidity risk

Risk measurement

Short-term liquidity risks are measured and controlled on the basis of funding matrices, made available daily, with a forward horizon of the next 23 working days (with an eye to the risk of inability to meet payments). In addition to deterministic cash inflows and outflows, the method also applies assumptions on the further development of variable business. Assessments of future liquidity cash flow are performed using both normal market conditions and stress scenarios. The content of the scenarios is essentially the same as that for the medium and long-term views. Medium and long-term liquidity risks are measured and controlled on the basis of monthly assessments that analyse future liquidity cash flow with a forward horizon of the next ten years. The liquidity cash flow here is the net figure for all future incoming and outgoing payments up to the given date. The analysis takes account of business performance both under normal market conditions and in stress scenarios.

Compliance with the regulatory ratio, the liquidity coverage ratio (LCR) according to the Delegated Regulation, is a part of the risk measurement. The LCR calls for maintaining a liquidity buffer that will cover at least net outpayments for 30 days under market-wide and idiosyncratic stress conditions. This approach is supplemented with a liquidity buffer for a one-week and a one-month period. All of these steps are intended to safeguard short-term solvency, especially by maintaining an adequate liquidity reserve.

In addition, OLB calculates and reports the net stable funding ratio (NSFR) liquidity ratio in accordance with the CRR II. The NSFR is a liquidity ratio which is intended to safeguard medium- to long-term structural liquidity over a period of one year and, above all, to reduce the level of dependence on short-term funding. Compliance with this ratio is a regulatory requirement which has applied since 30 June 2021.

In assessing liquidity cost risk, funding matrices over the next ten years from the liquidity-risk stress scenarios are analysed. If liquidity falls short of liquidity risk limits during this period in a given scenario, the shortfall between the actual liquidity and the required liquidity is remedied by means of liquid funding operations at current interest rates with possible liquidity spreads and while maintaining a constant credit rating. The liquidity cost risk is calculated with a value orientation as a liquidity value at risk with a 99.9 % confidence level.

Via its Treasury & Markets department OLB has access to all the major capital market segments: mobilisation and administration of credit claims, covered bond issues, customer deposits, asset-backed securities and open-market transactions (e. g., TLTRO). There are no concentrations or dependencies on specific markets or counterparties. In addition to quantification, the Bank's ability to refinance is also monitored qualitatively.

Risk management

Liquidity risks are limited based on the institution-specific funding matrix, the regulatory liquidity coverage ratio (LCR) and the net stable funding ratio. In order to ensure compliance with the requirement at all times, internal limits and early warning thresholds are defined. The Bank's Risk Committee is regularly informed of the evolution of these key ratios. These considerations are supplemented with a liquidity buffer that must be maintained. The scope of the buffer is derived from weekly and monthly liquidity outflows from customer transactions.

The limits for liquidity risk in the funding matrix are based on "cumulative relative liquidity surpluses" as the key indicator. This represents the liquidity cash flow relative to total liabilities for defined maturity ranges.

Liquidity risk is controlled by the Bank Management Committee and the Risk Committee of the Bank. The Treasury department can draw at any time on the securities held in the liquidity reserve or cover additional liquidity needs through sales, pledges for Bundesbank refinancing facilities or forward sales under repo agreements. Liquidity needs are covered through customer business, by taking out fixed deposits and refinancing loans or by placing promissory note loans and covered bonds. Due to these covered bond issues, in order to manage its liquidity risks as a capital-market-oriented institution OLB is required to comply with the additional requirements for capital-market-oriented institutions pursuant to sections BTR 3.2 and BT 3.2 of MaRisk.

Risk situation

Development of funding sources:

The bank uses a variety of sources for its funding, as displayed in the following table:

EUR m	31/12/2024	31/12/2023
Demand deposits	107.6	480.8
Development banks	2,284.3	1,990.5
Promissory notes / registered notes	13.1	13.1
Covered bonds	80.6	65.5
Other term deposits	5,052.7	3,078.8
Liabilities to banks (AC)	**7,538.3**	**5,628.7**
Demand deposits	10,634.4	8,143.2
Promissory notes / registered notes	400.3	397.9
Covered bonds	290.5	177.2
Other term deposits	9,848.3	7,079.5
Saving deposits	1,080.6	1,119.9
Liabilities to customers (AC)	**22,254.2**	**16,917.6**
Covered bonds issued	1,210.6	700.1
Other debt securities issued	497.1	496.5
Securitised liabilities (AC)	**1,707.7**	**1,196.6**
Convertible bonds (Tier 1)	1.7	1.7
Debt instruments (Tier 2)	338.3	—
Promissory note loans (Tier 2)	115.4	125.1
Customer deposits (Tier 2)	46.3	2.5
Subordinated debt	**501.7**	**129.3**
Total deposits and borrowed funds	**32,001.9**	**23,872.2**

Development of regulatory reporting ratios:

The Bank checks the liquidity coverage ratio (LCR) key indicator in accordance with the CRR on a daily basis. The positions are notified by reporting the key indicator according to the Delegated Regulation and have been since 1 September 2016.

LCR

in %	2024	2023
Minimum	147.4	147.4
Mean	167.3	201.9
Maximum	204.1	328.3

The minimum value of 100 % for the LCR reporting ratio was maintained on all of the reporting dates. On average, this ratio was 67.3 percentage points higher than the minimum requirement of 100 %. On 31 December 2024 this ratio amounted to 161.8 % (31 December 2023: 147.4 %).

Since 30 June 2021 the Bank has reviewed its net stable funding ratio (NSFR), as prescribed by the CRR, on a daily basis.

NSFR

in %	2024	2023
Minimum	114.1	114.1
Mean	117.6	117.1
Maximum	118.8	118.3

Operational risk

OLB uses uniform, coordinated instruments to identify, measure and monitor operational risks.

The regulatory capital requirement for operational risk is determined by means of the standard approach.

Management of operational risks is essentially based on the scenario analyses, on analyses of losses actually incurred and on the risk indicators for operational risks.

(63) Restrictions on disposal and collaterals for own liabilities

Assets have been transferred as collateral in the specified amount for the following liabilities:

EUR m	31/12/2024	31/12/2023
Liabilities to banks	6,972.9	5,945.4
Liabilities to customers	290.5	177.2
Securitised liabilities	1,416.6	773.9
Collateralised liabilities	**8,680.0**	**6,896.5**

The total amount (carrying amounts) of the collateral transferred consists of the following assets:

EUR m	31/12/2024	31/12/2023
Receivables from customers (AC) pledged as collateral	7,592.9	6,113.2
Receivables from banks (AC) pledged as collateral	8.1	5.2
Bonds (FVOCI) pledged as collateral	2,409.3	1,307.8
Collateral transferred	**10,010.2**	**7,426.2**

The transferred receivables from customers include receivables refinanced by development loan institutions. OLB mainly cooperates with the development loan institutions KfW, NBank and LRB. According to these development loan institutions' general terms and conditions, on principle OLB assigns to the refinancing institution the customer receivable including any subsidiary rights as well as collateral which the customer has provided for the refinanced receivable in question. The carrying amount for the customer receivables transferred as collateral in this respect was EUR 2,236.5 million (2023: EUR 1,979.8 million). Moreover, customer receivables are transferred to a cover fund for OLB's covered bond issues. The carrying amount of these receivables was EUR 2,348.5 million (2023: EUR 1,474.3 million). Further collateral transferred consists of receivables as part of true-sale receivables securitisations by the SPV Weser Funding S. A. (ABS), with a carrying amount of EUR 1,964.6 million (2023: EUR 1,887.0 million) and from the transfer of loans through the loan submission procedure (Mobilisation and Administration of Credit Claims – MACCs), with a carrying amount of EUR 1,043.3 million (2023: EUR 772.2 million).

