Annual Report 2024

Haspa
Hamburger Sparkasse

Contents

“The annual report is published in German and English. In the event of any discrepancies, the German version of the annual report takes precedence over the English translation.”

Short profile

Hamburger Sparkasse AG – Haspa for short – offers a wide range of financial services for private individuals and businesses, serving the more than three million people living in the Hamburg Metropolitan Region.

Haspa is a savings bank committed to serving the public interest. HASPA Finanzholding, a legal entity formed under old Hamburg law, holds 100 percent of the shares in Hamburger Sparkasse AG. HASPA Finanzholding is obligated by its articles of association and bylaws to fulfil the mission entrusted to the savings bank.

Haspa is one of the few independent savings banks in Germany. It is also a member of the Hanseatischer Sparkassen- und Giroverband (Hanseatic Savings Banks Association - HSGV), Hamburg, and the Verband der freien Sparkassen (Association of Independent Savings Banks), Frankfurt am Main. Through HSGV, Haspa is affiliated with the Deutscher Sparkassen- und Giroverband e. V. (German Savings Banks Association) in Berlin and Bonn, and therefore fully included in the comprehensive guarantee scheme of all German savings banks. The German Savings Banks Finance Group has an institutional guarantee scheme that has been recognised as a deposit guarantee scheme under the German Deposit Guarantee Act (Einlagensicherungsgesetz).

Management

Foreword of the Board of Management

Ladies and Gentlemen,

The war in Ukraine, military clashes in the Middle East, looming trade disputes and considerable uncertainty over future political and economic developments in Germany and around the globe created a challenging environment for people and businesses in 2024.

Thanks to our sustainable business model focused on the needs of private and commercial customers, we were able to achieve success in our business with customers and a quite satisfactory result for the year in what has been a challenging environment.

Our earnings allow us to build up additional equity to meet increasing regulatory requirements and enable future credit expansion. since we want to continue supporting the Hamburg metropolitan region's growth as well as its economic and social transformation towards sustainable and climate-friendly lifestyles and businesses.

As with sustainability and climate protection, creating living space is a very important task for the future sustainability of the Hamburg metropolitan region, where a growing number of people want to live and work. This is why we leverage our deep ties with customers and partners to support residential construction projects in any form, and advocate for new, innovative forms of urban living and densification policies that make sense.

Haspa took a major step forward in the spring of 2024 when we moved to the new Deutschlandhaus building on Gänsemarkt. There, in a modern working environment, we have brought together staff from our core departments who were previously spread across three office locations. For the first time, some 1,700 employees now work together under one roof.

The activity-based work model, which gives staff the freedom to decide where they can most effectively carry out the tasks assigned to them, facilitates face-to-face networking, and fosters interconnected and interdisciplinary collaboration. The high-quality technical equipment provided at the workstations and the video technology available in all of the project and meeting rooms also help employees to work together efficiently and to develop innovative solutions that will enable us to become even more agile and better in meeting our customers' demands. We are confident that having the Deutschlandhaus building as our nerve centre will make Haspa a more attractive employer and help us to recruit young talent. The same can be said for the "Young Urban Living by Haspa" apartments for trainees, the topping out ceremony for which was held at Alsenplatz in the Altona district in February. The first trainees moved into these apartments in early September when training started. In the reporting year, a total of 180 young people started their careers at Haspa – twice as many as in the previous year.

Haspa's largest branch is housed on the ground floor of the Deutschlandhaus over an area of 1,600 square metres. Here, more than 50 members of staff advise our customers, providing the full range of financial services from payment transactions to investment and pension advisory services all the way to financing solutions. Our gold trading activities have also been moved to the Deutschlandhaus. Like the other approximately 100 neighbourhood branches, the Gänsemarkt location is also the site of numerous events. Another special event for us in 2024 was the 25th anniversary of the "HaspaJoker – Hamburg's advantage account," which offers our customers a wide range of value-added services in addition to comprehensive banking services. To mark the anniversary, Haspa thanked its customers with a number of birthday specials, with Robbie Williams performing at two exclusive "Let HaspaJoker entertain you!" concerts for HaspaJoker customers.

We thank all of our customers and business partners for the trust they have placed in us. We would also like to express our sincere thanks to our employees for their exceptional commitment in what has been a demanding environment. We would also like to thank the Supervisory Board and the Works Council for their constructive cooperation.

Hamburg, 4 March 2025

The Board of Management

Board of Management





Birte Quitt,

born in 1971, holds a banking diploma (Bankkauffrau) and a degree in business administration (Diplom-Betriebswirtin). She has been a member of the Board of Management of Hamburger Sparkasse AG since 1 January 2024.

Reporting area: Customer Business

Jürgen Marquardt,

born in 1963, holds a banking diploma (Bankkaufmann) and a degree in savings bank administration (Diplom-Sparkassenbetriebswirt). He has been a member of the Board of Management of Hamburger Sparkasse AG since 2014.

Reporting areas: Finance and Risk

Dr. Harald Vogelsang,

born in 1959, holds a banking diploma (Bankkaufmann) and a law degree, and was appointed to the Board of Management in 2000. He has been Spokesman of the Board of Management of Hamburger Sparkasse AG since 2007.

Reporting areas: Central Staffs Functions and Customer Business

Dr. Olaf Oesterhelweg,

born in 1968, holds a degree in business administration (Diplom-Kaufmann). He has been a member of the Board of Management of Hamburger Sparkasse AG since 2020 and has been Deputy Spokesman of the Board of Management since 2023.

Reporting areas: Customer Business, Human Resources and Treasury

Axel Kodlin,

born in 1962, holds a banking diploma (Bankkaufmann) and a degree in business administration (Diplom Kaufmann). He was appointed to the Board of Management of Hamburger Sparkasse AG in 2013.

Reporting areas: Processes, IT and Market Support

Management report of Hamburger Sparkasse AG for the year ended 31 December 2024

The tables presented in the management report may contain rounding differences.

1. Fundamental information about the company

Ever since our foundation in 1827, we have been a reliable partner and promoter of the Hamburg Metropolitan Region, providing comprehensive support for both private and corporate customers. In particular, we provide opportunities for safe and interest-bearing investments of savings and other funds, promote the savings mentality and capital formation of broad sectors of Hamburg's population and serve to fulfil the credit needs of the local economy, especially taking SMEs into account.

We assist people and companies in their financial planning and in safeguarding the future. Our wide range of services and personalised advice can be accessed quickly at all times from around 100 branches, our direct advisory service via telephone, mail and video chat, and our online services.

Our private customer and corporate customer business is centralised in seven regions, with a combined management team in each of these regions. The branches in the regions have extensive local decision-making authority.

We are rounding off our range of services with specialist expertise. For high net worth customers we offer Haspa Private Banking. Our Haspa StartUp Center is the first port of call for start-up entrepreneurs, and for large real estate or enterprise customers we have our special industry expertise. With in-house expert knowledge and our alliance partners, we support our customers in their transactions both in and outside Germany.

Haspa wants to keep growing and expand its market share across all customer groups. To do this, we want to place an even greater focus on our customers and continue to position ourselves as the digital bank with the best branches in our competitive environment. We see commercial potential in areas such as promoting residential construction, as creating living space is one of the most important tasks for our society together with sustainability. This is why we want to provide our customers with strong support as they navigate the economic and social shift towards greater sustainability and climate protection. Leveraging generative artificial intelligence, we also want to strengthen our innovative capabilities to step up the development of products and services that meet our customers' needs and to open up new areas of business. Against a backdrop of demographic change and an increasing shortage of skilled workers, we want to enhance our appeal as an employer.

As we believe that motivated employees are a key factor for future success, we rely on flat hierarchies and teams and develop innovative, customer-focused solutions with strong teamwork. The move to the new Deutschlandhaus building on Gänsemarkt in spring 2024, which saw our core departments that were previously spread across three office locations come together under one roof, also enables us to work together in a more modern and interconnected way. Our design of the rooms and workstations has created the prerequisite for our employees to communicate even more effectively, work together creatively and foster relationships. At the new location, we continue the guiding principle of personal proximity that we are already putting into practice at our neighbourhood branches.

2. Report on economic position

2.1 Macroeconomic and sector-specific environment

Economic weakness in an environment of uncertainty

The macroeconomic environment is marked by a high degree of uncertainty over political and economic developments. Against this backdrop, the German economy contracted slightly again. According to initial calculations by the Federal Statistical Office, real gross domestic product fell by 0.2 percent year-on-year in 2024. In the previous year, economic output declined by 0.3 percent.

In the first six months of 2024, Hamburg's real gross domestic product increased by 2.2 percent year-on-year according to Northern Statistical Office calculations. As a result, this figure was well above the national average. Also based on calculations made by the Northern Statistical Office, Germany's real gross domestic product declined by 0.2 percent in the first six months of 2024. For the full year, we project that Hamburg's real gross domestic product performed significantly better than in Germany as a whole. We also came to this conclusion because the Hamburg Chamber of Commerce's business barometer in the fourth quarter shows an improvement in the surveyed companies' assessment of their current business situation compared to the previous quarter.

Significant decline in inflation and falling key interest rates

Inflation rates in Germany and the eurozone remained above the European Central Bank (ECB)'s 2 percent target in the first half of 2024. According to calculations by the Federal Statistical Office, consumer prices in Germany increased by an annual average of 2.2 percent year-on-year in 2024. This means that the price increase was considerably lower than in previous years. In 2023, the average annual inflation rate was 5.9 percent, compared to the 6.9 percent increase in consumer prices seen in 2022.

Based on the Harmonised Index of Consumer Prices considered by the ECB, which differs in its calculation from the consumer price index of the Federal Statistical Office, due among other things to the weighting of the groups of goods, Germany's annual average inflation rate was 2.5 percent, while euro area inflation stood at 2.4 percent.

Since July 2022, the ECB had implemented a total of ten key rate increases, after a ten-year run of zero and negative interest rates. By September 2023, key interest rates had risen rapidly and sharply by 4.50 percentage points. The rate for main refinancing operations rose to 4.50 percent and the interest rates on deposits by banks imposed by the ECB increased to 4.00 percent. This was followed by several months of no interest rate changes. Responding to falling inflation and a weak economy, the ECB lowered its key interest rates in four steps between June and December 2024, lowering the interest rate on the main refinancing operations (MRO rate) to 3.15 percent and the rate on the deposit facility (DFR) to 3.00 percent by year-end. In January 2025, the ECB resolved to lower its key interest rates by 25 basis points. This reduced the interest rate on the main refinancing operations (MRO rate) to 2.90 percent and the rate on the deposit facility (DFR) to 2.75 percent.

The trend in the lending industry is marked by the shift in interest rates, regulation and digitalisation efforts

We estimate that the turnaround in interest rates probably helped improve the financial situation in the lending business since July 2022 after this was hit hard by the extremely low interest rate levels of preceding years. Tight capital adequacy regulations and strict liquidity requirements as a result of intensified regulation continue to present challenges for the lending industry.

In our opinion, progressing digitalisation is triggering accelerated structural change in the financial services industry. As the entry of young, technology-focused companies and financial services offered by large technology corporations according to our observations have increased the competitive intensity within the financial services market.

2.2 Course of business

Environment dominated by considerable uncertainty

The war in Ukraine, military clashes in the Middle East, looming trade disputes and considerable uncertainty over future political and economic developments in Germany and around the globe created a challenging environment for people and businesses in 2024.

Thanks to our sustainable business model focused on the needs of private and commercial customers, we were able to achieve success in our business with customers in what has been a challenging environment.

Number of giro accounts increased

Haspa manages around 1.4 million giro accounts. Around 766,000 giro account holders – representing a good 75 percent of the just over 1.0 million private giro account holders – went with the “HaspaJoker” account, Hamburg’s advantage account. Besides extensive banking services, these customers also benefit from a multitude of value-added services. The number of giro accounts increased, particularly among direct banking customers and private giro accounts. At just under 131,000, the number of customers who have opted for our MäuseKonto account for children and the benefits associated with it is slightly below the level of the end of the previous year.

Quite satisfactory business development

In light of the challenging environment described earlier, we are quite satisfied overall with our business performance in the reporting period. We are pleased that our liabilities to customers increased again in 2024. We believe that this is attributable, among others, to the higher level of interest rates seen in recent years and demonstrates the trust placed in us by our customers. On the assets side of the balance sheet, although receivables from customers declined overall, credit commitments increased markedly to a still-relatively low level, but gratifyingly in real estate financing in particular. Overall, our balance sheet structure continued to be clearly dominated by the customer business.

As a result of the ECB’s interest rate cuts in the course of the year, contributions from customer deposit business declined sharply year-on-year, whereas contributions from capital market segments increased overall. In our loan portfolio, we once again recorded an increase in loan loss provisions in the past financial year. This had largely been expected and already taken into account in our budgeting due to the various crisis situations in recent years and the resulting rise in interest rates as well as rising construction costs.

As in previous years, the revaluation of our pension provisions had a negative impact overall and pension provisions were also affected by persistently stringent regulatory requirements and charges. Our result also includes high expenses associated with investments in our forward-looking projects – in particular, in broadening our collaboration with the German Savings Banks Finance Group and expanding our digital offering. Overall, we are quite satisfied with our result for the year of € 125 million.

Development of the most important key performance indicators

As an index for measuring innovation, we especially use the “Digital Minimum standards” of the German Savings Banks Finance Group, where a metrics-based benchmarking report is produced for the level of digitalisation. We were above the peer group average here, but failed to achieve our aim of being ranked fourth in this group. The peer group comprises savings banks with similar regional and socio-demographic characteristics. Corporate governance was measured by calculating a “corporate energy” index from employee surveys. We are pleased to announce that the results were considerably better compared to both the previous year and our target. We measure customer focus using the Net Promoter Score (NPS). It is determined through regular customer surveys and calculated as the difference between the percentage of highly satisfied customers who would recommend Haspa and the percentage of customers who are critical of Haspa. With figures increasing throughout the year, we are pleased to see the level in 2024 being significantly higher than the previous year and also slightly above our expectations.

As of this year, the most important financial performance indicator is “available net income”, which equates to the “result before allocation to contingency reserves”. At € 219 million, this was up on the prior-year figure of € 204 million and well above the projected figure. It is the result from ordinary activities after deduction of tax expense and plus the changes in contingency reserves in accordance with sections 340f and 340g of the German Commercial Code (Handelsgesetzbuch – HGB). This performance indicator reflects the generally quite satisfactory performance in the past financial year, which allows us to build up additional equity to meet increasing regulatory requirements and facilitate future credit expansion in the Hamburg Metropolitan Region.

Other developments in the past financial year are described below in the section on net assets, financial position and results of operations.

2.3. Net assets, financial position and results of operations

2.3.1. Net assets and financial position

Assets	2024 € million	2023 € million	abs.	rel.
Cash reserve	507	747	- 240	- 32 %
Receivables from banks	10,398	11,361	- 963	- 8 %
Receivables from customers	35,588	36,718	- 1,130	- 3 %
Securities	9,609	10,155	- 546	- 5 %
Trading portfolio	85	96	- 12	- 12 %
Other assets	504	548	- 43	- 8 %
Total assets	**56,691**	**59,624**	**- 2,933**	**- 5 %**

Equity and liabilities	2024 € million	2023 € million	abs.	rel.
Liabilities to banks	4,125	7,293	- 3,168	- 43 %
Liabilities to customers	40,334	39,338	+ 996	+ 3 %
Securitised liabilities	5,770	6,786	- 1,016	- 15 %
Trading portfolio	4	6	- 2	- 33 %
Provisions	1,633	1,598	+ 35	+ 2 %
Equity and fund for general banking risks	3,934	3,719	+ 215	+ 6 %
Other equity and liabilities	890	884	+ 7	+ 1 %
Total assets	**56,691**	**59,624**	**- 2,933**	**- 5 %**

Total assets reduced

At € 56.7 billion, total assets were down by € 2.9 billion on the prior-year reporting date. This is due especially to a decrease in liabilities to banks as a result of the discontinuation of the ECB’s open market operations. As there was therefore no more need to provide collateral, proprietary securities investments declined overall, while the strategic capital investments here were continuously increased. Central bank deposits, which are presented as receivables from banks, therefore also fell year-on-year. Receivables from customers declined due to a still-low level of credit demand, although this increased in the course of the year and was higher year-on-year in both halves of the year.

In addition, further allocations were made to our equity capital and we increased the fund for general banking risks in accordance with section 340g German Commercial Code. Liabilities to banks include pass-through loans – especially of Kreditanstalt für Wiederaufbau. These are reported as a component of the lending business on the assets side of the balance sheet and at around € 2.6 billion were slightly lower than the figure recorded at the end of the previous year.

In the context of the funding and investment structure, we consider Haspa's liquidity situation comfortable on account of the large portfolio of liabilities from the customer business. Here, receivables from customers are mainly offset by deposits by private and business customers as well as own issues, and the market for Pfandbrief securities offers considerable potential as a sustained source of liquidity for longer-term funding requirements. The activities we have launched to further establish a public cover pool should create additional issue potential.

For more information about compliance with regulatory ratios and the management of the liquidity situation, please refer to the risk report.

Total assets	in € billion
2020	55.2
2021	59.9
2022	57.0
2023	59.6
2024	56.7

Increased liabilities to customers

Liabilities to customers rose by € 1.0 billion to € 40.3 billion. This rise resulted from deposits payable on demand, specifically overnight deposits while giro account deposits decreased. Savings deposits decreased, however. Securitised liabilities decreased by € 1.0 billion to € 5.8 billion due to the expiration of ECB open market operations.

Lower customer receivables

Receivables from customers fell by € 1.1 billion to € 35.6 billion. Customer loans continue to be made up mainly of residential construction loans and business loans. At € 5.3 billion, new loan approvals in the financial year ended were up considerably on the prior-year figure, mainly on account of real estate financing. However, this pleasing development was not able to fully compensate for expiring loans.

Increase in equity

Also in view of the European-influenced regulations on regulatory ratios that arose from the international Basel III framework, Haspa's equity increased further in the financial year, continuing the trend of the previous years. At the end of 2024, this amounted to a good € 3.0 billion, while the fund for general banking risks, which from a regulatory perspective is assigned to Common Equity Tier 1 capital, stood at € 0.9 billion after the addition made this year. The regulatory ratios relating to own funds are presented in the risk report section.

2.3.2. Results of operations

Income statement	2024 € million	2023 € million	abs.	rel.
Net interest income	885	873	+ 12	+ 1 %
of which income statement items 1 and 2.	876	866	+ 11	+ 1 %
of which income statement items 3 and 4.	9	7	+ 2	+ 22 %
Net commission income	383	360	+ 23	+ 6 %
Net income from financing activities	5	6	- 1	- 17 %
Administrative expenses	828	825	+ 3	+ 0 %
Other operating result	15	29	- 14	- 49 %
Net revaluation gain/loss	- 192	- 187	- 4	+ 2 %
Result from ordinary activities	269	256	+ 13	+ 5 %
Tax expense	- 144	- 141	- 3	+ 2 %
Result for the year	**125**	**115**	**+ 10**	**+ 9 %**

Net interest income above prior-year level

Net interest income was up € 12 million on the prior-year level at € 885 million, significantly exceeding our projections. More specifically, contributions from the customer business were down on the prior-year period due especially to lower contributions from customer deposit business as a result of the trend in interest rates, whereas contributions obtained from maturity transformation and proprietary securities investments increased overall. One-time effects arising on the derivatives portfolio in the course of maturity transformation resulted in a positive impact of around € 21 million in 2024 after having a negative impact in the previous year. In addition, net interest income benefits from a change in presentation related to collateral operations which deducts from the other operating result.

Net commission income up year-on-year

Net commission income rose by € 23 million year-on-year to € 383 million, thereby reaching our original expectations. The prior-year figure was exceeded due mainly to higher income from clearing transactions, partly as a result of price adjustments made in 2023, and from securities business, while home savings business in particular made lower contributions.

Net trading income positive

Trading activities serve to support our retail banking business; in particular they comprise gains and losses from securities trading for customers. The net income for the financial year ended exceeded our expectations.

Administrative expenses above prior-year level

At € 404 million, personnel expenses were down by € 14 million on the prior-year figure and slightly lower than expected. The figure once again includes expenses from allocations to pension provisions due to actuarial effects, although these were lower than in the previous year. At € 425 million in total, other administrative expenses, amortisation and write-downs of intangible fixed assets, and depreciation and write-downs of tangible fixed assets were up by € 18 million on the prior-year figure and slightly lower than the projected figure. In addition to general price rises, the year-on-year increase is also attributable to our move to the Deutschlandhaus building and anniversary initiatives related to HaspaJoker.

Other operating result less favourable than in the previous year

The other operating result made a positive contribution of € 15 million, € 14 million lower than in the previous year and slightly less favourable than forecast. It is affected especially by the aforementioned change in presentation with a positive impact on net interest income.

Net revaluation loss up year-on-year

Having already increased in 2023, risk provisions in the lending business were slightly higher again in the past financial year. Although our income statement was therefore negatively impacted by increased expenses, these were still lower than projected. The figure for the reporting period includes provisions to cover as-yet unidentifiable risks in the lending business. Unlike in the previous year, we did not record a net revaluation loss on our proprietary securities investments due especially to the fact that interest rate-related revaluation effects arising on interest-bearing securities were only small in amount. Overall, the net revaluation loss is somewhat higher than forecast and slightly higher than in the previous year.

Result from ordinary activities up year-on-year

In a challenging environment, the result from ordinary activities at € 269 million was € 13 million higher than in the previous year and significantly higher than originally projected.

Tax expense up year-on-year

The tax expense payable rose by € 3 million year-on-year to € 144 million in the reporting period. It was negatively impacted by the higher result before tax. As well as continued marked differences between measurement requirements under commercial and tax law, particularly those relating to pension provisions.

Result for the year up on the prior-year figure

Overall year-on-year, we increased the result for the year in what continued to be a challenging environment. Excluding the aforementioned shift in presentation with a positive impact on net interest income and a negative impact on the other operating result, we achieved an increase in income, especially net commission income, while expenses declined slightly. As in previous years, the revaluation of our pension provisions also resulted in a charge, although this was much lower than in the previous year. The net revaluation loss weighed slightly more heavily on the income statement than in the previous year, with the negative impact being somewhat worse than forecast. We are quite satisfied with business performance and the result for the year of € 125 million. The return on assets required to be disclosed in accordance with section 26a (1) sentence 4 German Banking Act – calculated as net profit over total assets – was 0.2 percent for Haspa at the end of the year.

3. Risk management and control system relevant to the financial reporting process

Effective internal control and risk management system safeguards the accounting process

Pursuant to section 25a (1) German Banking Act, overall responsibility for proper business organisation and the risk management integral to it rests with Haspa's Board of Management. As required by MaRisk, the Board of Management is supported by Compliance and Risk Management in this context. Among other things risk management comprises the implementation of internal control procedures consisting of an internal control system and an internal auditing system. Internal Audit is an integral part of Haspa's risk management and internal control procedures. It carries out its responsibilities autonomously and independently on behalf of the full Board of Management.

Risk management and the internal control processes also cover the accounting process. Accounting in turn comprises bookkeeping as well as preparation of both the annual financial statements and the management report. Each Haspa division is responsible for bookkeeping based on prescribed rules for account assignment. Most of the accounting systems and applications used were developed by Finanz Informatik GmbH & Co. KG. These are incorporated into the risk management system and the control processes.

The subcontracting process is controlled and monitored by the competent Comprehensive Bank Controlling division of Haspa. This ensures that the Organisation and Process Management division as a service-controlling unit is involved in the decision-making, management and monitoring processes, taking into account the legal foundations and optimum contract terms and contract contents for Haspa.

Organisationally all divisions tasked with accounting are separate from divisions responsible for marketing activities.

The rules for account assignment and the control processes pertaining to the bookkeeping as well as the preparation of the annual financial statements and the management report are specified in various process instructions. In particular these work instructions address the controls to be carried out in terms of reconciliations and the requisite documentation. All data related to the financial reporting process of Haspa is processed using IT systems which at all times are subject to access limitation, system activity logs, access controls, data backups and data protection.

Internal Audit directly or indirectly reviews the accounting related internal control and risk management systems based on a risk oriented audit plan. This also includes functional separation, data processing security, documentation of control actions and compliance with process instructions. The accuracy of our data processing programmes is ensured by means of strict separation of the development, testing and production systems and through a defined development process for software packages with the pertinent testing and release procedures. Introduction of new or amended parameters can only be placed in production within the scope of defined change management. In its reviews, Internal Audit verifies that these procedures are followed properly.

If the financial reporting process is carried out using centralised third-party data processing equipment, the pertinent providers are obligated under the general agreements closed with them to comply with all statutory and regulatory requirements relevant to the outsourced activities. Compliance with these statutory and regulatory requirements is monitored by the internal auditing departments of the given third-party providers as well as by Haspa's Internal Audit.

4. Risk report

Identification and assessment of material risks

In the regular risk inventory, the risks to which Haspa is exposed are identified and their materiality is assessed. Most of the material risks are assessed using appropriate quantitative measurement methods and managed as a whole in the analysis of the risk-bearing capacity. Any further risks that are not included in the analysis of the risk-bearing capacity are taken into based on additional key figures and control processes and are consequently also considered in key decisions.

Risk management focusing on risk-bearing capacity

Incurring risk associated with our business operations in a responsible manner is at the heart of all banking activity. The objective of risk management is to identify at an early stage and comprehensively measure, monitor and control risks that could jeopardise Haspa’s success or even the continuation of the institution as a going concern. Ensuring an institution’s risk-bearing capacity on an ongoing basis, under both the economic and the normative perspective, is an integral part of effective risk management.

The central element of the economic perspective is the present value risk-bearing capacity calculation with the aim of ensuring the continuity of operations over the long term. The risk-bearing capacity calculation compares against Haspa’s economic capital (risk coverage potential) all risks that could have a material impact on Haspa’s capital position from an economic perspective. Risk is measured using suitable VaR models, with the measurement based on a standard confidence level of 99.9 percent and a holding period of one year.

Under the economic perspective, risk-bearing capacity is assured if all material risks are covered by the risk coverage potential on an ongoing basis, taking into account separately defined management buffers. For the economic perspective, the risks entered into are limited by defining risk limits for the individual types of risk, taking into account the risk coverage potential available. Haspa’s risk coverage potential consists largely of capital components eligible for regulatory capital and, from an economic perspective, is supplemented with hidden reserves and losses. The risk coverage potential was between € 4.1 and € 4.7 billion during the reporting period; even amid volatile market conditions, it is at a comfortable level. The sum total of the risks entered into ranged between € 1.9 and € 2.4 billion during the year. Accordingly, to continuously ensure its risk-bearing capacity, Haspa not only complies with the risk limits but also maintained an appropriate level of free risk coverage potential, specifically € 2.0 to just over € 2.5 billion in the period under review. During the year, Haspa comfortably kept within the management buffers defined for this purpose.

Under the normative perspective of the risk-bearing capacity concept, the focus is on complying with the relevant regulatory and supervisory requirements on an ongoing basis. The central element of the normative perspective is the capital planning process, which is carried out at least annually and covers a multi-year planning horizon. Capital planning comprises an anticipated baseline scenario as well as complementary specific adverse scenarios and a interest rate sensitivity analysis. The baseline scenario reflects a stagnating economic environment. When considering the adverse scenarios, particular attention was paid to the impact of geopolitical escalation with massive trade restrictions and initially higher inflation. Competition between the political systems has a destructive effect, suppresses innovation and reduces growth. The economy slides into a severe recession. Yet the prospect of a sharp decline in property prices also formed part of our considerations of adverse scenarios. According to the results of the capital planning process, capital ratios are initially expected to decline moderately in 2025 as a result of the negative impact of the new regulatory requirements under the Capital Requirements Regulation (CRR III). The defined thresholds are observed in the course of capital planning.

In addition, based on the normative perspective continual monitoring of regulatory capital requirements using internal thresholds, the intra-year forecasting process for the capital ratios and the regular performance forecast ensure the validity of the capital planning and compliance with supervisory requirements. Haspa is subject to regulatory capital requirements primarily under the CRR. As at 31 December 2024, Haspa’s total capital ratio applying the standard approaches was 16.3 percent and its Tier 1 capital ratio was 14.6 percent.

The capital ratios showed a further improvement in 2024 due partly to the fact that equity was bolstered by successive issues of subordinated bonds eligible as supplementary (Tier 2) capital. Secondly, a further decline in new business resulted in a fall in risk-weighted assets, although the trend in new business stabilised towards year-end. The leverage ratio, which indicates an institution's exposures in relation to its own funds and is therefore based more on balance sheet figures, is around 6.7 percent and thus remained substantially higher than the minimum requirement. The rise in the ratio in 2024 is due to both a decline in the underlying exposure as a result of the repayment of the ECB's open market operations and the capital contribution made by HASPA Finanzholding as planned. The leverage ratio in particular reflects the high level of nominal capital of Haspa.

To ensure capital adequacy, stress tests are also performed on a regular basis. Stress testing enables Haspa to assess the impact of certain, internally defined scenarios on capital resources and liquidity. In the risk-bearing capacity calculation under the economic perspective, the scenario of a severe economic downturn and a price slump on Hamburg's real estate market are analysed in the course of overarching stress tests. Risk type-specific stress tests are also in place. Reverse stress tests are also regularly carried out on the basis of cross-risk type scenario analyses and risk type-specific stress tests. These investigate the level of variance in certain risk variables as of which the bank's ability to continue as a going concern would no longer be guaranteed. The results of the stress tests are regularly compared with the risk coverage potential. In addition, the effects of different adverse developments are regularly examined in the course of capital planning – including a liquidity outlook – and in the HASPA Group's recovery plan. This also includes the consideration of climate and environmental risks. The HASPA Group also performs stress tests as specified by European supervisory authorities. In 2024, the HASPA Group participated in the Cyber Resilience Stress Test and the ECB's Fit-For-55 scenario analysis on climate and environmental risks, achieving good results in both.

Overall, therefore, it has in place a comprehensive stress test programme covering various perspectives. The results of the stress tests performed do not indicate any threat to Haspa under the assumed conditions. Material risks are subject to continuous monitoring by means of suitable early warning systems that identify significant developments as quickly as possible, thus enabling timely countermeasures based on thresholds.

Ongoing endeavours to integrate climate-related and environmental risks into risk management

The banking regulator defines sustainability risks as events or conditions arising from the environmental, social and governance (ESG) areas whose occurrence could have actual or potential negative effects on Haspa's net assets, financial position and results of operations as well as its reputation. In keeping with the ECB's corresponding guidelines, risk management at Hamburger Sparkasse AG primarily focuses on the identification and management of climate-related and environmental risks. Other sustainability risks (social and governance risks) are also incorporated into risk management at selected points (as part of the S-ESG score, for example). When identifying and managing climate-related and environmental risks, particular attention is paid to the two risk drivers of physical risk and transition risk.

While physical risk refers to acute events and lasting (chronic) effects (e.g. extreme weather events, gradual changes in climate, environmental degradation), transition risk results from changes in the economy if specific business models are no longer viable or permitted due to the legislative situation (process of adjustment towards a lower-carbon and more sustainable economy). Other environmental risks (such as the loss of biodiversity) are also considered.

Haspa is also fundamentally exposed to climate-related and environmental risks as part of its business activities, with the two risk drivers of physical risk and transition risk. These risk drivers primarily affect existing risk types and categories and are deemed to be potentially relevant. Their actual relevance and materiality is scrutinised closely each year as part of the risk inventory. Generally speaking, the planning horizon used by banks is typically shorter than the time horizon in which the effects of climate-related change are likely to materially impact the value of collateral. As a result, Haspa takes a forward-looking approach to the management of climate-related and environmental risks and incorporates longer-than-usual time horizons into its considerations. On the one hand, this approach takes into account climate-related and environmental risks that could occur in the short and medium term and are therefore relevant to the normative and economic perspective.

These primarily consist of acute physical risks and transition risks. This perspective is referred to as the operational sustainability risk inventory (a period of up to five years). In order to properly take sustainability risks into account, however, Haspa deems it equally necessary to consider a longer (strategic) time horizon (period beyond the operational perspective up to 2050 at the most). Taking sustainability risks into account over the planning horizon for the risk inventory in particular is therefore no longer sufficient, and these risks must also be analysed over the strategic horizon.

For capital planning purposes, a forecasting horizon is chosen with the predictive ability to deliver reliable results under the assumptions underlying capital planning. The chosen horizon is also based on the scenarios developed by the Network for Greening the Financial System (NGFS) and underlying our capital planning, with the focus of capital planning modelling on a ten-year horizon. According to the climate stress tests performed using the NGFS scenarios, there are currently no risks to the business model. Our analyses showed that although these risks may be relevant, they can be classified as not material and our business model is sufficiently resilient in relation to these risks.