The transferred receivables from banks mainly comprise cash collaterals relating to derivatives.

The fair value of the transferred bonds matches the above carrying amount.

EUR m	31/12/2024	31/12/2023
Reverse repurchase transactions		
Assets transferred (FVOCI)	1,787.2	929.9
Corresponding liabilities to banks	2,740.1	2,560.3
Total assets transferred	**1,787.2**	**929.9**
Total corresponding liabilities	2,740.1	2,560.3

Within the scope of its refinancing business with institutions and insurers, out of an overall portfolio of customer receivables in the amount of EUR 25,441.0 million (2023: EUR 19,724.6 million) receivables were transferred to the refinancing entities, with the Bank retaining the related interest rate and counterparty risks. The fair value of the customer receivables within the scope of this refinancing business was EUR 2,073.0 million (2023: EUR 1,828.6 million). The liabilities relating to the refinancing funds amounted to EUR 2,236.5 million (2023: EUR 1,979.8 million). These have been reported in liabilities to customers and liabilities to banks.

EUR m	31/12/2024	31/12/2023
Compensation scheme of German Private Banks (EdB)	26.5	15.0
Single Resolution Fund	13.6	12.4
Deposit protection fund	4.9	3.2
Obligations to deposit guarantee and financial market stabilisation funds	**45.0**	**30.6**

(64) Foreign currency volumes

EUR m	31/12/2024	31/12/2023
Assets of the currency		
USD	558.1	402.9
GBP	224.2	91.8
Other	20.5	20.4
Total assets	**802.8**	**515.1**
Liabilities of the currency		
USD	514.1	611.2
GBP	6.7	14.6
Other	30.3	33.2
Total liabilities	**551.1**	**659.0**

These amounts are totals in euro equivalents for non-Eurozone currencies.

(65) Breakdown of residual terms of receivables and liabilities

The following tables provide a breakdown of receivables by maturity call date.

	31/12/2024		
EUR m	Up to 12 months	Over 12 months	Total
Receivables from banks	1,101.8	18.3	1,120.1
Receivables from customers	5,058.8	20,382.2	25,441.0
Financial assets of the non-trading portfolio	174.6	6,305.1	6,479.7
Other assets	446.9	45.2	492.1
Total receivables	**6,782.1**	**26,750.9**	**33,533.0**

	31/12/2023		
EUR m	Up to 12 months	Over 12 months	Total
Receivables from banks	529.4	19.4	548.8
Receivables from customers	4,103.7	15,620.9	19,724.6
Financial assets of the non-trading portfolio	214.2	4,668.2	4,882.4
Other assets	289.6	46.1	335.7
Total receivables	**5,136.9**	**20,354.6**	**25,491.5**

The following tables break down the undiscounted financial liabilities from derivative and non-derivative transactions according to contractual residual terms. As the figures are undiscounted and include interest payments, some of the values differ from the book values shown in the balance sheet.

As of the respective reporting date, the financial liabilities according to contractually agreed maturity structures in accordance with IFRS 7.39 were as follows:

	31/12/2024					
EUR m	Due daily or with indefinite maturity	Up tp 3 months	3 months to 1 year	1 year to 5 years	Over 5 years	Total
Trading portfolio liabilities	—	16.5	13.8	38.2	89.9	158.4
Negative fair values of derivative hedging instruments	—	—	0.4	68.2	325.6	394.2
Derivative instruments (before offsetting)	**—**	**16.5**	**14.2**	**106.4**	**415.5**	**552.6**
Liabilities to banks	107.6	3,410.6	1,275.1	1,541.5	1,203.6	7,538.3
Liabilities to customers	10,580.9	4,427.4	6,082.5	805.7	357.7	22,254.2
Securitised liabilities	—	2.9	2.0	419.6	1,283.1	1,707.7
Subordinated debt	—	2.1	5.8	80.6	413.2	501.7
Interest payments for non-derivative financial instruments	—	79.1	237.3	383.3	403.9	1,103.6
Non-derivative financial instruments	**10,688.5**	**7,922.1**	**7,602.7**	**3,230.7**	**3,661.5**	**33,105.5**
Balance sheet items	**10,688.5**	**7,938.6**	**7,616.9**	**3,337.1**	**4,077.0**	**33,658.1**
Contingent liabilities and other commitments	—	2,708.2	—	—	—	2,708.2
Total liabilities	**10,688.5**	**10,646.8**	**7,616.9**	**3,337.1**	**4,077.0**	**36,366.3**

EUR m	31/12/2023					
	Due daily or with indefinite maturity	**Up tp 3 months**	**3 months to 1 year**	**1 year to 5 years**	**Over 5 years**	**Total**
Trading portfolio liabilities	—	16.5	11.4	29.1	58.5	115.5
Negative fair values of derivative hedging instruments [1)]	—	—	32.7	27.7	252.6	312.9
Derivative instruments (before offsetting)	**—**	**16.5**	**44.1**	**56.8**	**311.0**	**428.4**
Liabilities to banks	470.8	709.6	1,914.9	1,581.6	951.8	5,628.7
Liabilities to customerss	8,038.2	3,746.3	3,696.9	1,122.9	313.3	16,917.6
Securitised liabilities	—	—	0.0	423.8	772.8	1,196.6
Subordinated debt	—	10.0	4.2	55.1	60.0	129.3
Interest payments for non-derivative financial instruments	—	54.1	162.4	182.3	173.2	572.1
Non-derivative financial instruments	**8,509.0**	**4,520.0**	**5,778.4**	**3,365.7**	**2,271.1**	**24,444.3**
Balance sheet items	**8,509.0**	**4,536.6**	**5,822.5**	**3,422.5**	**2,582.1**	**24,872.7**
Contingent liabilities and other commitments	—	2,397.9	—	—	—	2,397.9
Total liabilities	**8,509.0**	**6,934.4**	**5,822.5**	**3,422.5**	**2,582.1**	**27,270.6**

1) Displayed with negative sign in prior year's disclosures and now adjusted for the sake of consistency with rest of table

(66) Derivative transactions and hedge accounting

Among other factors, the value of derivative financial instruments which enable the transfer of market and credit risks between various parties results from interest rates and indexes as well as share prices and foreign exchange rates. Markdowns are calculated on positive fair values to cover counterparty risks. The most important derivative products used include interest rate swaps and currency forwards. Derivatives can be entered into by means of standardised contracts on the stock market or in the form of transactions negotiated bilaterally over the counter.

Derivatives are used for the Bank's internal risk management and for asset / liability management. From the point of view of valuations, a distinction is made between products traded on the stock market and those traded over the counter.

Where index options are entered into, a daily cash settlement will be made for contracts traded on the stock market.

In the case of exchange-traded derivatives, positive and negative fair values will not be reported if (or arise) unless the terms of the agreement only require full settlement as of the maturity date only (for European options only; EUREX products = American options) or the variation margin (futures only) has not yet been received as of the balance sheet date (e. g. if the stock exchanges are situated in different time zones). Apart from the exceptions described above, the fair values of exchange-traded derivatives will always be zero as a result of the daily settlement of gains and losses.