Climate change is a central challenge of our time. As a savings bank, Haspa is committed to achieving the goals of the Paris Agreement for the overall economy. It intends to play a part in changing the economy with the aim of improving climate change mitigation. Against this backdrop, Haspa has set out to drive decarbonisation in its core business (lending business, customer investments, asset management), in proprietary investments and in its own business operations, for example. With regard to funding the sustainable transformation of our region, we take the Hamburg climate goals in particular as our guide in lending business and actively support the implementation of the Hamburg climate plan. We see four primary approaches to decarbonising the lending portfolio: awareness-raising and advising, price differentiation, conditions and exclusions.

In new business in particular, our aim is to subject the lending portfolio to the increased requirements on low-carbon finance. We give priority to raising awareness among and advising our customers. To this end, advisory service approaches were developed both for private real estate financing and for commercial lending and commercial real estate lending business. Since February 2024, Haspa has also been helping customers to purchase energy-efficient properties or undertake renovations for energy efficiency through its range of finance options. In energy efficiency classes A+/A, Haspa grants an interest rate discount of 10 basis points on private real estate financing.

There are also sector-specific exclusions in place for new transactions in connection with commercial credit applications. In addition here, borrowers with directly or indirectly increased risks in connection with ESG factors are identified by calculating a customer-specific ESG score or E score and by assessing the sector to which they belong.

For the purposes of decarbonising lending portfolios, an initial indicative sector assessment was carried out using sector values and emission factors calculated by Haspa together with the DSGV Branchendienst (Sector Information Service). The Hamburg climate plan envisages reaching net-zero carbon emissions in 2045. As the carbon intensity of Haspa’s lending portfolio is already low, it is currently assumed that reaching net zero in 2045 is a realistic vision. For proprietary investments, there are likewise sector-specific exclusions in place and an external minimum ESG rating has been specified. In investment advisory services, sustainability risks are taken into account primarily through the choice of financial instruments recommended to customers. In addition, in relation to the bank’s own business activities measures to improve its environmental impact are being intensified continually. To date, analyses of Haspa’s climate-related and environmental risks have not identified any positions which will result in a significant deterioration in Haspa’s risk exposure. Only with regard to transition risks relating to real estate is it important to keep an eye on current legislative initiatives in order to avoid having any unrecorded transitory risks in the portfolio going forward.

The regulatory Fit-for-55 scenario analysis begun at the end of 2023 and completed in the course of 2024 and the further development of the internal stress tests under this heading were initially of particular importance in 2024. The results of the Fit-For-55 scenario analysis do not currently indicate any material climate-related and environmental risks. Financed emissions in Haspa’s lending portfolio are below the banking sector average, although fewer data are available on an individual customer basis when compared with the benchmark.

Knowledge of the regional market and portfolio risk management limit credit risks

Haspa's credit risk stems from the lending business associated with private, corporate, enterprise and real estate customers. Our customer loan portfolio is broadly diversified and largely secured by mortgages. Risks in the customer business are taken within Haspa's area of operations, which is focused on the Hamburg Metropolitan Region. Haspa deliberately accepts the resulting regional concentration of risk, which is in conformity with Haspa's business and risk strategy. Due not least to the large portfolio of loans secured by mortgages, there is also a concentration of risk in real estate transactions. Rising recovery rates in recent years are having a hedging effect, particularly given the price increases in the Hamburg metropolitan region. After falling over the previous two years, residential property prices stabilised in 2024. Business secured by real estate continues to be secured by durable and recoverable collateral, with the ongoing repayments also playing a role here. Here, too, Haspa benefits from information advantages resulting from its knowledge of the local market and deliberately enters into the concentration of risk. The rating models used are calibrated to a one-year probability of default in a methodologically consistent way, using the DSGV master scale as a benchmark. The DSGV master scale is divided into 26 rating classes, 23 of which are for borrowers who are not in default, plus three default classes. Each class is assigned an average probability of default. The exposure-weighted cover for rating and scoring systems in the customer lending business is 98 percent, with 97 percent cover for the customer and proprietary business. Eighty-one percent of the business exposed to counterparty risk relates to investment-grade customers (with a rating of 5 or above). As of the reporting date, the following default probabilities and expected collateral proceeds were determined for customer and proprietary business:

Probabilities of default (PD) and expected collateral proceeds

Rating grade	Percentage of customers	Share of exposure	Expected proceeds from collateral	Exposure-weighted average PD
1 AAAA and 1 AAA	28.0%	14.7%	0.86%	0.01%
1 AA+ to 1 AA-	31.0%	18.5%	33.59%	0.02%
1 A+ to 1 A-	11.7%	20.9%	62.96%	0.03%
2 to 5	13.8%	26.9%	66.85%	0.09%
6 to 9	7.7%	14.6%	53.05%	0.39%
10 to 15	7.2%	3.1%	52.46%	2.51%
16 to 17	0.4%	1.0%	51.61%	100.00%
18	0.3%	0.3%	29.13%	100.00%
Entire bank	**100.0%**	**100.0%**	**47.5%**	**0.53%**

To manage credit risk and incorporate the credit risk strategy into our operations, we have set lending standards and differentiated credit risk indicators that are monitored and reported on an ongoing basis.

The credit risk indicators (CRIs) used for management purposes in lending are set out in a policy and observed by both the front office and the back office. To monitor them, we use a limit system that incorporates a traffic light approach. The following CRIs have been specified: DSTI (debt service-to-income), LVTV (loan volume-to-value), rent DSCR (rent debt service coverage ratio), LTC (loan-to-cost), EBITDA leverage, total debt service coverage ratio, pre-marketing/pre-letting rate.

Regular credit monitoring using credit risk indicators with appropriate thresholds is carried out on a quarterly basis.

In terms of sectors, our loan portfolio is still largely concentrated on real estate and housing (32.7 percent) and private customers (27.5 percent). Loans are predominately secured by residential and commercial mortgages. Given the significant proportion of real estate transactions, we have, among other things, carried out intensive analysis in this area in light of recent market developments and, in particular, have made risk-oriented adjustments to our commercial property financing guidelines. In doing so, we use our regional market knowledge to avoid risk.

The potential loss arising from credit risk comprises two components: the expected loss and the unexpected loss. The expected counterparty credit risk arises from the credit structure of the high-risk portfolio and is determined on the basis of ratings and probabilities of default.

It reflects the annual amortisation and write-downs anticipated in the long-term capital. This expected loss is taken into account when conditions in the lending business are being set and is also factored into the risk provisions.

We use the Credit Portfolio View developed by Sparkassen Rating und Risikosysteme GmbH to simulate the risk of unexpected counterparty defaults. At the end of the year, the credit risk for customer business amounted to € 395 million and for proprietary business to € 61 million. The decline in credit risk compared to the previous year is primarily due to reclassifications in proprietary investments.

The internal rating procedures developed jointly with the German Savings Banks Finance Group offer tools that are tailored to our customer groups and continuously refined. The current scoring systems of the German Savings Banks Finance Group are used to assess creditworthiness and determine pricing in the private customer business. Rating procedures designed to assess credit ratings and determine risk-based pricing are used in our standard corporate customer business. Different procedures apply for small, mid-size and large corporate customers, professionals/freelancers as well as start-up entrepreneurs depending on the given company. A property transaction rating tool tailored to commercial property financing is used for commercial real estate commitments. Automated compact customer rating is additionally applied to enable targeted credit scoring of small corporate customers. The corresponding model of the Landesbank rating is used for project financing in the field of renewable energies.

Risk provisions are recognised using criteria defined on a case-by-case basis. On the whole credit risk is generally covered through appropriate risk provisions. We handle issuer risk and counterparty credit risk in both our securities investment and interbank business by limiting ourselves to trading partners with first-rate credit ratings as well as a widely diversified portfolio and a strict limit system. In the interbank money market business, we include a range of trading partners and thus avoid becoming dependent on individual market players. The counterparty credit risk is also limited through the high level of collateralisation in the derivatives business.

Capital market risks still shaped by geopolitical crises and lower key interest rates

For the money, capital and equity markets, 2024 was a year shaped by remarkable events and developments. Despite geopolitical tensions and economic uncertainty, global equity markets recorded some impressive gains. The DAX surpassed the 20,000 points-mark for the first time and rose by +18.8 percent to 19,909 points over the course of the year.

Inflation in the eurozone fell sharply over the course of the year, opening up scope for the central bank to cut interest rates. The European Central Bank (ECB) lowered its deposit rate in several steps from 4.0 percent at the beginning of the year to 3.0 percent at year-end.

The yield on ten-year Bunds, on the other hand, rose by 34 basis points to 2.36 percent over the course of the year. This puts it below the annual high of 2.69 percent reached at the end of the second quarter. The US dollar appreciated against the euro last year. After moving sideways, it climbed as high as 1.04 US dollars to the euro in the last quarter of 2024.

Strategic capital investment further expanded

The special fund set up by the bank to pool strategic capital investments was gradually expanded. To this end, a new segment containing highly liquid investments was put in place and further investments were made, primarily in European equities. To ensure liquidity at all times, securities with the best credit ratings are still held as direct investments, which were kept virtually stable. There is also a special fund with highly liquid bonds (HQLA). The present value market price risk for the investments is quantified by performing a historic simulation with a valuation generally at the level of individual securities. Historical correlations between the exposures are also factored into the risk measurement.

To map infrequent forms of risk more expediently in the empirical loss distributions, market price risk is measured at a confidence level of 99.9 percent. To this end, the historical simulation at the edges is replaced by a generalised Pareto distribution.

The quantification of risk takes account of all relevant forms of market price risk. Depending on the specific investment allocation, the quantified market price risk mainly includes spread risks from bonds, equity risks, real estate risks and, where applicable, currency risks. However, currency risks in particular are entered into only to a limited extent. Real estate risks arise in connection with special real estate funds held. The market price risk exposure of the total portfolio of proprietary securities investments was € 978 million at the end of the year, compared with € 677 million in the previous year. This sharp increase is attributable to the expansion of capital investment, especially the volume of equities. In addition, the average maturity of securities held for liquidity purposes has increased, as has their spread risk.

Country risks

Haspa's exposure to country risks generally originates in Germany due to its regional alignment as a retail bank. There is also a manageable level of investments outside Germany, primarily in European securities.

Low trading risks, as before

Haspa's considerable restraint in taking on equity and foreign exchange trading risk also reflects its alignment as a retail bank in the Hamburg Metropolitan Region. Most of our trading activities are customer initiated, and we only hold closed currency and option positions.

Managing interest rate risks amid volatile markets

Interest rate risk arises from potential changes in market interest rates relative to the structure of the bank's on- and off-balance sheet transactions. Interest rate risk essentially results from the given loan commitment which tends to be of a longer term nature on the asset side, compared to borrowings which tend to run over a shorter term on the liabilities side. Money and capital market interest rates have an immediate effect on Haspa's bottom line. We measure and control interest rate risk in a comprehensive manner using both periodic and net present value methods.

The value at risk (VaR) method is used to determine the present value interest rate risk in the form of a historic simulation. For the purpose of quantifying risk, all interest-bearing asset and liability transactions or balance sheet items are divided into cash flows (repayment and interest cash flows including margins) based on their actual fixed interest periods. In the case of variable items with an indefinite fixed interest rate period or capital commitment, the cash flows are determined using theoretical scenarios. Loans with call options are included in the cash flow for the purposes of determining the VaR with the agreed fixed interest periods.

Taking into account the callable loan volume and the estimated exercise of termination rights, a cash flow is also determined that reflects the expected elimination of asset items through unscheduled repayments. The cash flow thus determined provides the basis for the calculated value at risk.

The scale of the interest rate risk continued to be controlled at a relatively moderate level overall. The present value interest rate risk amounted to € 727 million as at the balance sheet date. Haspa employs derivative financial instruments, especially standard interest rate swaps, to manage its interest rate risk. The possible impact of any change in market interest rates on our present value interest rate risk and periodic net interest income is also shown regularly. Simulation of various interest rate scenarios shows the sensitivity to changes in market interest rates and also covers the simulation of ad hoc interest rate shocks.

Haspa's interest rate risk position is monitored on an ongoing basis and reviewed regularly in greater depth and controlled with respect to money and capital market trends during Board of Management meetings. In addition, ad hoc meetings can be held as necessary to ensure appropriate action in case of rapid changes.

Operational risks integrated in risk management

Operational risk denotes the risk of losses caused by the inappropriateness or failure of internal processes, people and systems or by external events. Among others, this includes legal risks, model risks and risks related to information and communications technology (ICT risk), but not strategic risks or reputational risks. Operational risks can be found in all divisions and stem from general banking activities.

Operational risks are quantified in the risk-bearing capacity calculation using the regulatory basic indicator approach. The risks determined amount to € 170 million at year-end.

As part of its internal control system, Haspa has taken many steps to ensure flawless and smooth business procedures. Intragroup procedures and the functionality of technical systems are continuously adapted to both internal and external requirements. Operating processes are subject to a general guideline and process descriptions, and are monitored by Internal Audit. Haspa has outsourced portions of its market support processes associated with its lending, deposit and services business to S-Servicepartner Norddeutschland GmbH. Haspa Direkt Servicegesellschaft für Direktvertrieb mbH takes over call centre operations. Some of the payment processes are outsourced to Deutsche Servicegesellschaft für Finanzdienstleister mbH (DSGF) and securities processing is outsourced to Deutsche WertpapierService Bank AG (dwpbank). Additionally, large parts of IT functions have been transferred to, among others, Finanz Informatik GmbH & Co. KG and DATAGROUP BIT Hamburg GmbH.

The interaction between outsourcing centres and Haspa with respect to the outsourced functions is subject to and governed by statutory and regulatory requirements using individual and interface-specific agreements. These arrangements have been tried and tested in the interaction between the different entities and are further expanded and refined on an ongoing basis. Information technology security is one of the focal points in controlling operational risks. Detailed contingency plans are available for all IT functions. These contingency plans also include crisis management protocols as well as procedures designed to ensure uninterrupted business operations for all divisions. Authorised access systems and control and monitoring processes guarantee the protection of confidential information against unauthorised read and write access. Extensive security systems such as firewalls, virus scanners and monitoring systems provide protection against external attacks. Operational risks are also measured and managed by way of examining material scenarios and by analysing significant loss events.

Funding strategy and comfortable cash position limit liquidity risks

Liquidity risks may arise in the form of insolvency risk and funding risk. Insolvency risks arise when payment obligations cannot be fulfilled in time or to a sufficient degree. Funding risks arise if liquidity can only be obtained at higher spreads.

In addition to daily monitoring of liquidity risk indicators, the deposit structure and its development, being the largest driver of liquidity risk, is analysed in detail on a monthly basis. Future liquidity progress is also monitored and analysed in risk and stress scenarios over a horizon of the next 12 months in order to assess the overall liquidity risk situation. In these liquidity progress reviews, scenario-specific liquidity requirements resulting from contractual and modelled net cash outflows are contrasted with the potential liquidity available in each scenario, and a net liquidity position (NLP) is created for each maturity band. The survival period (SVP) is also calculated as a metric that specifies the time horizon until insolvency in each scenario. NLP and SVP thresholds are defined that reflect Haspa's risk tolerance. Compliance with these thresholds is monitored at least once a month so that timely control measures can be adopted as necessary. Haspa also creates a multi-year liquidity ratios outlook based on divisional planning under both expected and adverse conditions. This enables us to assess our liquidity needs for future maturities and manage cash flows accordingly.

A diversified, liquidity-focused capital investment consisting of highly liquid unencumbered assets as well as a supply of liquidity in central bank accounts is held as a buffer to cover any unexpected liquidity needs that may arise in the short term. In addition to a liquidity buffer to cover operational liquidity risks, managing the balance sheet structure is the key instrument for limiting any strategic liquidity risks that may arise in the long term. As a result, Haspa has a stable refinancing structure diversified across several channels. Our most important funding channel has always been the deposit business with our customers. Our customer structure gives us a stable level of deposits, even in the face of mounting competition. Successfully launching Pfandbrief issues since 2006 has enabled Haspa to tap into the Pfandbrief market's vast potential as a source of liquidity.

We always significantly exceed statutory excess cover requirements for the mortgage and public collateral pools, which means Haspa has additional potential from issue planning to be able to cover unexpected liquidity needs. Rating agency Moody's assigns Haspa's Pfandbriefe an Aaa rating.