The following table shows the nominal volumes by residual term as well as the positive and negative fair values of the derivative transactions which the Bank has entered into. The nominal amounts generally serve as no more than a reference figure for the calculation of the mutually agreed settlement payments (e. g. interest claims and / or interest obligations in case of interest rate swaps) and thus do not represent any direct receivables and / or payables in the balance sheet sense.

EUR m	Positive fair value	Negative fair value	Total nominal values
31/12/2024			
Interest rate derivatives	**550.8**	**- 524.8**	**26,444.2**
Interest rate derivates from customer business	78.0	- 64.0	6,847.9
Interest rate derivatives from interest book management	472.8	- 460.8	19,596.3
thereof designated as micro hedging instruments	303.0	- 205.4	7,155.8
thereof designated as portfolio hedging instruments	78.7	- 188.9	5,696.0
thereof free-standing hedging instruments	91.2	- 66.6	6,744.5
Currency derivatives	**38.3**	**- 27.8**	**2,990.5**
Currency options: purchases	1.5	—	146.8
Currency options: sales	0.0	- 1.5	146.8
Cross-currency swaps	1.5	- 1.5	191.5
FX swaps and currency forwards	35.2	- 24.8	2,505.5
Total derivatives	**589.1**	**- 552.6**	**29,434.7**

EUR m	Positive fair value	Negative fair value	Total nominal values
31/12/2023			
Interest rate derivatives	**614.0**	**- 400.4**	**19,105.7**
Interest rate derivates from customer business	98.5	- 84.9	6,772.7
Interest rate derivatives from interest book management	515.5	- 315.5	12,333.0
thereof designated as micro hedging instruments	338.9	- 202.6	7,127.0
thereof designated as portfolio hedging instruments	161.7	- 110.3	3,006.0
thereof free-standing hedging instruments	14.9	- 2.5	2,200.0
Currency derivatives	**35.0**	**- 28.0**	**3,036.3**
Currency options: purchases	0.7	—	44.9
Currency options: sales	—	- 0.7	44.9
Cross-currency swaps	4.6	- 0.2	144.8
FX swaps and currency forwards	29.7	- 27.2	2,801.7
Total derivatives	**649.0**	**- 428.4**	**22,142.0**

Disclosures on the hedging instruments used in the hedge accounting:

EUR m	Nominal value	Positive fair values	Negative fair values	Change in fair value used as the basis for recognising hedge ineffectivness for the period	Average interest rate of the hedging instruments (in %)
31/12/2024					
Hedging of interest rate risk	**12,851.8**	**381.6**	**-394.2**	**-200.3**	**2.28**
Interest rate swaps in micro hedges	7,155.8	303.0	-205.4	-38.7	2.18
Interest rate swaps in portfolio hedges	5,696.0	78.7	-188.9	-161.6	2.39
31/12/2023					
Hedging of interest rate risk	**10,133.0**	**500.6**	**-312.9**	**-321.4**	**1.61**
Interest rate swaps in micro hedges	7,127.0	338.9	-202.6	-112.4	1.46
Interest rate swaps in portfolio hedges	3,006.0	161.7	-110.3	-209.0	1.97

All hedging instruments included in the above table are included in the balance sheet items positive market values from derivative hedging instruments and negative market values from derivative hedging instruments.

The profile of the timing of the nominal amount of the hedging instruments is shown in the following table:

EUR m	Nominal values up to 1 year	Nominal values over 1 year and up to 5 years	Nominal values over 5 years	Total nominal values
31/12/2024				
Interest rate derivatives from interest book management	1,091.0	8,310.0	10,195.3	19,596.3
thereof designated as micro hedging instruments	101.0	2,539.0	4,515.8	7,155.8
thereof designated as portfolio hedging instruments	90.0	1,591.0	4,015.0	5,696.0
thereof free-standing hedging instruments	900.0	4,180.0	1,664.5	6,744.5
31/12/2023				
Interest rate derivatives from interest book management	1,985.0	4,199.5	6,148.5	12,333.0
thereof designated as micro hedging instruments	1,350.0	2,019.5	3,757.5	7,127.0
thereof designated as portfolio hedging instruments	135.0	480.0	2,391.0	3,006.0
thereof free-standing hedging instruments	500.0	1,700.0	—	2,200.0

Disclosures on the underlying transactions used in the hedge accounting:

EUR m	Carrying amount	Accumulated hedge adjustments[1)]	Change in fair value used as the basis for recognising hedge ineffectivness for the period	Accumulated hedge adjustments from terminated hedging relationships[1)]
31/12/2024				
Hedging of interest rate risk – micro hedges	**6,871.4**	**- 108.8**	**7.8**	**38.2**
Financial assets measured at AC	—	—	- 9.1	34.1
Financial assets of the non-trading portfolio	—	—	—	—
Receivables from banks and receivables from customers	—	—	- 9.1	34.1
Financial assets measured at FVOCI	5,114.4	- 175.0	69.3	19.5
Financial assets of the non-trading portfolio	5,114.4	- 175.0	69.3	19.5
Receivables from banks and receivables from customers	—	—	—	—
Financial liabilities measured at AC	1,756.9	66.2	- 52.3	- 15.3
Securitised liabilities	1,591.9	51.1	- 22.4	- 1.5
Liabilities to banks	165.0	15.1	- 29.9	- 13.8
Hedging of interest rate risk – portfolio hedges	**7,050.7**	**- 76.4**	**130.6**	**115.1**
Financial assets measured at AC	7,050.7	- 76.4	130.6	115.1
Financial assets of the non-trading portfolio	—	—	—	—
Receivables from banks and receivables from customers	7,050.7	- 76.4	130.6	115.1

1) Book values on the assets side of the balance sheet are increased by positive hedge adjustments in fair value and decreased by negative hedge adjustments. On the liabilities side, the situation is the opposite.

EUR m	Carrying amount	Accumulated hedge adjustments[1)]	Change in fair value used as the basis for recognising hedge ineffectivness for the period	Accumulated hedge adjustments from terminated hedging relationships[1)]
31/12/2023				
Hedging of interest rate risk – micro hedges	**6,841.4**	**- 124.2**	**115.1**	**45.8**
Financial assets measured at AC	—	—	- 10.6	43.2
Financial assets of the non-trading portfolio	—	—	—	—
Receivables from banks and receivables from customers	—	—	- 10.6	43.2
Financial assets measured at FVOCI	4,246.3	- 248.4	214.1	23.7
Financial assets of the non-trading portfolio	4,246.3	- 248.4	214.1	23.7
Receivables from banks and receivables from customers	—	—	—	—
Financial liabilities measured at AC	2,595.1	124.3	- 88.5	- 21.0
Securitised liabilities	1,095.1	73.7	- 40.5	1.7
Liabilities to banks	1,500.0	50.5	- 48.0	- 22.7
Hedging of interest rate risk – portfolio hedges	**3,211.1**	**130.9**	**214.0**	**20.2**
Financial assets measured at AC	3,211.1	130.9	214.0	20.2
Financial assets of the non-trading portfolio	—	—	—	—
Receivables from banks and receivables from customers	3,211.1	130.9	214.0	20.2

1) Book values on the assets side of the balance sheet are increased by positive hedge adjustments in fair value and decreased by negative hedge adjustments. On the liabilities side, the situation is the opposite.