For years, Haspa has used unsecured long-term private placements as a further source of funding. Partly as a result of offering structured issues, Haspa has a good reputation among institutional customers and can tap this source of funding on a regular basis. Since April 2023, the bank has had its own issuer rating from rating agency Moody's so that it can extend the funding channels. This rating enables it to issue unsecured bearer securities on the capital market in addition to Pfandbrief issues on the capital market. After Moody's confirmed the Aa3 rating and raised the outlook from "stable" to "positive" in March 2024, the rating was then upgraded to Aa2 with a "stable" outlook in December 2024. This rating reflects the high level of financial stability and creditworthiness. Among other factors, the rating is based on a solid capital position, a strong deposit base and a diversified funding structure.

Access to the capital market is accompanied by opportunities to participate in the secured and unsecured money market. Thanks to the aforementioned reputation built among institutional customers, liquidity can also be obtained through this market at short notice and in large amounts.

The current and prospective requirements for the regulatory liquidity ratios – liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) – are clearly being met. Both ratios, together with internal metrics, are an indication that Haspa has excellent liquidity. Early warning thresholds defined internally for complying with regulatory minimum liquidity requirements were always comfortably exceeded. At year-end, the LCR is 195 percent and the NSFR is 140 percent.

Risk assessment

No going-concern risks or risks with a material effect on Haspa's net assets, results of operations and liquidity were identified for the current year.

5. Report on expected developments – opportunities and risks

Modest economic growth and further interest rate cuts

Uncertainty over future political and economic developments in Germany and around the globe is adversely impacting consumers and businesses. Against this backdrop, real gross domestic product in Germany is likely to only increase slightly. We expect the German economy to expand by just 0.3 percent in 2025. Hamburg's economy is expected to outperform the overall German economy.

We believe that factors such as labour shortages and trade conflicts will play a role in keeping inflation above the ECB's target of 2 percent in 2025. For Germany and the eurozone, we expect average annual inflation rates in the range of 2.0 to 2.5 percent. Given the weak economy, we expect the ECB to further lower key rates. We anticipate a rate for main refinancing operations of 2.40 percent and a deposit rate of 2.25 percent at the end of 2025.

Uncertainty surrounding political and economic developments and the expectation that central banks will lower key interest rates are likely to shape developments in the capital markets and trigger volatility. The DAX is likely to move in the range of 17,000 to 21,100 points in 2025. We expect the yield on ten-year Bunds to be 2.50 to 2.75 percent by the end of the year.

Haspa's planning

Based on these assumptions, the following report focuses on Haspa's likely performance including material opportunities and risks. The forecasting horizon covers the 2025 financial year. The forward-looking statements are based for one on generally expected macroeconomic developments with a particular focus on the Hamburg Metropolitan Region, for another these statements are based on Haspa's planning for 2025, which results in specific budgets.

Low margins in the deposit business with customers are expected to push net interest income in the 2025 financial year slightly below the level seen in the past financial year. Net commission income is expected to show a slight year-on-year rise in the current year. Depending on how the money and capital markets develop, contributions might be higher or lower.

Administrative expenses are likely to exceed the 2024 figure slightly in the current year, a trend that is due to expected salary and cost increases. This also includes expenses incurred in connection with expanding the collaboration with the German Savings Banks Finance Group and the introduction of more digital offerings, as well as charges arising from regulatory requirements. We expect other operating income to be slightly down on the financial year ended.

Given the different crisis situations and their impacts, a slightly higher level of risk provisions in the lending business than in 2024 is anticipated for the current year. We expect the measurement of our own investment portfolio of securities to have no negative impact. Overall, we anticipate a slightly higher charge from the net revaluation loss than in the year now ended.

We expect "available net income" to be slightly higher than in the previous year. We expect both NPS and the corporate energy index to be slightly higher than 2024 and are aiming to improve slightly in relating to the innovation index to reach fourth place among the peer group.

Due not least to our broadly diversified customer business and on the basis of our tried-and-tested funding strategies and funding potential, we expect our liquidity situation to remain comfortable.

6. Note on the non-financial declaration in accordance with section 289b HGB

Haspa is obliged to publish a non-financial declaration in accordance with section 289b HGB.

Our 2024 Sustainability Report includes the statements required for a non-financial declaration concerning our business model, environmental, employee and social issues, respect for human rights and combating corruption and bribery. We are publishing the 2024 Sustainability Report together with the 2024 Annual Report in the Company Register.

Hamburger Sparkasse AG holds Prime status with a C+ grade in the ISS ESG sustainability rating.

7. Declaration in accordance with section 289f HGB

As an unlisted company subject to co-determination, Haspa is providing a declaration comprising the following statements in accordance with section 289f HGB.

In 2022, the Supervisory Board set a target for the share of women on the Supervisory Board of 25 percent to be achieved by 30 June 2027.

In 2022, the Supervisory Board set a target for the share of women in the Board of Management of 40 percent to be achieved by 30 June 2027.

A target of 30 percent each with a deadline of 30 June 2027 was set by the Board of Management for the two management levels below the Board of Management in 2022, i.e. management level 1 (divisional managers) and management level 2 (unit and branch managers including deputy managers).

Annual financial statements

The tables presented in the annual financial statements may contain rounding differences.

Balance sheet

of Hamburger Sparkasse AG for the year ended 31 December 2024

Assets in € '000			31.12.2024	31.12.2023
1.	**Cash reserve**			
	a) Cash on hand		283,733	269,843
	b) Balance with Deutsche Bundesbank		223,313	477,159
			507,046	**747,002**
2.	**Public-sector debt instruments and bills of exchange eligible for refinancing with Deutsche Bundesbank**			
	a) Treasury bills and non-interest bearing treasury notes and similar debt instruments issued by public-sector entities		—	—
	b) Bills of exchange		—	—
			—	**—**
3.	**Receivables from banks**			
	a) Mortgage loans		3,571	4,345
	b) Public-sector loans		—	—
	c) Other receivables		10,394,037	11,356,252
	of which:			
	Payable on demand	8,011,826		(9,179,687)
	loans on securities	—		(—)
			10,397,608	**11,360,598**
4.	**Receivables from customers**			
	a) Mortgage loans		17,871,874	17,897,867
	b) Public-sector loans		1,447,773	1,258,574
	c) Other receivables		16,268,219	17,561,338
	of which:			
	loans on securities	55,365		(145,963)
			35,587,865	**36,717,779**
5.	**Debentures and other fixed interest securities**			
	a) Money market instruments			
	aa) by public-sector issuers		—	—
	of which:			
	eligible as collateral for Deutsche Bundesbank advances	—		(—)
	ab) by other issuers		—	—
	of which:			
	eligible as collateral for Deutsche Bundesbank advances	—		(—)
			—	—
	b) Bonds and debentures:			
	ba) by public-sector issuers		4,230,243	4,708,859
	of which:			
	eligible as collateral for Deutsche Bundesbank advances	4,230,243		(4,708,859)
	bb) by other issuers		3,522,106	3,258,280
	of which:			
	eligible as collateral for Deutsche Bundesbank advances	3,486,754		(3,208,563)
			7,752,349	7,967,139
	c) Own debentures		—	1,100,094
	Principal amount		—	(1,100,000)
			7,752,349	**9,067,233**
6.	**Equities and other non-fixed interest securities**		1,856,915	1,087,540
6a.	**Trading portfolio**		84,664	96,343
7.	**Long-term equity investments**		108,567	105,243
	of which:			
	in banks	2,504		(2,504)
	in financial services institutions	—		(—)
	in investment firms	—		(—)

Assets in € '000			31.12.2024	31.12.2023
8.	**Shares in affiliated companies**		**6,287**	**5,837**
	of which:			
	in banks	—		(—)
	in financial services institutions	—		(—)
	in investment firms	—		(—)
9.	**Fiduciary assets**		**146,692**	**172,350**
	of which:			
	Fiduciary loans	146,692		(172,350)
10.	**Intangible fixed assets**			
	a) Internally generated industrial rights and similar rights and assets		—	—
	b) Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets		438	503
	c) Goodwill		—	—
	d) Prepayments		—	—
			438	**503**
11.	**Tangible fixed assets**		**77,292**	**56,760**
12.	**Other assets**		**150,045**	**189,489**
13.	**Prepaid expenses**			
	a) From the issue and lending business		11,589	14,887
	b) Other		3,376	2,543
			14,965	**17,431**
	Total assets		**56,690,735**	**59,624,107**

Equity and liabilities in € '000				31.12.2024	31.12.2023
1.	**Liabilities to banks**				
	a)	Registered mortgage Pfandbrief securities issued		327,713	332,987
	b)	Registered public sector Pfandbrief securities		—	—
	c)	Other liabilities		3,797,253	6,960,390
		of which:			
		Payable on demand	400,355		(142,446)
		Registered mortgage Pfandbrief securities furnished to lenders for securing loans	—		(—)
		Registered public-sector Pfandbrief securities furnished to lenders for securing loans	—		(—)
				4,124,967	**7,293,377**
2.	**Liabilities to customers**				
	a)	Registered mortgage Pfandbrief securities issued		3,045,642	2,894,994
	b)	Registered public sector Pfandbrief securities		10,126	—
	c)	Savings deposits			
		ca) With agreed notice period of three months		7,274,281	8,395,091
		cb) With agreed notice period of more than three months		—	(—)
				7,274,281	8,395,091
	d)	Other liabilities		30,004,078	28,048,295
		of which:			
		Payable on demand	26,343,987		(24,312,074)
		Registered mortgage Pfandbrief securities furnished to lenders for securing loans	—		—
		Registered public-sector Pfandbrief securities furnished to lenders for securing loans	—		(—)
				40,334,127	**39,338,380**
3.	**Securitised liabilities**				
	a)	Debentures issued			
		aa) Mortgage Pfandbrief securities		2,157,229	3,306,263
		ab) Public sector Pfandbrief securities		10,097	—
		ac) Other debentures		3,602,637	3,479,405
				5,769,963	6,785,668
	b)	Other securitised liabilities		—	—
		of which:			
		Money market instruments	—		(—)
				5,769,963	**6,785,668**
3a.	**Trading portfolio**			**3,854**	**5,744**
4.	**Fiduciary liabilities**			**146,692**	**172,350**
	of which:				
	Fiduciary loans		146,692		(172,350)
5.	**Other liabilities**			**575,865**	**640,426**
6.	**Deferred income**				
	a)	From the issue and lending business		12,673	9,188
	b)	Other		3,580	4,924
				16,253	**14,112**
7.	**Provisions**				
	a)	Provisions for pensions and similar obligations		1,393,761	1,385,549
	b)	Provision for taxes		90,803	67,643
	c)	Other provisions		148,867	144,972
				1,633,431	**1,598,163**
8.	**Subordinated liabilities**			**151,583**	**56,887**
9.	**Fund for general banking risks**			**902,000**	**802,000**
	of which:				
	Extraordinary item in accordance with section 340e (4) HGB		2,000		(2,000)

Equity and liabilities in € ’000			31.12.2024	31.12.2023
10.	**Equity**			
	a)	Subscribed capital	1,000,000	1,000,000
	b)	Capital reserves	1,815,000	1,700,000
	c)	Revenue reserves		
		ca) Legal reserve	0	0
		cb) Reserves provided for by the articles of association	—	—
		cc) Other revenue reserves	217,000	217,000
			217,000	217,000
	d)	Net retained profits	—	—
			3,032,000	**2,917,000**
	Total equity and liabilities		**56,690,735**	**59,624,107**

			31.12.2024	31.12.2023
1.	**Contingent liabilities**			
	a)	Contingent liabilities from endorsement of discounted bills of exchange	—	—
	b)	Contingent liabilities from guarantees and warranties	580,118	588,892
	c)	Contingent liabilities from the granting of security for third-party liabilities	—	—
			580,118	**588,892**
2.	**Other obligations**			
	a)	Repurchase obligations under sales with an option to repurchase	—	—
	b)	Placement and underwriting obligations	—	—
	c)	Irrevocable credit commitments	1,888,881	2,208,617
			1,888,881	**2,208,617**

Income statement

of Hamburger Sparkasse AG for the period from 1 January to 31 December 2024

	All figures stated in €'000		2024	2023
1.	**Interest income from**			
	a) Lending and money market transactions		1,744,209	1,528,156
	b) Fixed interest securities and registered government debt		172,597	123,503
			1,916,806	1,651,660
2.	**Interest expense**		-1,040,345	-786,072
			876,461	**865,588**
3.	**Current income from**			
	a) Equities and other non-fixed interest securities		6	34
	b) Long-term equity investments		8,458	6,911
	c) Shares in affiliated companies		—	—
			8,464	**6,946**
4.	**Income from profit pooling, profit transfer, or partial profit transfer agreements**		147	108
5.	**Commission income**		417,661	388,071
6.	**Commission expenses**		-34,414	-27,632
			383,247	**360,439**
7.	**Net trading income or expense**		5,173	6,213
8.	**Other operating income**		48,246	54,040
			1,321,739	1,293,334
9.	**General and administrative expenses**			
	a) Personnel expenses			
	aa) Wages and salaries		-307,416	-295,348
	ab) social security, post-employment and other employee benefit costs		-96,096	-122,559
			-403,512	-417,906
	of which:			
	in respect of post-employment benefits	-41,517		(-72,541)
	b) Other administrative expenses		-415,189	-399,856
			-818,701	**-817,762**
10.	**Depreciation, amortisation and write-downs of tangible and intangible fixed assets**		-9,441	-7,005
11.	**Other operating expenses**		-33,560	-25,462
12.	**Write-downs of and valuation allowances on receivables and certain securities, and additions to loan loss provisions**		-98,396	-85,884
13.	**Income from reversals of write-downs of receivables and certain securities and from the reversal of loan loss provisions**		—	—
			-98,396	**-85,884**
14.	**Write-downs of and valuation allowances on other equity investments, shares in affiliated companies and securities classified as fixed assets**		—	-915
15.	**Income from reversals of write-downs of other equity investments, shares in affiliated companies and securities classified as fixed assets**		7,087	—
			7,087	**-915**
16.	**Cost of loss absorption**		-210	-344
17.	**Additions to or withdrawals from the fund for general banking risks**		-100,000	-100,000
18.	**Result from ordinary activities**		268,518	255,962
19.	**Extraordinary income**		—	—
20.	**Extraordinary expenses**		—	—
21.	**Extraordinary result**		—	—
22.	**Taxes on income**		-143,518	-140,962
23.	**Other taxes not included in item 11**		—	—
			-143,518	**-140,962**

All figures stated in €'000		2024	2023
24.	**Profit transferred on the basis of profit pooling, or profit transfer or partial profit transfer agreements**	-125,000	-115,000
25.	**Net income for the financial year**	—	—
26.	**Retained profits/losses brought forward**	—	—
		—	—
27.	**Withdrawals from revenue reserves**		
	a) from the legal reserve	—	—
	b) from the reserve for shares in a parent or majority investor	—	—
	c) from the reserves provided for by the articles of association	—	—
	d) from other revenue reserves	—	—
		—	—
28.	**Appropriation to revenue reserves**		
	a) to the legal reserve	—	—
	b) to the reserve for shares in a parent or majority investor	—	—
	c) to the reserves provided for by the articles of association	—	—
	d) to other revenue reserves	—	—
		—	—
29.	**Net retained profits**	—	—

Notes

The tables presented in the annual financial statements may contain rounding differences.

General disclosures

Hamburger Sparkasse AG (Haspa) prepared its annual financial statements as at 31 December 2024 in accordance with the requirements of the German Commercial Code (Handelsgesetzbuch – HGB) and the requirements of the German Ordinance on Accounting for Banks and Financial Services Institutions (Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute – RechKredV), taking into account the requirements of the German Stock Corporation Act (Aktiengesetz - AktG).

The option not to break down prorated interest by residual maturity (section 11 sentence 3 RechKredV) was also applied.

Haspa's registered office is in Hamburg. The Bank has been entered in the commercial register of the Hamburg Local Court under the number HRB 80691.

Accounting policies

Lending business

Receivables from customers and banks were recognised at their nominal value or cost. Any discounts retained in connection with the disbursement of loans with a fixed borrowing rate are allocated over the fixed interest period. For loans with a variable borrowing rate, discounts are generally allocated over the entire term. For loans without an agreed interest calculation, discounts are allocated over five years.

Irrevocable debts where no payment is expected to be forthcoming from the debtor were written off.

Individual write-downs or provisions take adequate account of recognisable risks in lending. Global valuation allowances were recognised for potential risks from receivables. The requirement to reverse write-downs was observed when measuring loans.

The amount of the respective specific valuation allowances is determined taking into account the debtor's financial circumstances and the current valuation of existing collateral.

Global valuation allowances are calculated in accordance with accounting standard IDW RS BFA 7. Haspa applies the practical expedients of IDW RS BFA 7 item 23 et seq. to determine the global valuation allowances based on a 12-month expected loss. The measurement technique used is based on the methods and systems of internal risk management and takes into account the adjustments recommended by the German Savings Banks Association to determine the reporting date-related global valuation allowances. Haspa has reassessed the necessity and appropriateness of the specific adjustment amount recognised in the previous year in terms of type and scope as at the reporting date. In order to give due consideration to the uncertainty about the future geopolitical and economic development, inflation-related loss of purchasing power and higher financing costs when determining global valuation allowances, a specific adjustment amount of € 19.5 million was factored in on the basis of statistical-mathematical techniques and in line with commercial prudence. Overall, the total amount of global valuation allowances is € 11.7 million higher than at the prior-year reporting date.

Securities

All securities that are not allocated to the investment portfolio or trading portfolio are allocated to the liquidity reserve (current assets). The allocation of securities to the liquidity reserve, the trading portfolio or the investment portfolio was not changed in the financial year.

Securities in the bank's own portfolio are largely held for investment and trading, and as a liquidity reserve.

While securities allocated to the liquidity reserve are measured by applying the strict lower-of-cost-or-market principle, long-term securities are carried at cost or their net carrying amount. Investment securities are only written down if the impairment is permanent. In particular, impairment is regarded as permanent in the event of a significant deterioration in the issuer's credit standing. The requirement to reverse write-downs is taken into account in the case of both securities allocated to the liquidity reserve and investment securities.

The appropriate market value of assets that are held in special funds and for which there is no marketable price is determined by the respective fund based on due assessments using suitable measurement models and taking prevailing market conditions into account.

Trading portfolio

Financial assets acquired for trading are recognised in the trading portfolio at fair value less value at risk (VaR). Pursuant to IDW RS BFA 2, the value at risk is accounted for in the larger of the respective balance sheet items (assets or liabilities). Foreign currency financial assets and liabilities in the trading portfolio are translated at average rates.

The corresponding value at risk (VaR) is determined to satisfy regulatory requirements in respect of managing the trading book's market price risks. This VaR is used to calculate the risk discount. It is determined based on a holding period of one month, a data history of 1,250 days and a confidence level of 99.9%.

Applying the risk discount accounts for the probability of a loss of realisable profits from the measurement at market rates. Changes in the risk discounts are recognised in net trading income or expense. Gains and losses on the prices and the measurement of financial instruments are also recognised in net trading income or expense. This item also includes net revaluation gains/losses from the early repayment of repurchased own issues. Interest income and expense from trading are recognised in net interest income.

Shares in affiliated companies and equity investments

Shares in affiliated companies and equity investments are recognised at cost. The requirement to reverse write-downs was observed for the purpose of remeasurement. Lower values are recognised if special circumstances apply.

Intangible and tangible fixed assets

Intangible and tangible fixed assets are recognised at cost less amortisation and depreciation. Depreciation allowed under German tax rules is taken on tangible fixed assets that were acquired up to 2009.

Tangible fixed assets contain only operating and office equipment. Low-value assets costing up to € 250 excluding input tax are recognised immediately as non-staff operating expenses. Assets costing more than € 250 and up to € 1,000 excluding input tax are recognised in a pooled item, which is written down on a straight-line basis, in each case at a rate of one fifth a year.

Haspa did not use the option of capitalising internally generated software.

A practical expedient in accordance with section 240 HGB was used for measuring movable fixed assets.

Other assets

For other assets, impairments or identifiable risks were taken into account by factoring in appropriate measurement discounts.

Liabilities

Liabilities are measured at the settlement amount. Discounts taken are reported in assets under prepaid expenses whilst premium income is reported in deferred income. In deviation from the above, zero-coupon bonds are accounted for at their present value.

Provisions

The provisions shown adequately account for all recognisable risks as well as all uncertain obligations. Provisions are recognised at their settlement amount dictated by prudent business judgement. Provisions with a remaining term of more than one year are discounted at the average market interest rate published by the Deutsche Bundesbank corresponding to their remaining maturity, which in the case of provisions for pensions is for the past ten years but in the case of provisions for similar long-term obligations as well as other provisions is for the past seven years. Provisions for pensions and similar obligations are recognised based on actuarial principles using the projected unit credit method and the Heubeck 2018 G mortality tables.

The practical expedience set out in section 253 (2) sentence 2 HGB was applied to the provisions for pensions and similar long-term obligations as well as to other provisions calculated using actuarial opinions and a remaining maturity of 15 years was used for discounting in the aggregate.

As a result of one measurement date being brought forward, a projection of the interest rates at the reporting date was performed for the interest rates used to measure provisions for pensions and similar obligations. The resulting interest rates are 1.90 percent (average market interest rate for the past ten years) and 1.97 percent (average market interest rate for the past seven years). Wage and salary increases (including career trends) of 2.35 percent and pension increases of 2.00 percent were used in the determination of the provisions for pension liabilities. These two parameters are determined on the basis of generally accessible sources and institution-specific assumptions. The age-dependent employee turnover rate as determined by using institution-specific parameters was between 0.00 percent and 6.00 percent. These parameters are reviewed annually.

The income and expenses arising from the discounting of provisions are presented separately to achieve transparency and clarity in the notes. Expenses for the accumulation of provisions relating to banking transactions are presented under interest expense, while interest expense for provisions not relating to banking transactions is presented under other operating expenses.

Loss-free valuation of interest rate-related transactions of the banking book (interest rate portfolio)

In compliance with IDW RS BFA 3 new version, to determine any excess of liabilities over assets resulting from business in interest-bearing financial instruments of the banking book, all administrative expenses and the cost of risk expected up until the completion of the business were deducted from the totality of interest-bearing assets and liabilities of the banking book (excluding the trading portfolio) including derivatives. Allowance was made for individual refinancing options in a present value analysis. As there is no excess of liabilities over assets, it is not necessary to recognise a provision.

Currency translation

Foreign currency amounts are translated in accordance with section 340h German Commercial Code in conjunction with section 256a German Commercial Code and in compliance with IDW RS BFA 4. Assets denominated in foreign currency that are treated as fixed assets are translated into euros at the acquisition-date foreign exchange rate. Foreign currency securities reported under current assets are measured at the spot exchange rate.

Solely the expense from currency translation of securities in foreign currency with a residual maturity of more than one year is recognised.

Pursuant to section 340h German Commercial Code, other foreign currency items, as well as spot and forward transactions not yet settled that are neither held for trading nor form part of a hedge as defined in section 254 German Commercial Code, are treated as transactions that qualify for hedge accounting. The transactions are hedged based on matching amounts but not matching maturities. Hedged transactions are measured at the cash settlement or forward price.

Both the cash settlement and the forward prices are based on the reference rate of the European Central Bank.

The exchange gains and losses calculated from the translation of the transactions covered in particular are presented separately in the notes under other operating income and other operating expenses, respectively.

Hedges

Haspa applies hedge accounting as defined in section 254 German Commercial Code. Hedge accounting is applied to liabilities and executory contracts considered the underlying transaction; they are hedged using derivative financial instruments.

The interest rate risks from structured bonds or registered instruments (underlying transactions) are hedged using structured interest rate swaps (hedges). The underlying transactions concern structured bearer debentures shown under “Securitised liabilities” as well as structured registered bonds, promissory note loans and savings certificates recognised in “Liabilities to customers” or “Liabilities to banks”. The respective hedges are structured such that the parameters of the underlying transaction relevant to the hedged risk fully offset each other, both at the inception of the transaction and during the maturity of the underlying transaction (critical terms match).

The currency and interest rate risks of cross currency interest rate swaps with customers are hedged using exactly matched hedging transactions with banks that have good credit ratings. Both the derivative customer business and the back-to-back hedging business are subject to hedge accounting. We also enter into contracts designed to limit interest rates such as caps, floors and collars in connection with the customer lending business. These interest rate options granted to customers are hedged on the basis of the individual contract by means of matching transactions with banks that have good credit ratings.

The effectiveness of the given hedge is reviewed by a department separate from trading upon designation of the hedges as well as at the reporting date. In each case the underlying transactions are hedged effectively against the existing risks.

The accounting treatment of the hedges follows the net hedge presentation method pursuant to IDW RS HFA 35. Haspa ensures based on the methods used (critical terms match) that every hedge is effective with respect to the existing fair value and cash flow risks of the respective hedged risk. Changes in the fair value or cash flows of both the underlying transactions and the hedges relative to the hedged risks are likely to balance out in full over the entire hedging period.

Derivatives

Interest rate swaps are used primarily to manage interest rate risks and are included in the loss-free valuation of interest rate-related transactions of the banking book (interest rate portfolio). Haspa also possesses derivative financial instruments to which hedge accounting is applied. Some derivative financial instruments are held for trading.

In the case of options, Haspa’s option writer positions are usually hedged by means of matched transactions. Option premiums received or paid on options not yet settled, as well as margin obligations from forward transactions, are recognised under financial assets and liabilities in the trading portfolio. For the rest, they are accounted for as “Other assets” or “Other liabilities”.

Cash flow statement

The cash flow statement was prepared in compliance with German Accounting Standard No. 21.

Cash flow statement	2024 € million	2023 € million
Net income for the financial year	**0.0**	**0.0**
Profit transferred on the basis of profit transfer agreements	125.0	115.0
Net income/loss for the period before profit transfer	**125.0**	**115.0**
Depreciation, amortisation and write-downs and valuation allowances on receivables and items of fixed assets/reversals of such write-downs and valuation allowances	104.5	79.9
Increase/decrease in provisions (excluding provisions for income taxes)	12.1	38.2
Other non-cash expenses/income	9.6	15.4
Gain/loss on disposal of fixed assets	-6.1	-0.5
Other adjustments (net)	0.0	0.0
Increase/decrease in receivables from banks	1,010.1	-4,021.4
Increase/decrease in receivables from customers	1,141.2	1,377.4
Increase/decrease in securities (unless classified as long-term financial assets)	654.7	312.4
Increase/decrease in other assets relating to operating activities	67.6	63.2
Increase/decrease in liabilities to banks	-3,080.3	-119.7
Increase/decrease in liabilities to customers	994.2	206.5
Increase/decrease in securitised liabilities	-1,051.5	2,224.8
Increase/decrease in other liabilities relating to operating activities	-99.7	-170.6
Interest expense/interest income	-876.5	-865.6
Current income from equities, non-fixed interest securities, equity investments and shares in affiliated companies	-8.5	-6.9
Expenses for/income from extraordinary items	0.0	0.0
Income tax expense/income	143.5	141.0
Interest payments received	1,859.1	1,624.4
Payments received from current income from equities, non-fixed interest securities, equity investments and shares in affiliated companies	8.5	6.9
Interest paid	-1,088.2	-605.6
Extraordinary receipts	0.0	0.0
Extraordinary payments	0.0	0.0
Income tax payments	-120.4	-153.5
Cash flows from operating activities	**-200.9**	**261.3**
Proceeds from disposal of long-term financial assets	1,675.0	310.0
Payments to acquire long-term financial assets	-1,770.6	-366.1
Proceeds from disposal of tangible fixed assets	0.0	0.0
Payments to acquire tangible fixed assets	-34.7	-15.9
Proceeds from disposal of intangible fixed assets	0.0	0.0
Payments to acquire intangible fixed assets	-0.3	-0.3
Change in cash from other investing activities (net)	0.0	0.0
Cash receipts from extraordinary items	0.0	0.0
Cash payments for extraordinary items	0.0	0.0
Cash flows from investing activities	**-130.5**	**-72.3**
Cash receipts from capital contributions of HASPA Finanzholding	115.0	45.0
Cash payments to HASPA Finanzholding from the redemption of shares	0.0	0.0
Cash receipts from extraordinary items	0.0	0.0
Cash payments for extraordinary items	0.0	0.0
Profit transfer to HASPA Finanzholding	-115.0	-45.0
Change in cash from other capital sources (net)	91.5	56.0
Cash flows from financing activities	**91.5**	**56.0**
Net change in cash funds	-240.0	245.0
Effect of exchange rate movements on cash funds	0.0	0.0
Cash funds at beginning of period	747.0	502.0
Cash funds at end of period	**507.0**	**747.0**

Supplementary information on the cash flow statement

The cash flow statement shows the changes in cash funds. Cash funds are composed of cash-in-hand and balances with Deutsche Bundesbank (cash).

The cash flow statement is prepared for Haspa's single-entity financial statements, which is why cash funds do not include any components attributable to proportionately consolidated entities.

There were no material non-cash investing and financing measures and transactions in the financial year.

Some of the figures in the previous year’s cash flow statement were restated due to an adjustment of the amount of profit transferred to HASPA Finanzholding. As a result, cash flow from operating activities decreased, while cash flow from financing activities increased by the same amount in the previous year.

Notes to the balance sheet (assets)

Receivables from banks	2024 € million	2023 € million
This item includes:		
Receivables from affiliated companies	0.0	0.0
Receivables from other long-term investees and investors	0.0	0.0
Subordinated receivables	21.8	21.8
of which:		
from affiliated companies	0.0	0.0
From other long-term investees and investors	0.0	0.0
Breakdown by maturity:		
up to 3 months	1,311.9	1,247.1
more than 3 months up to 1 year	396.0	230.8
more than 1 year up to 5 years	544.8	609.6
more than 5 years	20.4	30.7

Receivables from customers	2024 € million	2023 € million
This item includes:		
Receivables from affiliated companies	348.3	366.7
Receivables from other long-term investees and investors	0.0	0.1
Subordinated receivables	0.0	0.0
of which:		
from affiliated companies	0.0	0.0
from other long-term investees and investors	0.0	0.0
Breakdown by maturity:		
up to 3 months	1,588.9	1,389.9
more than 3 months up to 1 year	3,031.7	3,423.9
more than 1 year up to 5 years	9,334.4	9,486.1
more than 5 years	20,637.3	21,180.1
with indefinite maturity	976.0	1,219.8

Debentures and other fixed interest securities	2024 € million	2023 € million
Of the marketable securities included in this balance sheet item the following are:		
listed	6,991.7	8,544.6
not listed	760.7	522.6
due in the following year	1,660.5	2,365.4
The carrying amount of the debentures and other fixed interest securities treated as fixed assets is	5,282.2	5,160.1
Securities not measured at the lower of cost or market	3,163.3	4,529.7
Fair value of these securities	2,996.7	4,293.4

The previous year's figure shown under "due in the following year" increased by the accrued interest amounts reported in this item and due through interest payments.

Held-to-maturity bonds with a fair value below the expected repayment amount were not measured at the lower of cost or fair value. There are no indications that they will not be repaid at par.

The carrying amount of the bonds and other fixed-income securities classified as fixed assets rose by € 122.1 million in the financial year and amounts to € 5,282.2 million. These securities had to be written down by € 786.1 thousand.

Equities and other non-fixed interest securities	2024 € million	2023 € million
Of the marketable securities included in this balance sheet item the following are:		
listed	0.0	0.0
not listed	0.0	0.0
The carrying amount of the equities and other non-fixed interest securities treated as fixed assets is	494.8	494.8
Securities not measured at the lower of cost or market	0.0	0.0
Fair value of these securities	0.0	0.0

The carrying amount of the equities and other non-fixed interest securities treated as fixed assets remains unchanged at € 494.8 million. It was unnecessary to write down these securities, as their market values were higher than their carrying amounts.

This balance sheet item contains shares in special funds with a carrying amount of € 1,856.9 million. The fungibility of these shares is limited. Gains on shares in special funds resulting from rate gains as well as interest and dividend income were reinvested.

Investment funds with a share in excess of 10 percent in € million broken down by investment objective.

NAME	ISIN	Carrying amount 31.12.2024	Market value 31.12.2024	Difference	Distribution 2024	Returnable daily	Write-downs omitted
Wikinger-Fonds 1	DE000DK0NLE4	1,362.1	1,539.9	177.8	0.0	Yes	No
Equity, bond and property investment fund: Equity, government bond and property investment fund shares							
Wikinger-Fonds 2	DE000DK0LNF1	494.8	518.1	23.3	0.0	Yes	No
Bond fund: Pfandbriefe, covered bonds and government-guaranteed bonds							

Trading portfolio	2024 € million	2023 € million
The trading portfolio comprises:		
Derivative financial instruments	4.0	7.3
Receivables	0.0	8.6
Debentures and other fixed interest securities	81.6	82.0
Equities and other non-fixed interest securities	0.0	0.0
Other assets	0.0	0.0
Subtotal	85.6	97.9
Risk discount	-1.0	-1.6
	84.6	96.3

The nominal volume of the derivative financial instruments is € 32.2 million for interest rate swaps and € 8.2 million for currency options.