(67) Offsetting of financial instruments

At OLB, derivatives business cleared by means of a broker through the central counterparty (CCP) EUREX is currently the only scenario for balance-sheet offsetting. Positive and negative fair values of derivatives held on the reporting date vis-à-vis EUREX and the related cash collateral balance will be offset and reported in the balance sheet as a single net receivable or as a single net liability. For all other transaction portfolios whose overall credit risk and collateralisation are covered by means of framework agreements (bilaterally settled derivative business and repo business), either the IAS 32 requirements for balance-sheet offsetting are not fulfilled (these are framework agreements that provide for offsetting in the event of insolvency, but do not allow for a shortening of the payment path in ongoing business operations), or else these requirements are fulfilled but there are no offsetting transaction balances as of the reporting date.

The offset amounts were presented in the balance sheet items trading portfolio assets, positive fair values of hedging derivatives, trading portfolio liabilities, and negative fair values of hedging derivatives. See also notes (32), (33), (43) and (44).

Offsetting of receivables

				Items that reduce credit risk and are not subject to offsetting		
EUR m	Financial assets before offsetting	Amounts, subject to a global netting or similar agreement	Financial assets after offsetting	Amounts, not subject to a legally enforcable global netting or similar agreement	Collateral received	Net amount of credit risk
31/12/2024						
Derivatives	**611.3**	**- 509.0**	**102.2**	**- 28.0**	**- 44.1**	**30.1**
thereof bilateral	102.2	—	102.2	- 28.0	- 44.1	30.1
thereof through CCP broker	509.0	- 509.0	—	—	—	—
Repo transactions	**—**	**—**	**—**	**—**	**—**	**—**
thereof bilateral	—	—	—	—	—	—
thereof through CCP broker	—	—	—	—	—	—
Total amount	**611.3**	**- 509.0**	**102.2**	**- 28.0**	**- 44.1**	**30.1**
31/12/2023						
Derivatives	**660.0**	**- 534.5**	**125.5**	**- 35.6**	**- 43.8**	**46.2**
thereof bilateral	94.8	—	94.8	- 35.6	- 43.8	15.5
thereof through CCP broker	565.1	- 534.5	30.7	—	—	30.7
Repo transactions	**—**	**—**	**—**	**—**	**—**	**—**
thereof bilateral	—	—	—	—	—	—
thereof through CCP broker	—	—	—	—	—	—
Total amount	**660.0**	**- 534.5**	**125.5**	**- 35.6**	**- 43.8**	**46.2**

Offsetting of liabilities

EUR m	Financial liabilities before offsetting	Amounts, subject to a legally enforcable global netting or similar agreement	Financal liabilities after offsetting	Items that reduce credit risk and are not subject to offsetting: Amounts, not subject to a legally enforcable global netting or similar agreement	Items that reduce credit risk and are not subject to offsetting: Collateral provided	Net amount of credit risk
31/12/2024						
Derivatives	**- 589.6**	**509.0**	**- 80.6**	**28.0**	**12.3**	**- 40.3**
thereof bilateral	- 72.0	—	- 72.0	28.0	12.3	- 31.7
thereof through CCP broker	- 517.6	509.0	- 8.6	—	—	- 8.6
Repo transactions	**- 2,067.7**	**—**	**- 2,067.7**	**—**	**2,006.3**	**- 61.5**
thereof bilateral	- 1,492.9	—	- 1,492.9	—	1,492.9	0.0
thereof through CCP broker	- 574.8	—	- 574.8	—	513.4	- 61.5
Total amount	**- 2,657.3**	**509.0**	**- 2,148.3**	**28.0**	**2,018.6**	**- 101.7**
31/12/2023						
Derivatives	**- 631.1**	**534.5**	**- 96.7**	**35.6**	**6.8**	**- 54.3**
thereof bilateral	- 96.7	—	- 96.7	35.6	6.8	- 54.3
thereof through CCP broker	- 534.5	534.5	—	—	—	—
Repo transactions	**- 1,184.3**	**—**	**- 1,184.3**	**—**	**1,182.9**	**- 1.4**
thereof bilateral	- 347.7	—	- 347.7	—	346.3	- 1.4
thereof through CCP broker	- 836.6	—	- 836.6	—	836.6	0.0
Total amount	**- 1,815.4**	**534.5**	**- 1,281.0**	**35.6**	**1,189.6**	**- 55.8**

(68) Leasing

On principle, OLB only acts as a lessee. The balance sheet contains the following items related to leasing:

EUR m	31/12/2024	31/12/2023
Right-of-use		
Land and buildings	20.9	13.2
Operating and business equipment	0.9	0.6
Intangible assets	32.9	21.9
Total rights-of-use	**54.7**	**35.6**
Lease liabilities by remaining maturity		
up to 1 year	14.8	12.0
from 1 to 5 years	37.2	23.5
more than 5 years	4.9	2.0
Total lease liabilities	**56.9**	**37.5**

Additions (including Degussa Bank) made to right-of-use assets during the financial year 2024 amounted to EUR 14.8 million (2023: EUR 3.6 million).

Total lease liabilities developed as shown in the following table:

EUR m	Land and buildings	Operating and business equipment	Intangible assets	Total
Carrying amount as of 31/12/2023	**14.1**	**0.6**	**22.8**	**37.5**
Additions of Degussa Bank at 1/5/2024	**10.3**	**—**	**0.4**	**10.6**
Additions during the financial year	2.6	—	1.6	4.2
Disposals during the financial year	- 0.0	—	—	- 0.0
Changes in balance during the financial year	**12.9**	**—**	**1.9**	**14.8**
Change in duration during the financial year	1.9	0.8	16.4	19.1
Amortisation during the financial year	- 7.0	- 0.4	- 8.1	- 15.4
Discounting	0.4	0.0	0.6	1.0
Changes in measurement during the financial year	**- 4.6**	**0.4**	**8.9**	**4.7**
Carrying amount as of 31/12/2024	**22.3**	**1.0**	**33.6**	**56.9**

EUR m	Land and buildings	Operating and business equipment	Intangible assets	Total
Carrying amount as of 31/12/2022	**17.6**	**1.0**	**25.5**	**44.1**
Additions during the financial year	**0.9**	**0.1**	**2.6**	**3.6**
Disposals during the financial year	- 0.0	—	—	- 0.0
Changes in balance during the financial year	**0.9**	**0.1**	**2.6**	**3.6**
Change in duration during the financial year	0.2	—	1.5	1.7
Amortisation during the financial year	- 4.8	- 0.4	- 7.5	- 12.7
Discounting	0.2	0.0	0.6	0.9
Changes in measurement during the financial year	**- 4.5**	**- 0.4**	**- 5.4**	**- 10.2**
Carrying amount as of 31/12/2023	**14.1**	**0.6**	**22.8**	**37.5**

Payments made for leases (amortisation during the financial year) in 2024 totalled EUR 15.4 million (2023: EUR 12.7 million).

The following amounts are reported in the statement of profit and loss in connection with leases:

EUR m	31/12/2024	31/12/2023
Amortisation of rights-of-use assets		
Land and buildings	6.4	4.7
Operating and business equipment	0.4	0.4
Intangible assets	7.3	6.8
Interest expense	**1.0**	**0.9**
Items shown in the profit and loss statement	**15.1**	**12.7**

Off-balance-sheet business

(69) Contingent liabilities and loan commitments

Contingent liabilities and loan commitments are future liabilities of the Group arising from time-limited credit lines which the Bank has granted its customers but which they have not yet drawn on. By means of credit facilities, the Group provides its customers with rapid access to funds which its customers require in order to fulfil their short-term obligations as well as their long-term financing requirements. Liabilities from guarantees and indemnity agreements and letters of credit are also reported. Income from guarantees is recognised in net commission income. The amount of this income is determined by means of the application of agreed rates on the nominal amount of these guarantees.

The figures listed below do not permit any direct inference as to the resulting liquidity requirements.

EUR m	31/12/2024	31/12/2023
Credit guarantees	155.6	167.9
Other guarantees and warranties	463.6	436.1
Letters of credit	13.4	9.2
less provisions	- 4.9	- 6.5
Contingent liabilities	**627.7**	**606.8**
Loans	1,824.0	1,554.8
Guarantee lines	261.4	241.7
less provisions	- 5.0	- 5.5
Irrevocable credit commitments	**2,080.5**	**1,791.1**

Risk provision for off-balance-sheet obligations has been reported under other provisions.

The figures provided in the tables reflect the amounts whose write-down would be required in the event of customers using the full amounts of these facilities and subsequently defaulting on payment – subject to the assumption that no collateral is available. It is possible that a large portion of these obligations may expire without being drawn upon. These figures do not definitively reflect the actual future loan commitment or the liquidity requirements resulting from these obligations. Collateral may have been provided to cover the total commitments to customers under loans and guarantees. There are also sub-participations by third parties in irrevocable credit commitments and guarantees.

(70) Other financial liabilities

EUR m	31/12/2024	31/12/2023
Obligations under rental and usage agreements	25.7	12.9
Obligations for maintenance of information technology	8.8	10.8
Obligations under commenced capital spending projects	2.9	—
Payment obligations and joint liabilities	45.0	30.6
Other financial obligations	**82.3**	**54.3**

Obligations from rental and license agreements mainly relate to contracts from the areas of IT software, IT services and the commercial rental of business premises.

There were no call commitments for shares, bonds, other shareholdings or joint liabilities under sec. 26 of the German Act on Limited Liability Companies in GmbH Form (GmbH-Gesetz, GmbHG).

Oldenburgische Landesbank AG is a member of the German deposit protection scheme, which covers liabilities to creditors up to a maximum amount. As a member of this deposit protection scheme, Oldenburgische Landesbank AG is separately liable to provide additional capital contributions, but not exceeding the annual contribution of Oldenburgische Landesbank AG which is indicated below.

Obligation to and expenses for deposit protection and market stabilisation schemes:

EUR m	31/12/2024	31/12/2023
Compensation scheme of German Private Banks (EdB)	26.5	15.0
Single Resolution Fund	13.6	12.4
Deposit protection fund	4.9	3.2
Obligation to deposit protection and market stabilisation schemes	**45.0**	**30.6**

The bank has an irrevocable payment obligation to each of these schemes. In the event of those funds being drawn upon to a significant extent, additional other financial liabilities may arise in the amount of EUR 45.0 million (2023: EUR 30.6 million).

EUR m	31/12/2024	31/12/2023
Compensation scheme of German Private Banks (EdB)	- 6.0	- 4.1
Single Resolution Fund	—	- 8.1
Deposit protection fund	- 0.0	- 0.0
Annual expense for deposit protection and market stabilisation schemes	**- 6.0**	**- 12.2**

In 2024, the bank contributed a total of EUR 6.0 million (2023: EUR 12.2 million) to those schemes.

In the judgement of the ECJ of 25 October 2024 in the case BNP Paribas Public Sector SA vs. SRB (RS. T-668 / 21) it was decided that the part of the annual contribution of the bank levy for which an irrevocable payment commitment (IPC) was entered into must be paid even if the contributing institution ceases to fall within the scope of the SRM Regulation. As the defendant has lodged an appeal against this ruling, it is not yet legally binding. Currently, the transfer of cash as cash collateral leads to the recognition of a financial claim against the restructuring fund and the derecognition of the cash. If it is sufficiently probable that the institution liable to pay contributions will be required to do so on the balance sheet date (utilisation or economic burden from the irrevocable payment obligations), a provision must be recognised.

According to the SRB, the banking sector's resolvability has increased significantly. Therefore, OLB considers the probability that the SRB will realise the deposited cash collateral to be extremely unlikely. Taking this fact and the "going-concern assumption" into account, OLB has concluded that in this case no provisions need to be recognised for the 2024 reporting year. In addition, the deposited cash collateral can continue to be recognised as a receivable under other assets in the balance sheet because OLB can continue to derive an economic benefit from the deposited cash collateral by receiving interest on it. After careful examination of the current situation, OLB has come to the conclusion that the ruling has no effect on the accounting treatment of the irrevocable payment obligations entered into in this regard.

The majority of the Bank's former pension obligations and the cover funds earmarked to meet these obligations were transferred to a non-insurance-based pension fund managed by Allianz Pensionsfonds AG. The bank remains secondarily liable for the transferred liabilities in the event of any shortfall. If the cover funds are not sufficiently funded in relation to the necessary settlement amount, so that Allianz Pensionsfonds AG is unable to meet its obligations deriving from the transferred pension liabilities, the bank may be held liable for any such liabilities, which may be material.

Additional disclosures

(71) Fair values and carrying amounts of financial instruments by measurement category and balance sheet item and their classification in the fair value hierarchy

The financial instruments shown in the following table mainly comprise financial assets and liabilities which fall under the scope of IFRS 13 and which are either recognised in the balance sheet or not recognised in the balance sheet. Classes of these financial instruments have been established. These enable a distinction in terms of amortised cost and fair values as the relevant IFRS 9 measurement criteria. Cash and cash equivalents are reported at their nominal value. For the sake of clarity, they are shown in the "reported at amortised cost" columns. Fair values of derivative hedging instruments in the hedge accounting are shown in the "carried at fair value" column. In addition, for each class an indication is provided of which measurement category the financial instruments belong to. The following abbreviations are used in the table: AC = amortised cost; FVOCI = fair value through other comprehensive income; FVPL = fair value through profit or loss. For each measurement category of financial instruments, the fair values are compared with the carrying amounts and reconciled with the items on the assets side and the equity and liabilities side of the balance sheet. In addition, the financial instruments reported at fair value are allocated to one of the three fair value levels according to the IFRS fair value hierarchy.

EUR m	31/12/2024 Category	Balance sheet items	Financial instruments measured at amortised cost			carried at fair value	Σ financial instru-ments	Level 1	Level 2	Level 3
		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Cash and cash equivalents (carried at nominal value)	AC	357.6	357.6	—	357.6		357.6	—	357.6	—
Trading portfolio assets										
Non-derivative trading assets measured at FVPL	FVPL	0.4				0.4	0.4	0.4	—	—
Positive fair values from interest rate derivatives	FVPL	169.2				169.2	169.2	—	169.2	—
Positive fair values from currency derivatives	FVPL	38.3				38.3	38.3	—	38.3	—
Adjustments related to offsetting and CVA	FVPL	- 130.3				- 130.3	- 130.3	—	- 130.3	—
Positive fair values of derivative hedging instruments	FVPL	1.9				1.9	1.9	—	1.9	—
Receivables from banks (net after risk provision)	AC	1,120.1	1,120.1	- 0.3	1,119.8		1,119.8	—	1,056.0	63.8
Receivables from customers (net after risk provision)	AC	25,441.0	25,441.0	- 298.8	25,142.2		25,142.2	—	1,111.7	24,030.6
Financial assets of the non-trading portfolio										
Financial assets of the non-trading portfolio classified at FVOCI	FVOCI	6,479.0				6,479.0	6,479.0	5,568.7	891.0	19.3
Financial assets of the non-trading portfolio classified at FVPL	FVPL	0.7				0.7	0.7	0.0	—	0.7
Other assets										
Cash collaterals CCP	AC	336.3	336.3	—	336.3		336.3	—	336.3	—
Total financial instruments		**33,814.2**	**27,255.0**	**- 299.2**	**26,955.8**	**6,559.2**	**33,515.1**	**5,569.1**	**3,831.6**	**24,114.4**