Long-term equity investments of Hamburger Sparkasse in large corporations that exceed five percent of voting rights (section 340a (4) sentence 2 HGB)

Bürgschaftsbank Schleswig-Holstein GmbH, Kiel
Bürgschaftsbank Hamburg GmbH, Hamburg

Equity investments of Hamburger Sparkasse as at 31.12.2024[1]

Name and registered office of the entity	Equity interest in percent	Equity of the entity € '000[2]	Result for the year of the entity € '000[2]
Direct equity investments			
Bürgschaftsbank Schleswig-Holstein GmbH, Kiel	7.18	42,671.5	393.2
Bürgschaftsbank Hamburg GmbH, Hamburg	21.35	27,681.6	257.5
Cenito Service GmbH, Hamburg	100.00	800.0	0.0[3]
CFC Corporate Finance Contor GmbH, Hamburg	49.00	994.8	494.8
Deka Erwerbsgesellschaft mbH & Co. KG - Unterbeteiligung -, Neuhardenberg	2.96	1,785,143.0[4]	114,834.3
Hanseatischer Sparkassen- und Giroverband, Hamburg	74.87	64,083.1[5]	5.1
HASPA Projektentwicklungs- und Beteiligungsgesellschaft mbH, Hamburg	30.00	11,768.2	-8,231.8
Haspa Direkt Servicegesellschaft für Direktvertrieb mbH, Hamburg	100.00	687.1	0.0[3]
neoshare AG, Cologne	3.12	2,899.0	-3,916.9
Next Commerce Accelerator GmbH, Hamburg	16.66	-30.3	-77.3
SCHUFA Holding AG, Wiesbaden	2.22	156,066.8	42,189.1

1) Equity investments unless insignificant
2) Based on the most recent annual financial statements available for 2023 if no other information is given
3) Profit and loss transfer agreement
4) Not including reserves, as these are earmarked for repayment of the DSGV öK loan
5) Equity excluding reserves and excluding net retained profits

Carrying amount of the investment portfolio and shares in affiliated companies	2024 € million	2023 € million
This item includes:		
Long-term equity investments	108.6	105.2
Of the marketable securities included in this balance sheet item the following are:		
listed	0.0	0.0
not listed	0.0	0.0
Shares in affiliated companies	6.3	5.8
Of the marketable securities included in this balance sheet item the following are:		
listed	0.0	0.0
not listed	0.0	0.0
Other assets	0.0	0.0
	114.9	111.1

The carrying amount of the equity investments increased to € 108.6 million in the reporting year as a result of the acquisition of the equity interest in neoshare AG for € 3.3 million. The carrying amount of the shares in affiliated companies increased by € 0.5 million to € 6.3 million in the reporting year. This was the net effect of an initial capital increase and the subsequent write-down of the carrying amount.

Fiduciary assets

Reported fiduciary loans pertain exclusively to fiduciary amounts due from customers.

Intangible and tangible fixed assets

Changes in intangible and tangible fixed assets:	Intangible fixed assets € million	Tangible fixed assets € million
Cost		
Cost on 01.01.2024	156.7	154.9
Additions	0.3	34.7
Disposals	0.0	28.3
Reclassifications	0.0	0.0
Cost on 31.12.2024	156.9	161.2
Depreciation, amortisation and write-downs		
Accumulated depreciation, amortisation and write-downs as at 01.01.2024	156.2	98.1
Depreciation, amortisation and write-downs	0.3	9.1
Reversal of write-downs	0.0	0.0
Disposals	0.0	23.3
Reclassifications	0.0	0.0
Accumulated depreciation, amortisation and write-downs as at 31.12.2024	156.5	84.0
Carrying amount as at 31.12.2024	**0.4**	**77.3**
Carrying amount previous year	0.5	56.8

Other assets	2024 € million	2023 € million
Other assets are comprised as follows:		
Capitalised inventories and other assets	1.5	2.0
Adjustment item from foreign currency translation	1.8	11.1
Other receivables from affiliated companies	23.8	25.9
Other receivables from cash collateral	24.6	24.4
Receivables from collateral under central clearing	76.4	109.5
Trade receivables from third parties	15.2	10.3
Receivables from insurance claims	1.7	1.9
Other receivables	5.0	4.4
	150.0	189.5

Prepaid expenses	2024 € million	2023 € million
Prepaid expenses include:		
The difference between the lower of the settlement amount and the issue price of liabilities or debentures	11.6	14.9
The difference between the higher of the nominal amount and the settlement amount of receivables	0.0	0.0
Other deferred income	3.4	2.5
	15.0	17.4

Disclosures relating to several items on the assets side - change in long-term financial assets

Change	Long-term equity investments € million	Shares in affiliated companies € million	Long-term securities * € million
Carrying amount as at 01.01.2024	105.2	5.8	5,636.3
Changes in the financial year	+3.4	+0.5	+55.5
Carrying amount as at 31.12.2024	108.6	6.3	5,691.8

*excluding accrued interest

Notes to the balance sheet (equity and liabilities)

Liabilities to banks	2024 € million	2023 € million
This item includes:		
Liabilities to affiliated companies	0.0	0.0
Liabilities to other long-term investees and investors	1.0	1.2
Total amount of assets transferred as collateral for the liabilities included in this item	2,903.6	11,285.1
Breakdown by maturity:		
up to 3 months	187.9	3,475.7
more than 3 months up to 1 year	337.5	304.4
more than 1 year up to 5 years	1,268.3	1,307.4
more than 5 years	1,857.3	1,901.7

A total of € 2.3 million were utilised in connection with transactions in futures exchanges and at clearing houses, for which securities with a carrying amount of € 106.8 million were deposited.

Liabilities to customers	2024 € million	2023 € million
This item includes:		
Liabilities to affiliated companies	82.0	112.0
Liabilities to other long-term investees and investors	47.5	12.7
Breakdown by maturity (without savings deposits):		
up to 3 months	943.7	1,390.7
more than 3 months up to 1 year	844.9	512.1
more than 1 year up to 5 years	1,167.3	1,245.7
more than 5 years	3,663.4	3,389.4

Securitised liabilities	2024 € million	2023 € million
This item includes:		
Liabilities to affiliated companies	0.0	5.0
Liabilities to other long-term investees and investors	0.0	0.0
Debentures issued that are due in the following year	1,138.8	1,859.5

Trading portfolio	2024 € million	2023 € million
The trading portfolio is comprised as follows:		
Derivative financial instruments	3.9	5.7
Liabilities	0.0	0.0
Subtotal	3.9	5.7
Risk premium	—	—
	3.9	5.7

The nominal volume of the derivative financial instruments is € 32.2 million for interest rate swaps and € 8.2 million for currency options.

Fiduciary liabilities

The fiduciary liabilities reported exclusively concern liabilities to banks.

Other liabilities	2024 € million	2023 € million
The other liabilities comprise:		
Tax liabilities	33.6	20.8
Liabilities to companies of HASPA Finanzgruppe		
under profit transfer agreements	125.2	115.3
other liabilities	0.2	0.6
Liabilities to employees		
from vacation savings deposits and grants	6.4	6.5
other liabilities	8.7	15.7
Liabilities from collateral under central clearing	356.5	435.7
Adjustment item from foreign currency translation	7.7	4.1
Trade payables to third parties	29.5	31.8
Other liabilities	8.1	9.9
	575.9	640.4

Deferred income	2024 € million	2023 € million
Deferred income includes:		
The difference between the lower of the nominal amount and the settlement amount of loan receivables	5.6	2.3
The difference between the higher of the settlement amount and the issue price of liabilities or debentures	6.4	5.6
Other deferred income	4.3	6.2
	16.3	14.1

Provisions

The difference between the carrying amount of the pension provisions using the average market interest rate for the past ten years and the carrying amount using the average market interest rate for the past seven years calculated in accordance with section 253 (6) sentence 1 HGB was € -17.6 million as at 31 December 2024 (previous year: € 23.5 million).

Subordinated liabilities

Interest of € 6.6 million was paid on € 151.6 million in subordinated liabilities during the reporting year. The subordinated liabilities consist of bullet bearer debentures and registered bonds. The subordinated liabilities fall due between 2031 and 2035. An obligation to repay them early cannot arise. The nominal interest rate is between 4.85% and 6.5% p.a. According to the terms and conditions of these debentures and bonds and the rules of the Single Resolution Mechanism (SRM), the relevant resolution authorities are entitled to convert claims to capital and interest into shares or other Common Equity Tier 1 capital instruments. The issues made represent supplementary capital in accordance with the Articles 62 to 71 of the Capital Requirements Regulation (CRR).

Subordinated liabilities that exceed 10 percent of the total portfolio

Securitisation	Liability € million	Currency	Interest rate p.a.	Maturity	Redemption rate
Bearer debenture	15.4	€	6.330%	13.07.2033	100%
Registered bond	18.2	€	5.650%	11.04.2034	100%

Fund for general banking risks

This position includes an extraordinary item of € 900 million in accordance with section 340g (1) HGB. Furthermore, an extraordinary item of € 2 million in accordance with section 340e (4) HGB is shown.

Equity

The equity is € 1 billion and is divided into 1,000,000 no par shares. HASPA Finanzholding holds all of these shares.

Statement of changes in equity

The statement of changes in equity shows the development of equity

in € million	Subscribed capital	Capital reserves	Revenue reserves	Net retained profits	Reported equity
Balance on 01.01.2024	**1,000.0**	**1,700.0**	**217.0**	**0.0**	**2,917.0**
Allocation		115.0			
Net income/loss for the period before profit transfer				125.0	
Profit to be transferred				-125.0	
Balance on 31.12.2024	**1,000.0**	**1,815.0**	**217.0**	**0.0**	**3,032.0**

The transfer to the capital reserve resulted from a capital injection made by HASPA Finanzholding.

Contingent liabilities and other obligations

Contingent liabilities
Guarantees, warranties and indemnity agreements assumed for borrowers are recorded in this item. On the basis of the regular assessments of customers' credit quality as part of our credit risk management processes, we assume that the amounts disclosed here will not result in an economic burden. Appropriate risk provisions have been recognised for significant default risks.

Irrevocable credit commitments
The irrevocable credit commitments largely comprise loans that have been not yet been fully disbursed. They are subject to the regular credit monitoring processes that apply to all credit commitments. Appropriate risk provisions have been recognised for significant default risks.

Notes to the income statement

Interest income

In the financial year, negative interest of € 0.1 million is shown for lending products.

Interest expense

Interest expense includes negative interest for deposit products of € 0.2 million. This item also includes a total of € 41.6 thousand (previous year: € 0.4 thousand) due to the unwinding of discounts on provisions related to the banking business.

Income from profit pooling, profit transfer, or partial profit transfer agreements

This item totalling € 0.1 million includes € 50.3 thousand in tax allocations.

Current income

There was no distribution from Haspa's special funds in the reporting period.

Commission income

A portion of 30.3% of total commission income is attributable to brokerage and management services for third parties. This item includes € 1.1 million in prior-period income.

Other operating income

This item contains € 6.7 million (previous year: € 19.0 million) in income from currency translation, of which € -3.7 million relates to prior-year measurement effects. This item also contains € 3.0 million in income from staff leasing. Also included is income from the provision of collateral for interest rate hedges in central clearing in the amount of € 3.3 million, which in the previous year was shown under net interest income.

It also includes € 7.1 million in income from the reversal of provisions.

Other operating expenses

Other operating expenses include a total of € 4.5 million (previous year: € 13.2 million) due to the unwinding of discounts on long-term provisions. Also included are expenses from the provision of collateral for interest rate hedges in central clearing in the amount of € 16.6 million, which in the previous year was shown under net interest income. This item further includes € 5.0 million in expenses from the disposal of fixed assets resulting from the move to the Deutschlandhaus.

Taxes on income

This item totalling € 143.5 million includes € 138.0 million in tax allocations. The tax allocations are comprised of expenses from current tax allocations of € 139.9 million, prior-period reimbursements of tax allocations of € 0.6 million and prior-period expenses from tax allocations of € 2.6 million.

Other disclosures

Disclosures in accordance with section 160 (1) no. 8 AktG

The following announcement was published by Haspa in the Electronic Federal Gazette on 17 July 2003:

"HASPA Finanzholding, Hamburg, has advised us that they hold a controlling interest (section 20 (4) AktG in conjunction with section 16 (1) AktG) in our company."

Disclosures in accordance with section 285 No. 21 German Commercial Code

No transactions were carried out at off-market terms.

Board of Management and Supervisory Board

In the 2024 financial year, the members of the Board of Management received total benefits of € 3.3 million. Loans and guarantees granted to members of the Board of Management amounted to € 3.2 million. The total benefits of former members of the Board of Management amounted to € 0.2 million.

A total of € 3.4 million was set aside for pension commitments to former members of the Board of Management and their surviving dependants.

The total benefits of the members of the Supervisory Board in financial year 2024 amounted to € 0.9 million. Loans and guarantees granted to members of the Supervisory Board amounted to € 1.4 million.

Expenses for the auditor

The total fee for the auditor for the 2024 financial year amounted to € 1.2 million, of which € 1.2 million concerned the audit of the annual financial statements and € 20 thousand other assurance services.

The audit services provided mainly relate to statutory audit services, which include the audit of the annual financial statements, the audit of the investment services and custodian business, and the audit of arrangements to prevent money laundering and the financing of terrorism and other criminal acts.

Amounts not available for distribution in accordance with section 268 (8) German Commercial Code

There were no amounts not available for distribution in accordance with section 268 (8) German Commercial Code in the 2024 financial year.

Other financial obligations

There are obligations arising from letting, rental and lease agreements in effect for the next financial years.

Financial year	€ million	of which affiliated and associated companies € million
2025	55.7	5.3
2026	56.6	5.3
2027	54.6	5.5
	166.9	16.1

As a unitholder in the Wikinger-Fonds 1 special fund, Haspa has taken on the obligation of making capital contributions to the special fund for the target funds' outstanding capital calls if the special fund's freely available funds are not sufficient. The outstanding capital calls as of the reporting date amounting to € 25.0 million are fully covered by freely available funds of the special fund.

Haspa is affiliated with the nationwide guarantee scheme of the German Savings Bank's Organisation. There is a cross-guarantee system between participants in this protection scheme, which means that participants have the German Savings Banks Finance Group's entire volume of guarantees at their disposal. According to section 48 (2) No. 5 of the German Deposit Guarantee Act (EinSiG), Haspa is obligated to make guaranteed annual and special contributions to this guarantee scheme as well as the one-off payment. In the financial year, Haspa made use of the option to make part of its annual contributions in the form of an irrevocable payment obligation. As of 31 December 2024, corresponding irrevocable payment obligations associated with the German Savings Banks Finance Group guarantee scheme totalled € 25.6 million (previous year: € 20.7 million). Haspa has deposited securities with a carrying amount of € 40.2 million that is equal to the amount of the irrevocable payment obligations.

At a European level, Haspa has been obligated since 2015 to make annual contributions to the restructuring fund ("European bank levy"). Irrevocable payment obligations associated with the bank levy in accordance with the EU Bank Recovery and Resolution Directive (BRRD) and the Single Resolution Fund (SRF) amounted to € 23.7 million as of 31 December 2024 (previous year: € 23.7 million). Haspa has deposited cash collateral equal to the amount of the irrevocable payment obligations that are recognised under "Other assets".

There were no off-balance sheet transactions pursuant to section 285 no. 3 German Commercial Code at the reporting date.

Report on post-balance sheet date events

No events of special significance took place after the reporting date.

Foreign currency

Total assets and liabilities denominated in foreign currency were translated into € 983.0 million and € 707.3 million respectively.

Forward transactions / Derivative financial transactions

The following tables show the volume of transactions in effect at the end of 2024.

Derivatives are always measured by reference to their current market price. The prices on the last trading day in 2024 were used for derivatives traded on a stock exchange. If no current market price is immediately available, the measurement is based on standard financial valuation methods. In the case of interest swaps for instance, the present value is determined based on the current yield curve. In currency futures, the forward rate is used. The fair values of currency options are determined based on the current spot exchange rate, yield curves as well as implied volatilities (binomial model). The fair values of interest rate options are determined using yield curves and implicit levels of volatility (shifted Black model or Bachelier model).

Haspa issues structured securities that are matched by swaps combined into micro hedges such that the included interest rate risks are hedged in full.

The bulk of Haspa's interest-related transactions mentioned below were carried out to limit interest rate risks. They are included in the loss-free valuation of interest rate-related transactions of the banking book (interest rate portfolio). Haspa's maturities transformation is managed as part of its asset and liabilities management by means of the interest rate swaps. Interest rate derivatives admitted to a stock exchange for trading concern trades for customers.

A large portion of the currency-related transactions concerns transactions with customers that are always hedged through foreign exchange contracts and, to a lesser extent, own portfolio trading and own securities hedging. The currency-related derivative transactions constitute an almost closed position in conjunction with Haspa's foreign currency holdings.

Transactions involving other price risks solely comprise trades for customers.

The amount, timing and probability of occurrence of future cash flows from the derivative financial instruments held for trading are mainly influenced by the interest rate environment and developments in credit spreads.

Summary of derivative financial instruments not recognised at fair value (Part I)

as at 31.12.2024	Nominal values				Market values (incl. accrued interest)	
	Maturity					
in € million	up to 1 year	more than 1 year up to 5 years	more than 5 years	Total	Positive	Negative
Interest rate related transactions						
OTC products						
Caps	0.1	16.1	0.0	16.2	0.1	0.1
Floors	0.0	0.0	0.8	0.8	0.0	0.0
Structured swaps	20.4	369.3	4,850.9	5,240.6	41.8	376.2
Interest rate swaps	1,254.2	3,078.2	9,583.5	13,915.9	676.9	297.6
Stock market instruments						
Interest rate futures	30.5	0.0	0.0	30.5	0.2	0.2
Total	**1,305.2**	**3,463.6**	**14,435.2**	**19,204.0**	**719.0**	**674.1**
Currency-related transactions						
OTC products						
Forward currency transactions	1,331.0	196.6	0.0	1,527.6	18.6	24.9
Currency swaps	0.0	0.0	127.6	127.6	18.6	16.7
Stock market instruments						
Interest rate futures	17.6	0.0	0.0	17.6	0.0	0.2
Total	**1,348.6**	**196.6**	**127.6**	**1,672.8**	**37.2**	**41.8**
Transactions involving other price risks						
Stock market instruments						
Index futures	32.0	0.0	0.0	32.0	0.2	0.5
Index options	16.4	0.0	0.0	16.4	0.0	0.2
Total	**48.4**	**0.0**	**0.0**	**48.4**	**0.2**	**0.7**

Summary of derivative financial instruments not recognised at fair value (Part II)

as at 31.12.2024	Carrying amounts		Balance sheet item	Provisions
	Option premiums, upfronts, variation margins			Balance sheet item P7
in € million	Assets	Liabilities		
Interest rate related transactions				
OTC products				
Caps	0.1	0.2	A3/A12/P2/P5	—
Floors	—	—	—	—
Structured swaps	0.2	3.4	A3/P1	—
Interest rate swaps	10.5	361.6	A3/A4/P1/P2/P5	—
Stock market instruments				
Interest rate futures	—	—	—	—
Total	**10.8**	**365.2**		**—**
Currency-related transactions				
OTC products				
Forward currency transactions	—	—	—	0.3
Currency swaps	—	—	—	—
Stock market instruments				
Interest rate futures	—	—	—	—
Total	**—**	**—**		**0.3**
Transactions involving other price risks				
Stock market instruments				
Index futures	—	—	—	—
Index options	—	—	—	—
Total	**—**	**—**		**—**

Summary of derivative financial instruments recognised at fair value

as at 31.12.2024	Nominal values				Market values (incl. accrued interest)	
	Maturity					
in € million	up to 1 year	more than 1 year up to 5 years	more than 5 years	Total	Positive	Negative
Interest rate related transactions						
OTC products						
Interest rate swaps	0.0	0.4	64.0	64.4	3.9	3.8
Total	**0.0**	**0.4**	**64.0**	**64.4**	**3.9**	**3.8**
Currency-related transactions						
OTC products						
Currency options	11.0	5.3	0.0	16.3	0.2	0.2
Total	**11.0**	**5.3**	**0.0**	**16.3**	**0.2**	**0.2**

Hedges

Both liabilities with a carrying amount of € 3,319.3 million and executory contracts with a nominal value of € 15.2 million were classified as underlying transactions and subject to hedge accounting pursuant to section 254 sentence 1 German Commercial Code. These are so-called micro hedges. All underlying transactions are hedged against interest, currency and other price risks using derivative financial instruments.

At 31 December, transactions with a negative fair value of € 334.3 million were in place to hedge interest rate risks and transactions with a negative fair value of € 1.1 million to hedge currency risks.

Statement of cover assets pursuant to section 35 (1) no. 7 RechKredV

Cover for debentures issued	2024 € million	2023 € million
Mortgage Pfandbrief securities		
Receivables from banks	0.0	0.0
Receivables from customers	8,225.4	8,044.9
Debentures and other fixed interest securities	350.0	550.0
Public sector Pfandbrief securities		
Receivables from banks	0.0	0.0
Receivables from customers	401.5	0.0
Debentures and other fixed interest securities	11.0	0.0

Pfandbrief securities

Haspa has been issuing Pfandbrief securities since the 2006 financial year.

The standard transparency requirements of section 28 German Pfandbrief Act (PfandBG) are fulfilled by disclosure on our website (www.haspa.de).

I) Information regarding total amount and maturity structure

Mortgage Pfandbrief circulation

Section 28 (1) no. 1, 3 and 7 PfandBG	2024 € million	2023 € million
Mortgage Pfandbrief circulation		
of which derivative transactions	0.0	0.0
– Nominal value	5,470.1	6,487.1
– Present value	5,533.9	6,378.5
– Risk net present value	5,278.9	6,111.1
Cover assets		
of which derivative transactions	0.0	0.0
– Nominal value	8,575.4	8,594.9
– Present value	8,450.5	8,328.6
– Risk net present value	8,101.2	7,904.0
Excess cover		
– Nominal value	3,105.3	2,107.8
– Present value	2,916.7	1,950.1
– Risk net present value	2,822.3	1,792.9
Excess cover in % of Pfandbrief circulation		
– Nominal value	56.8	32.5
– Present value	52.7	30.6
– Risk net present value[1]	53.5	29.3
Statutory excess cover[2]		
– Nominal value	218.7	255.0
– Present value	110.7	127.6
Contractually agreed excess cover[3]		
– Nominal value	0.0	0.0
– Present value	0.0	0.0
Voluntary excess cover		
– Nominal value	2,886.6	1,852.8
– Present value	2,806.0	1,822.6

Public sector Pfandbrief securities

Section 28 (1) no. 1, 3 and 7 PfandBG	2024 € million	2023 € million
Public sector Pfandbrief circulation		
of which derivative transactions	0.0	0.0
– Nominal value	20.0	0.0
– Present value	21.5	0.0
– Risk net present value	19.8	0.0
Cover assets		
of which derivative transactions	0.0	0.0
– Nominal value	412.5	0.0
– Present value	432.3	0.0
– Risk net present value	408.3	0.0
Excess cover		
– Nominal value	392.5	0.0
– Present value	410.8	0.0

Section 28 (1) no. 1, 3 and 7 PfandBG	2024 € million	2023 € million
– Risk net present value	388.5	0.0
Excess cover in % of Pfandbrief circulation		
– Nominal value	1,962.6	0.0
– Present value	1,911.5	0.0
– Risk net present value[1]	1,965.3	0.0
Statutory excess cover[2]		
– Nominal value	1.3	0.0
– Present value	0.9	0.0
Contractually agreed excess cover[3]		
– Nominal value	0.0	0.0
– Present value	0.0	0.0
Voluntary excess cover		
– Nominal value	391.2	0.0
– Present value	410.0	0.0

[1] The dynamic approach according to section 5 (1) no. 2 German Pfandbrief Net Present Value Directive was used for the calculation of the risk net present value.
[2] Nominal value: Sum of the nominal value of the excess cover pursuant to section 4 (2) PfandBG and the nominal value of the excess cover pursuant to section 4 (1) PfandBG ("barwertige sichernde Überdeckung")
Present value: present value of the statutory excess cover in accordance with section 4 (1) PfandBG ("barwertige sichernde Überdeckung")
[3] Contractually agreed excess cover
[4] Residual, depending on the statutory and the contractually agreed excess cover; the present value includes the net present value of the excess cover pursuant to section 4 (2) PfandBG

Present values do not have to be presented by foreign currency because the cover assets are based exclusively on euro-denominated transactions.

Mortgage Pfandbrief securities

Section 28 (1) no. 6 PfandBG	2024 € million	2023 € million
Absolute amount of the largest non-zero negative total in the next 180 days as defined by section 4 (1a) sentence 3 PfandBG for the Pfandbrief securities (liquidity requirement)	67.8	279.3
Day on which the largest negative sum results (1–180)	25	146
Total amount of cover assets that meet the requirements of section 4 (1a) sentence 3 PfandBG (liquidity coverage)	351.9	558.2
Surplus liquidity	284.1	278.9

Section 28 (1) no. 13 PfandBG	2024 in percent	2023 in percent
Share of fixed-interest cover assets in total cover assets	90.1	85.9
Share of fixed-interest Pfandbrief securities in the liabilities to be covered	98.4	98.6

Public sector Pfandbrief securities

Section 28 (1) no. 6 PfandBG	2024 € million	2023 € million
Absolute amount of the largest non-zero negative total in the next 180 days as defined by section 4 (1a) sentence 3 PfandBG for the Pfandbrief securities (liquidity requirement)	0.0	0.0
Day on which the largest negative sum results (1-180)	0	0
Total amount of cover assets that meet the requirements of section 4 (1a) sentence 3 PfandBG (liquidity coverage)	11.0	0.0
Surplus liquidity	11.0	0.0

Section 28 (1) no. 13 PfandBG	2024 in percent	2023 in percent
Share of fixed-interest cover assets in total cover assets	100.0	0.0
Share of fixed-interest Pfandbrief securities in the liabilities to be covered	100.0	0.0

Mortgage Pfandbrief securities

Section 28 (1) no. 4 and 5 PfandBG	2024 € million	2023 € million
Maturity structure of the mortgage Pfandbrief circulation		
– up to 0.5 years	319.0	596.5
– more than 0.5 years up to 1 year	133.0	320.0
– more than 1 year up to 1.5 years	300.0	819.0
– more than 1.5 years up to 2 years	135.0	133.0
– more than 2 years up to 3 years	803.9	1,035.0
– more than 3 years up to 4 years	1,227.5	928.9
– more than 4 years up to 5 years	400.0	1,227.5
– more than 5 years up to 10 years	1,526.8	1,118.3
– more than 10 years	625.0	309.0
Fixed-interest periods of the cover assets		
– up to 0.5 years	559.5	755.4
– more than 0.5 years up to 1 year	544.9	550.0
– more than 1 year up to 1.5 years	472.0	442.5
– more than 1.5 years up to 2 years	403.5	485.1
– more than 2 years up to 3 years	1,028.5	827.6
– more than 3 years up to 4 years	928.2	915.1
– more than 4 years up to 5 years	806.9	880.9
– more than 5 years up to 10 years	2,905.0	2,810.3
– more than 10 years	926.9	928.1
Effects of an extension of maturity on the maturity structure of mortgage Pfandbrief securities/ extension scenario: 12 months		
– up to 0.5 years	0.0	0.0
– more than 0.5 years up to 1 year	0.0	0.0
– more than 1 year up to 1.5 years	319.0	596.5
– more than 1.5 years up to 2 years	133.0	320.0
– more than 2 years up to 3 years	435.0	952.0
– more than 3 years up to 4 years	803.9	1,035.0
– more than 4 years up to 5 years	1,227.5	928.9
– more than 5 years up to 10 years	1,680.8	2,193.8
– more than 10 years	871.0	461.0

Public sector Pfandbrief securities

Section 28 (1) no. 4 and 5 PfandBG	2024 € million	2023 € million
Maturity structure of the public sector Pfandbrief circulation		
– up to 0.5 years	0.0	0.0
– more than 0.5 years up to 1 year	0.0	0.0
– more than 1 year up to 1.5 years	0.0	0.0
– more than 1.5 years up to 2 years	0.0	0.0
– more than 2 years up to 3 years	0.0	0.0
– more than 3 years up to 4 years	0.0	0.0
– more than 4 years up to 5 years	0.0	0.0
– more than 5 years up to 10 years	20.0	0.0
– more than 10 years	0.0	0.0
Fixed-interest periods of the cover assets		
– up to 0.5 years	16.6	0.0
– more than 0.5 years up to 1 year	16.6	0.0
– more than 1 year up to 1.5 years	16.6	0.0
– more than 1.5 years up to 2 years	16.6	0.0
– more than 2 years up to 3 years	44.2	0.0
– more than 3 years up to 4 years	51.5	0.0
– more than 4 years up to 5 years	13.0	0.0

Section 28 (1) no. 4 and 5 PfandBG	2024 € million	2023 € million
– more than 5 years up to 10 years	169.4	0.0
– more than 10 years	68.0	0.0
Effects of an extension of maturity on the maturity structure of public sector Pfandbrief securities/ extension scenario: 12 months		
– up to 0.5 years	0.0	0.0
– more than 0.5 years up to 1 year	0.0	0.0
– more than 1 year up to 1.5 years	0.0	0.0
– more than 1.5 years up to 2 years	0.0	0.0
– more than 2 years up to 3 years	0.0	0.0
– more than 3 years up to 4 years	0.0	0.0
– more than 4 years up to 5 years	0.0	0.0
– more than 5 years up to 10 years	0.0	0.0
– more than 10 years	20.0	0.0

Mortgage Pfandbrief securities

2024
Prerequisites for the extension of maturity of the Pfandbriefe in accordance with section 30 (2a) PfandBG
The extension of the maturity is necessary in order to avoid the imminent insolvency of the Pfandbrief bank with limited business activity, the Pfandbrief bank with limited business activity is not overindebted and there is reason to believe that the Pfandbrief bank with limited business activity will be able to meet its liabilities then due after the expiry of the maximum possible extension date, taking into account further possibilities for extension. See also, in addition, section 30 (2b) PfandBG.
Powers of the cover pool administrator in the event of the extension of maturity of the Pfandbriefe in accordance with section 30 (2a) PfandBG
The cover pool administrator may extend the maturity dates of the principal payments if the relevant requirements pursuant to section 30 (2b) PfandBG are met. The administrator shall determine the period of the extension of the maturity, which may not exceed a period of 12 months, in accordance with necessity. The cover pool administrator may extend the maturity dates of the principal and interest payments falling due within one month after the appointment of the cover pool administrator to the end of that monthly period. If the cover pool administrator decides in favour of such an extension of the maturity, the existence of the prerequisites pursuant to section 30 (2b) PfandBG shall be irrefutably presumed. Such an extension shall be taken into account within the maximum extension period of 12 months. The cover pool administrator may only exercise his authority uniformly for all Pfandbriefe of an issue. In this connection, the maturities may be extended in full or on a pro rata basis. The cover pool administrator must extend the maturity for a Pfandbrief issue in such a way that the original order of servicing of the Pfandbriefe which could be overtaken by the postponement is not changed (prohibition of overtaking). This may result in the maturities of later maturing issues also having to be extended in order to comply with the prohibition on overtaking. See also, in addition, section 30 (2a) and (2b) PfandBG.

Public sector Pfandbrief securities

2024
Prerequisites for the extension of maturity of the Pfandbriefe in accordance with section 30 (2a) PfandBG
The extension of the maturity is necessary in order to avoid the imminent insolvency of the Pfandbrief bank with limited business activity, provided that the Pfandbrief bank with limited business activity is not overindebted and there is reason to believe that the Pfandbrief bank with limited business activity will be able to meet its liabilities then due after the expiry of the maximum possible extension date, taking into account further possibilities for extension. See also, in addition, section 30 (2b) PfandBG.
Powers of the cover pool administrator in the event of the extension of maturity of the Pfandbriefe in accordance with section 30 (2a) PfandBG
The cover pool administrator may extend the maturity dates of the principal payments if the relevant requirements pursuant to section 30 (2b) PfandBG are met. The administrator shall determine the period of the extension of the maturity, which may not exceed a period of 12 months, in accordance with necessity. The cover pool administrator may extend the maturity dates of the principal and interest payments falling due within one month after the appointment of the cover pool administrator to the end of that monthly period. If the cover pool administrator decides in favour of such an extension of the maturity, the existence of the prerequisites pursuant to section 30 (2b) PfandBG shall be irrefutably presumed. Such an extension shall be taken into account within the maximum extension period of 12 months. The cover pool administrator may only exercise his authority uniformly for all Pfandbriefe of an issue. In this connection, the maturities may be extended in full or on a pro rata basis. The cover pool administrator must extend the maturity for a Pfandbrief issue in such a way that the original order of servicing of the Pfandbriefe which could be overtaken by the postponement is not changed (prohibition of overtaking). This may result in the maturities of later maturing issues also having to be extended in order to comply with the prohibition on overtaking. See also, in addition, section 30 (2a) and (2b) PfandBG.