	31/12/2024									
	Category	**Balance sheet items**	**Financial instruments measured at amortised cost**			**carried at fair value**	**Σ financial instruments**	**Level 1**	**Level 2**	**Level 3**
EUR m		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Trading portfolio liabilities										
Negative fair values from interest rate derivatives	FVPL	130.6				130.6	130.6	—	130.6	—
Negative fair values from currency derivatives	FVPL	27.8				27.8	27.8	—	27.8	—
Adjustments related to offsetting	FVPL	- 88.1				- 88.1	- 88.1	—	- 88.1	—
Negative fair values from hedging derivatives	FVPL	10.3				10.3	10.3	—	10.3	—
Liabilities to banks	AC	7,538.3	7,538.3	- 226.1	7,312.3		7,312.3	—	107.6	7,204.6
Liabilities to customers	AC	22,254.2	22,254.2	149.9	22,404.1		22,404.1	—	10,634.4	11,769.7
Securitised liabilities	AC	1,707.7	1,707.7	- 52.3	1,655.4		1,655.4	—	1,655.4	—
Subordinated debt	AC	501.7	501.7	28.5	530.2		530.2	—	—	530.2
Other liabilities										
Cash collaterals CCP	AC	20.0	20.0	—	20.0		20.0	—	20.0	—
Total financial instruments		**32,102.4**	**32,021.9**	**- 99.9**	**31,922.0**	**80.6**	**32,002.5**	**—**	**12,498.0**	**19,504.5**
Contingent liabilities	n/a	—					- 4.9	—	—	- 4.9
Irrevocable loan commitments	n/a	—					- 5.2	—	—	- 5.2

	31/12/2023									
	Category	**Balance sheet items**	**Financial instruments measured at amortised cost**			**carried at fair value**	**Σ financial instru-ments**	**Level 1**	**Level 2**	**Level 3**
EUR m		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Cash and cash equivalents (carried at nominal value)	AC	77.7	77.7	—	77.7		77.7	—	77.7	—
Trading portfolio assets										
Non-derivative trading assets measured at FVPL	FVPL	0.3				0.3	0.3	0.3	—	—
Positive fair values from interest rate derivatives	FVPL	113.4				113.4	113.4	—	113.4	—
Positive fair values from currency derivatives	FVPL	35.0				35.0	35.0	—	35.0	—
Adjustments related to offsetting and CVA	FVPL	- 72.6				- 72.6	- 72.6	—	- 72.6	—
Positive fair values of derivative hedging instruments	FVPL	35.1				35.1	35.1	—	35.1	—
Receivables from banks (net after risk provision)	AC	548.8	548.8	- 0.5	548.3		548.3	—	413.1	135.2
Receivables from customers (net after risk provision)	AC	19,724.6	19,724.6	- 312.1	19,412.5		19,412.5	—	1,137.6	18,274.9
Financial assets of the non-trading portfolio										
Financial assets of the non-trading portfolio classified at FVOCI	FVOCI	4,881.7				4,881.7	4,881.7	4,830.8	—	50.9
Financial assets of the non-trading portfolio classified at FVPL	FVPL	0.7				0.7	0.7	—	—	0.7
Other assets										
Cash collaterals CCP	AC	220.9	220.9	—	220.9		220.9	—	220.9	—
Total financial instruments		**25,565.6**	**20,571.9**	**- 312.5**	**20,259.4**	**4,993.6**	**25,253.1**	**4,831.2**	**1,960.2**	**18,461.7**

	31/12/2023									
	Category	**Balance sheet items**	**Financial instruments measured at amortised cost**			**carried at fair value**	**Σ financial instru-ments**	**Level 1**	**Level 2**	**Level 3**
EUR m		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Trading portfolio liabilities										
Negative fair values from interest rate derivatives	FVPL	87.5				87.5	87.5	—	87.5	—
Negative fair values from currency derivatives	FVPL	28.0				28.0	28.0	—	28.0	—
Adjustments related to offsetting	FVPL	- 22.4				- 22.4	- 22.4	—	- 22.4	—
Negative fair values from hedging derivatives	FVPL	3.6				3.6	3.6	—	3.6	—
Liabilities to banks	AC	5,628.7	5,628.7	- 260.5	5,368.3		5,368.3	—	480.8	4,887.5
Liabilities to customers	AC	16,917.6	16,917.6	127.4	17,045.0		17,045.0	—	8,143.9	8,901.1
Securitised liabilities	AC	1,196.6	1,196.6	- 61.7	1,134.9		1,134.9	—	1,134.9	—
Subordinated debt	AC	129.3	129.3	- 25.5	103.7		103.7	—	—	103.7
Other liabilities										
Cash collaterals CCP	AC	1.0	1.0	—	1.0		1.0	—	1.0	—
Total financial instruments		**23,969.9**	**23,873.2**	**- 220.3**	**23,652.9**	**96.7**	**23,749.5**	**—**	**9,857.2**	**13,892.3**
Contingent liabilities	n/a	—					- 6.7	—	—	- 6.7
Irrevocable loan commitments	n/a	—					- 10.1	—	—	- 10.1

Fair value is the amount for which a financial instrument may be freely traded between knowledgeable and willing parties in an arm's length transaction. Fair value is defined as the exit price or the transfer / disposal price.

For all financial instruments, the first check will be whether a market price is available on an active market. If so, this will be immediately used as a fair value (price times quantity) and this fair value will be categorised as a Level 1 fair value. Exchange-traded securities are the main scenario where Level 1 fair values are found. At OLB, this mainly concerns holdings of financial assets valued at FVOCI and FVPL and, to a lesser extent, trading assets. Price service agencies were used to access certain platforms on which brokers publish their prices. If there was a corresponding price link and market liquidity, this was used as the price quotation in Level 1.

If no market price as defined above is available, a valuation model will be used. If all of the key input parameters for this valuation are observable on the market, the resulting theoretical value is considered a Level 2 fair value. Interest rate swaps and all other derivatives in the Bank's portfolio have Level 2 fair values. The discounted cash-flow method and option pricing models were used to determine these fair values in the reporting period. The market value of a derivative corresponds to the sum of all future cash flows discounted at a risk-adequate rate on the valuation date (present value or dirty close-out value). In the case of collateralised derivatives, risk-free overnight index swap (OIS) curves were used as the basis for discounting (because the collateral bears interest at these rates); in the case of unsecured derivatives, however, the valuation is based on tenor swap curves (for example, the 3-month EURIBOR swap curve). OLB uses a discounted cash-flow model (present value of the difference between the contract rate and the forward rate on the reporting date) to value forward exchange transactions. For currency options (plain vanilla currency options) OLB uses the classic Black-Scholes model according to Garman-Kolhagen. For the valuation of barrier options (with American barrier) OLB uses the Black-Scholes model according to Rubinstein-Reiner. For the valuation of barrier options (with a European barrier), OLB uses a finite difference model. In all these cases, the options are valued on the basis of implied volatility. In addition, for loan receivables and liabilities with daily or very short maturities (overdrafts and demand deposits vis-à-vis credit institutions and customers as well as cash on hand) that are subject neither to material interest rate risks nor to creditworthiness risks, the fair value corresponds to the carrying amount. These fair values are classified as Level 2 fair values.

On the other hand, if not all of the key input parameters for the valuation are observable on the market, a theoretical value will apply which is a Level 3 fair value. The fair values of these instruments are determined using recognised mathematical valuation models with as many market data inputs as are available.

The present value method and the option pricing model in particular were used in the period under review. In these cases, the fair value is a theoretical value as of the reporting date which is a Level 2 fair value (e. g. interest rate swaps) or a Level 3 fair value (e. g. specific loan assets) which should be taken as an indication of a value which is realisable upon sale or assignment. Level 3 instruments include, in particular, loan receivables and deposit products with longer maturities for which third-party and own credit assessment is essential (as credit assessment often cannot be done via direct market data inputs). To determine the fair values of these instruments, the future contractual cash flows were calculated and discounted using risk-adjusted zero coupon curves. The zero coupon curves are based on the swap curves observable on the market and take into account the credit quality of the instrument through an appropriate adjustment of the curve from which the discount factors are derived.

Please see note (62) for further comments on the methods used to measure the risks associated with financial instruments.

Transfer of financial instruments: In 2024 OLB increased investments into collateralised loan obligations (CLO) and changed the price feed for measurement and recognition of those FV changes. Accordingly, as at the balance sheet date, those instruments met the criteria for Level 2 input parameters, such as

- quoted prices for similar assets or liabilities in active markets,
- quoted prices for identical or similar assets or liabilities in markets that are not active or
- inputs other than quoted prices that are observable for the asset or liability, for example interest rates and yield curves observable at commonly quoted intervals, implied volatilities or credit spreads.

This resulted in a transfer to Level 2, as shown in the table below.

Development of Level 3 financial instruments recognised at fair value: The following tables contain an overview of the development of these financial instruments:

	Financial assets of the non-trading portfolio classified at FVPL				Financial assets of the non-trading portfolio classified at FVOCI		
EUR m	Investment securities	Shares in non-consolidated subsidiaries	Shares	Financial assets of the non-trading portfolio classified at FVPL	Bonds	CLOs	Financial assets of the non-trading portfolio classified at FVOCI
31/12/2023	**0.6**	**0.1**	**0.0**	**0.7**	**18.7**	**32.2**	**50.9**
Addition of Degussa Bank to the basis of consolidation	0.0	—	—	0.0	—	—	—
Additions	—	200.9	—	200.9	—	856.2	856.2
Disposals	- 0.0	—	—	- 0.0	—	—	—
Capital consolidation	—	- 200.9	—	- 200.9	—	—	—
Changes in balance during the financial year	**- 0.0**	**—**	**—**	**- 0.0**	**—**	**856.2**	**856.2**
Gains during the financial year	—	—	—	—	0.6	2.6	3.3
Losses during the financial year	—	—	—	—	—	—	—
Valuation changes during the financial year	**—**	**—**	**—**	**—**	**0.6**	**2.6**	**3.3**
Transfer from / to Level 2	**—**	**—**	**—**	**—**	**—**	**- 891.0**	**- 891.0**
31/12/2024	**0.6**	**0.1**	**0.0**	**0.7**	**19.3**	**—**	**19.3**
31/12/2022	**0.6**	**0.1**	**1.0**	**1.7**	**17.9**	**—**	**17.9**
Additions	0.0	—	—	0.0	—	32.0	32.0
Disposals	- 0.0	—	- 1.0	- 1.0	—	—	—
Changes in balance during the financial year	**—**	**—**	**- 1.0**	**- 1.0**	**—**	**32.0**	**32.0**
Gains during the financial year	—	—	—	—	0.8	0.2	1.0
Losses during the financial year	—	—	—	—	—	—	—
Valuation changes during the financial year	**—**	**—**	**—**	**—**	**0.8**	**0.2**	**1.0**
31/12/2023	**0.6**	**0.1**	**0.0**	**0.7**	**18.7**	**32.2**	50.9

Sensitivity of financial assets of the non-trading portfolio classified at FVPL: The financial assets of the non-trading portfolio allocated to Level 3 (investment securities and shares in non-consolidated subsidiaries) were not characterised by any significant level of sensitivity.

Sensitivity of financial assets of the non-trading portfolio classified at FVOCI. The model price was determined by means of the zero swap curve including a spread resulting from the original purchase valuation.

(72) Related party disclosures
Most of OLB's shares (> 90 %) continue to be held by companies that are connected with Apollo Global Management, Grovepoint Investment Management, and Teacher Retirement System of Texas.

The companies are mutually independent and each of them holds an indirect stake of under 40 %, which means that none of the shareholders controls OLB under corporate law. However, the companies have a significant influence over OLB (>20 % of the voting rights). The remainder of the shares is held by MPP S.à r.l. and MPuffer Invest GmbH, each of which holds only small stakes (<10 %), but whose ownership structures and relation to OLB board members, respectively one of the OLB's supervisory board members give them significant influence over OLB. All companies are therefore considered as related parties under IAS 24.

Catalina General Insurance Ltd. (2.1 % interest) and Catalina Worthing Insurance Ltd. (0.32 % interest) cannot exercise significant influence over OLB, and therefore were not considered as related parties under IAS 24.

Within the scope of ordinary business activities, transactions are entered into with related parties at arm's length terms and conditions. The scope of these transactions is presented below. The related parties are members of the Executive Board and the Supervisory Board of Oldenburgische Landesbank AG and its affiliated companies as well their close relatives. The Executive Board and the Supervisory Board of Oldenburgische Landesbank AG are considered to be key management personnel. The affiliated companies are non-consolidated companies of Oldenburgische Landesbank AG (reported under subsidiaries). Companies in which members of the Bank's Supervisory Board hold management positions are also reported under other related companies and persons, together with companies to which OLB's shareholders are affiliated.

Receivables

EUR m	31/12/2024	31/12/2023
Receivables from customers		
Key management personnel of OLB AG	0.7	0.8
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	0.0	2.0
Financial assets of the non-trading portfolio		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Other assets		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Receivables total	**0.7**	**2.7**

Liabilities

EUR m	31/12/2024	31/12/2023
Liabilities to customers		
Key management personnel of OLB AG	3.8	3.3
Entities with significant influence over OLB AG	—	—
Subsidiaries	1.0	0.9
Other related companies and persons	1.6	1.1
Subordinated debt		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	1.7	1.7
Provisions		
Key management personnel of OLB AG	17.4	14.8
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Additional equity components		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Liabilities total	**25.5**	**21.8**

The above-mentioned receivables from and liabilities to customers are money market transactions, loans and deposits as well as refinancing funds, all at arm's length. Receivables from key management personnel of OLB AG are almost entirely secured by means of mortgages. Receivables from subsidiaries are not collateralised since they form part of the combined Group. The Bank has been provided with collateral in the amount of EUR 0.6 million (2023: EUR 2.8 million) to cover receivables from other related companies and persons.

Servicing, securities, foreign exchange trading and interest rate forward transactions were also entered into with related parties. Other related companies and persons have not been granted any guarantee lines. The effect of these transactions on the *income statement* is shown in the following table:

EUR m	1/1 - 31/12/2024	1/1 - 31/12/2023
Net interest income	- 0.2	- 0.8
Key management personnel of OLB AG	- 0.1	- 0.1
Entities with significant influence over OLB AG	—	—
Subsidiaries	- 0.0	—
Other related companies and persons	- 0.0	- 0.7
Net commission income	- 0.0	- 0.0
Key management personnel of OLB AG	- 0.0	- 0.0
Entities with significant influence over OLB AG	—	—
Subsidiaries	0.0	—
Other related companies and persons	- 0.0	0.0
Non-personnel expenses	- 0.5	- 0.4
Key management personnel of OLB AG	- 0.0	- 0.0
Entities with significant influence over OLB AG	—	—
Subsidiaries	- 0.4	- 0.4
Other related companies and persons	- 0.1	- 0.0
Other income	—	—
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Result total	**- 0.7**	**- 1.2**
Distributions	—	—
Dividend payments	100.3	30.2

In the income statement, income of EUR 0.0 million (2023: EUR 0.0 million) and expenses of EUR 0.7 million (2023: EUR 1.2 million) have arisen for transactions with related parties. Provisions or expenses for doubtful debts were not required. Interest and commission business has been entered into on arm's length terms. This includes the collateral provided and intra-Group transfer pricing.

Credit was granted to members of the Executive Board as of 31 December 2024 as follows: The use of credit lines totalled EUR 35.0 thousand (2023: EUR 0.0 thousand). Credit card limits of EUR 0.24 thousand (2023: EUR 1.0 thousand) were utilised on the reporting date. Loan commitments in the amount of EUR 649.2 thousand existed as of 31 December 2024 (2023: EUR 681.9 thousand), of which EUR 649.2 thousand were utilised as of 31 December 2024 (2023: EUR 681.9 thousand). The rate of interest and the terms and conditions comply with arm's length requirements.

Credit was granted to members of the Supervisory Board as of 31 December 2024 as follows: The use of credit lines totalled EUR 30.2 thousand (2023: EUR 0.0 thousand). Credit card limits of EUR 13.8 thousand (2023: EUR 8.8 thousand) were utilised on the reporting date. In addition, loan commitments amounted to EUR 70.6 thousand (2023: EUR 105.9 thousand), of which EUR 70.6 thousand were utilised as of 31 December 2024 (2023: EUR 105.9 thousand). The rate of interest and the terms and conditions comply with arm's length requirements.

The remuneration components granted to the members of the Executive Board for the financial year 2024 and recognised as expenses are set out below, broken down into categories according to IAS 24 (including the remuneration and severance payments of the Management Board members of the legal predecessor Degussa Bank AG):

EUR m	1/1-31/12/2024	1/1-31/12/2023
Short-term benefits	9.5	6.4
Other long-term benefits	3.9	3.8
Share-based payment	—	—
Termination benefits	0.6	—
Post-employment benefits	—	—
Total remuneration of Executive Board	**14.0**	**10.3**

The remuneration paid to the Supervisory Board (including the remuneration and severance payments of the Supervisory Board of the legal predecessor Degussa Bank AG) in the financial year 2024 amounted to EUR 1.3 million (2023: EUR 1.2 million). These are all short-term benefits. In addition, other benefits in the form of wages and salaries amounting to EUR 0.6 million (2023: EUR 0.4 million) have been paid to the employee representatives of the Supervisory Board (including the employee representatives of the Supervisory Board of the legal predecessor Degussa Bank AG).

(73) Share-based payments

In 2022, a management participation programe ***(the Management Participation Programe)*** was set up in order to align the commercial interest of the management and key employees with the interests of the Champ Investor, the GIM Investor and the TRS Texas Investor. MPP S.à r.l. ***(MPP)*** serves as entity that pools the interests of the management and key employees. This entity subscribed shares in OLB as part of a capital increase in 2023 and current holds 2.5 million shares in the Group.

As part of the implementation of the management participation model, MPP acquired plan shares in OLB. The plan shares consist of newly issued shares in OLB against cash contribution and were acquired by MPP at par value.

The share capital of MPP consists of two classes of shares: A-shares, which are held exclusively by the funding shareholders, and B-shares, which are held exclusively by the participants and which were offered for purchase to the participants under the Management Participation Programe. The Management Participation Programe is not open for new investments by new participants.

The Bank’s shareholders subscribed for the A-shares at a total issue price of EUR 4.2 million. The B-shares were subscribed by the participants at a total issue price of EUR 1.8 million. The subscription amount of the A-Shares and the B-shares at which the participants are to participate in the MPP corresponds to the market value of the shares. This was determined by a valuation report of an external appraiser. The valuation report was composed using the probability-weighted expected return method. Since the corresponding planning is based on a certain probability of occurrence and has a sufficient degree of detail, the external appraiser is of the opinion that the selected methodology is preferable to other possible methodologies. Taking into account a weighted probability of occurrence, for the purposes of the probability-weighted expected return method expected future events, such as an IPO, are used to derive the current market value of the shares. In the valuation analysis, information and documents pertaining to the OLB's financial projections, balance sheet data related to assets / liabilities, and equity capital structure were considered as communicated by OLB. The value range estimated are based on the "objectified value", which is included in the valuation report.

Since the B-shares were acquired by the participants at fair value, OLB did not recognise at balance expenses from share-based compensation as of the balance sheet date.

MPP exercises all shareholder rights arising from the shares it holds in the Bank. In particular, these include the right to vote at the annual shareholders' meeting and the right to receive dividends. Dividends may be passed on to the holders of the A-shares and the B-shares subject to the fixed waterfall distribution rates and the decision of the MPP.

The articles of association of MPP provide for a fixed distribution of the proceeds according to the waterfall principle in the event of an exit of all shareholders from OLB. The distribution is to depend significantly on the total proceeds that can be achieved upon the sale of the Bank for the shareholder and in addition on the attainment of certain defined rates of return for the existing shareholders (exit price).

MPP participants are subject to customary lock-up arrangements in line with other shareholders.

(74) List of investment holdings

Name and registered office	Share of capital	Equity 31/12/2024	Net profit or loss 1/1 - 31/12/2024	Net profit or loss 1/1 - 31/12/2023
	%	EUR m	EUR m	EUR m
OLB-Service GmbH, Oldenburg	100	0.0	—	—
QuantFS GmbH, Hamburg	100	0.9	0.2	0.2
Total		**0.9**	**0.2**	**0.2**

A profit-and-loss transfer agreement has been concluded with OLB-Service Gesellschaft mit beschränkter Haftung, Oldenburg.

(75) Date of release for publication

The full Executive Board of Oldenburgische Landesbank AG released these consolidated financial statements for publication on 20 February 2025. Events after the balance sheet date were taken into consideration up to the publication date.

(76) Events after the balance sheet date

On 14 February 2025, OLB issued a residential mortgage-backed security (RMBS) with a volume of EUR 500 million on the capital market through the SPV Weser Funding SA.

There were no other significant events after the end of the financial year that were neither included in the income statement nor in the balance sheet at the time these annual financial statements were prepared.

Oldenburg, 20 February 2025
Oldenburgische Landesbank AG

The Executive Board

Stefan Barth
Chairman

Marc Kofi Ampaw

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OldenburgischeLandesbankAGOLB

Further information is available at olb.de