II) Composition of ordinary cover assets

Mortgage Pfandbrief securities

Section 28 (2) no. 1 PfandBG	2024 € million	2023 € million
a) Total amount of receivables used for cover, by size class		
Credit coverage		
– up to € 300 thousand	2,355.7	2,306.8
– more than € 300 thousand up to € 1 million	2,041.2	1,925.5
– more than € 1 million up to € 10 million	2,597.5	2,576.2
– more than € 10 million	1,231.1	1,236.4

b) and c) Total amount of receivables used for cover, by type of use and by state[1]

Land used for residential purposes	2024 € million	2023 € million
Commonhold properties	946.4	885.3
Single- and two-family homes	2,136.8	2,042.9
Multi-family homes	2,758.0	2,644.9
Office buildings	0.0	0.0
Commercial buildings	0.0	0.0
Industrial buildings	0.0	0.0
Other commercially used buildings	0.0	0.0
Unfinished buildings and new buildings not yet earning income	0.0	0.0
Building plots	0.0	0.0

Land used for commercial purposes	2024 € million	2023 € million
Commonhold properties	0.0	0.0
Single- and two-family homes	0.0	0.0
Multi-family homes	0.0	0.0
Office buildings	966.5	1,078.7
Commercial buildings	225.9	216.7
Industrial buildings	219.5	247.1
Other commercially used buildings	972.2	929.4
Unfinished buildings and new buildings not yet earning income	0.0	0.0
Building plots	0.0	0.0

Public sector Pfandbrief securities

	2024 € million	2023 € million
Cover assets	412.5	0.0
of which ordinary cover according to section 20 (1) PfandBG	412.5	0.0
of which statutory excess cover according to section 4 (1) PfandBG	11.0	0.0
of which additional cover according to section 20 (2) PfandBG	0.0	0.0
of which statutory excess cover according to section 4 (1) PfandBG	0.0	0.0

Section 28 (3) no. 1 PfandBG	2024 € million	2023 € million
a) Total amount of receivables used for cover, by size class		
Credit coverage		
– up to € 10 million	0.0	0.0
– more than € 10 million up to € 100 million	159.0	0.0
– more than € 100 million	253.5	0.0

Cover asset from Germany	2024 € million	2023 € million
of which owed by		
– Central government	0.0	0.0
– Regional authorities	332.5	0.0
– Local authorities	0.0	0.0
– Other	80.0	0.0
of which guaranteed by		
– Central government	0.0	0.0
– Regional authorities	0.0	0.0
– Local authorities	0.0	0.0
– Other	0.0	0.0
Total	412.5	0.0
– Guarantees contained therein for reasons of export promotion	0.0	0.0

[1] No liens on property outside Germany

Mortgage Pfandbrief securities

Section 28 (2) no. 3 and 4 PfandBG	2024 in years	2023 in years
Volume-weighted average age of receivables	7.6	7.3

Section 28 (2) no. 3 and 4 PfandBG	2023 in percent	2023 in percent
Average weighted loan-to-value ratio	52.5	52.3

Section 28 (1) no. 11 PfandBG	2024 in years	2023 in years
Total amount of receivables pursuant to section 12 (1) PfandBG exceeding the limits pursuant to section 13 (1) second half of sentence 2 PfandBG	0.0	0.0
Total amount of receivables pursuant to section 19 (1) PfandBG exceeding the limits pursuant to section 19 (1) sentence 7 PfandBG	0.0	0.0

Public sector Pfandbrief securities

Section 28 (1) no. 11 PfandBG	2024 € million	2023 € million
Total amount of receivables pursuant to section 20 (1) and (2) PfandBG exceeding the limits pursuant to section 20 (3) PfandBG	0.0	0.0

III) Composition of additional cover assets

Mortgage Pfandbrief securities

Section 28 (1) no. 8, 9 and 10 PfandBG	2024 € million	2023 € million
Total - all states		
Receivables as defined in section 19 (1) sentence 1 no. 2 a) and b) PfandBG	0.0	0.0
Receivables as defined in section 19 (1) sentence 1 no. 3 a) to c) PfandBG	0.0	0.0
Receivables as defined in section 19 (1) no. 4 PfandBG	350.0	550.0
Germany		
Receivables as defined in section 19 (1) sentence 1 no. 2 a) and b) PfandBG	0.0	0.0
Receivables as defined in section 19 (1) sentence 1 no. 2 a) and b) PfandBG	0.0	0.0
Receivables as defined in section 19 (1) no. 4 PfandBG	350.0	550.0
Section 28 (1) no. 12 PfandBG		
Total amount of receivables exceeding the limits of section 19 (1) no. 2 PfandBG	0.0	0.0
Total amount of receivables exceeding the limits of section 19 (1) no. 3 PfandBG	0.0	0.0
Total amount of receivables exceeding the limits of section 19 (1) no. 4 PfandBG	0.0	0.0

Public sector Pfandbrief securities

Section 28 (1) no. 8, 9 and 10 PfandBG	2024 € million	2023 € million
Receivables as defined in section 20 (2) sentence 1 no. 2 PfandBG	0.0	0.0
of which covered bonds pursuant to Art. 129 of Regulation (EU) No. 575/2013	0.0	0.0
Receivables as defined in section 20 (2) sentence 1 no. 3 a) to c) PfandBG	0.0	0.0
of which covered bonds pursuant to Art. 129 of Regulation (EU) No. 575/2013	0.0	0.0
Receivables as defined in section 20 (2) sentence 1 no. 4 PfandBG	0.0	0.0
of which covered bonds pursuant to Art. 129 of Regulation (EU) No. 575/2013	0.0	0.0
Section 28 (1) no. 12 PfandBG		
Total amount of receivables exceeding the limits of section 20 (2) no. 2 PfandBG	0.0	0.0
Total amount of receivables exceeding the limits of section 20 (2) no. 3 PfandBG	0.0	0.0

IV) Overview of past due payments

Mortgage Pfandbrief securities

Section 28 (1) no. 15 PfandBG	2024 € million	2023 € million
Share of cover assets in arrears pursuant to Art. 178 (1) of Regulation (EU) No. 575/2013	0.0	0.0
Section 28 (2) no. 2 PfandBG		
Total amount of payments past due at least 90 days	0.0	0.0
Total amount of these receivables if payment of at least 5% of the receivable is past due	0.0	0.0

Public sector Pfandbrief securities

Section 28 (1) no. 15 PfandBG	2024 € million	2023 € million
Share of cover assets in arrears pursuant to Art. 178 (1) of Regulation (EU) No. 575/2013	0.0	0.0
Section 28 (3) no. 3 PfandBG		
Total amount of payments past due at least 90 days – Germany		
– Central government	0.0	0.0
– Regional authorities	0.0	0.0
– Local authorities	0.0	0.0
– Other	0.0	0.0
Total amount of these receivables if payment of at least 5% of the receivable is past due – Germany		
– Central government	0.0	0.0
– Regional authorities	0.0	0.0
– Local authorities	0.0	0.0
– Other	0.0	0.0

V) ISIN list of bearer securities

Mortgage Pfandbrief securities

Section 28 (1) no. 2 PfandBG	2024		2023	
	DE000A2E4NP1	DE000A2TSB73	DE000A12UET0	DE000A254YU1
	DE000A2YNQ25	DE000A254YU1	DE000A1R07B5	DE000A2E4NP1
	DE000A3H20F6	DE000A3MQYT3	DE000A1YC1T0	DE000A2TSB73
	DE000A3OV4M5	DE000A30V6P3	DE000A2DAFL4	DE000A3H2044
	DE000A351M80	DE000A351256	DE000A2YNQ25	DE000A3H20F6
			DE000A3H2051	DE000A3OV4M5
			DE000A3MQYT3	DE000A30V6P3
			DE000A13SPX0	DE000A351M80

Public sector Pfandbrief securities

Section 28 (1) no. 2 PfandBG	2024	2023
	DE000A383GR1	

VI) Notes to the annual financial statements

Mortgage Pfandbrief securities

Section 28 (2) no. 5 PfandBG	Land used for residential purposes		Land used for commercial purposes	
	2024 Number	2023 Number	2024 Number	2023 Number
Number of foreclosures and receiverships pending at the closing date	0	0	0	0
Number of foreclosures executed during the financial year	0	0	0	0
Number of plots taken over during the financial year to prevent losses	0	0	0	0
	2024 € million	2023 € million	2024 € million	2023 € million
Total interest in arrears	0	0	0	0

Trustees

Joachim Pradel – retired judge
Claus Wilhelm Möller – deputy, retired department head at Deutscher Ring (until 30 June 2024)
Dr. Rolf-Hermann Henniges – deputy, retired notary public
Dr. Andreas Gent, deputy, lawyer (since 01 July 2024)

Employees

	Annual average		
	Male	Female	Total
Full-time employees	1,658	931	2,589
Part-time employees	125	902	1,027
	1,783	1,833	3,616
Trainees	119	98	217
	1,903	1,931	3,834

Part-time employees are included on a prorated basis as full-time employees according to their contractual working hours.

An annual average of 1,494 part-time staff were employed in 2024.

Disclosures in accordance with section 340a (4) German Commercial Code

Members of the Board of Management and employees who hold positions on statutory monitoring bodies of large corporations (section 267 (3) German Commercial Code):

Members of the Board of Management

Dr. Harald Vogelsang
Spokesman of the Board of Management

Supervisory Board	
Landesbank Berlin AG, Berlin	Member

Dr. Olaf Oesterhelweg
Deputy Spokesman of the Board of Management

Supervisory Board	
LBS Landesbausparkasse NordOst AG, Potsdam	Member

Axel Kodlin

Supervisory Board	
Sparkasse Mittelholstein Aktiengesellschaft, Rendsburg	Chairman

Birte Quitt

Supervisory Board	
Bordesholmer Sparkasse AG, Bordesholm	Member
neue leben Pensionskasse Aktiengesellschaft, Hamburg	Member

Jürgen Marquardt

Supervisory Board	
LBS Landesbausparkasse NordOst AG, Potsdam	Second Deputy Chairman
neue leben Lebensversicherung Aktiengesellschaft, Hamburg	Deputy Chairman
neue leben Pensionskasse Aktiengesellschaft, Hamburg	Chairman
neue leben Unfallversicherung Aktiengesellschaft, Hamburg	Deputy Chairman

Directors

Olav Melbye
General Legal Representative

Supervisory Board	
Sparkasse Mittelholstein Aktiengesellschaft, Rendsburg	Member
Sparkasse zu Lübeck Aktiengesellschaft, Lübeck	Member

Michael Maaß
General Legal Representative

Supervisory Board	
Sparkasse zu Lübeck Aktiengesellschaft, Lübeck	Deputy Chairman

Supervisory Board

Prof. Dr. Burkhard Schwenker Chairman	Chairman of the Supervisory Board HASPA Finanzholding Senior Fellow Roland Berger GmbH
Gottfried Max Segert Deputy Chairman	Chairman of the Works Council Hamburger Sparkasse AG
Dipl.-Kff. Franziska Wedemann Additional Deputy Chairwoman	Managing Partner WIK Wedemann Immobilien Kontor GmbH & Co. KG
Björn Benthin	Employee Organisation and Process Management division Hamburger Sparkasse AG
Stefan Forgé	Second Deputy Chairman of the Works Council Hamburger Sparkasse AG
Sandra Goldschmidt	Head ver.di – Hamburg District
Sabine Holtmeier	Branch Director Jungfernstieg branch Hamburger Sparkasse AG
Dr. Thomas Ledermann	Chairman of the Supervisory Board BÖAG Börsen Aktiengesellschaft
Dirk Lender	Head Legal Advice Hamburger Sparkasse AG
Dipl.-Kff. Nathalie Leroy	Commercial Director Open Grid Europe GmbH
Dipl.-Kff. Astrid Lurati	Member of the Board of Management Charité – Universitätsmedizin Berlin
Dr.-Ing. Georg Mecke	Retired Prokurist Airbus Operations GmbH
Olav Melbye	Head Cedit and Legal division Hamburger Sparkasse AG
Dipl.-Volkswirt Hjalmar Stemmann	Managing Partner Stemmann & Leisner Mund-, Kiefer- und Gesichtstechnik GmbH
Dr. Jost Wiechmann	Lawyer, Tax Consultant, German Public Auditor Wiechmann – Rechtsanwälte
Stephan Wittkuhn	Lawyer Legal Secretary ver.di – Hamburg District

Haspa is included in the consolidated financial statements of HASPA Finanzholding, Hamburg, Germany, as the latter's wholly-owned subsidiary. The consolidated financial statements of HASPA Finanzholding are published in the Company Register. Haspa has entered into a control and profit transfer agreement with HASPA Finanzholding pursuant to section 291 (1) AktG. Whilst Haspa in turn has equity interests in subsidiaries as well, pursuant to section 296 HGB it may dispense with preparation of (partial) consolidated financial statements.

Haspa's subsidiaries are individually and jointly subject to section 296 (2) HGB. Relative to Haspa's separate financial statements, these subsidiaries, individually and jointly, due to their single-digit ratios would have an insignificant effect on Haspa's net assets, financial position and results of operations shown in consolidated financial statements of Haspa if Haspa prepared (sub)group accounts.

Board of Management

Dr. Harald Vogelsang
Spokesman

Dr. Olaf Oesterhelweg
Deputy Spokesman

Axel Kodlin
Member of the Board of Management

Jürgen Marquardt
Member of the Board of Management

Birte Quitt
Member of the Board of Management

Hamburg, 4 March 2025

The Board of Management

Dr. Harald Vogelsang   Dr. Olaf Oesterhelweg

Axel Kodlin   Jürgen Marquardt   Birte Quitt

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of Hamburger Sparkasse, and the management report includes a fair review of the development and performance of the business and the position of the Hamburger Sparkasse AG, together with a description of the material opportunities and risks associated with the expected development of Hamburger Sparkasse AG.

Hamburg, 4 March 2025

The Board of Management

Dr. Harald Vogelsang   Dr. Olaf Oesterhelweg

Axel Kodlin   Jürgen Marquardt   Birte Quitt

Additional information

Independent auditor’s report

To Hamburger Sparkasse AG, Hamburg

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

Audit opinions

We audited the annual financial statements of Hamburger Sparkasse AG, comprising the balance sheet as at 31 December 2024, the income statement, the cash flow statement and the statement of changes in equity for the financial year from 1 January to 31 December 2024 as well as the notes including the presentation of accounting policies. We also audited the management report of Hamburger Sparkasse AG for the financial year from 1 January to 31 December 2024. In accordance with German legal requirements, we did not audit the content of those parts of the management report specified in the section entitled “Other information”.

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

- the accompanying annual financial statements comply, in all material respects, with the provisions of German commercial law as applicable to credit institutions and in compliance with the German proper accounting principles give a true and fair view of the assets, liabilities and financial position of the Sparkasse as at 31 December 2024, and of its results of operations for the financial year from 1 January to 31 December 2024, and
- the accompanying management report as a whole provides a suitable view of the Sparkasse’s position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not extend to the content of those parts of the management report specified in the section entitled “Other information”.

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

Basis for the audit opinions

We conducted our audit of the annual financial statements and of the management report in accordance with section 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Management Report” section of our auditor’s report. We are independent of the Sparkasse in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation in conjunction with section 340k (3) sentence 2 HGB, we declare that all persons employed by us who can influence the result of the audit have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Key audit matters in the audit of the annual financial statements

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

Hereinafter we present the key audit matter from our perspective:

Our presentation of this key audit matter has been structured as follows:

a) Matter and issue
b) Audit approach and findings
c) Reference to further information

1. Measurement of receivables from customers, particularly in the context of the current economic environment

a) Loan assets in the amount of € 35,587.9 million have been reported in the Sparkasse's annual financial statements as of 31 December 2024 under the balance-sheet item "Receivables from customers". For this loan portfolio, risk provisions have been recognised in the balance sheet as of 31 December 2024 which consist of specific and global valuation allowances and provisions for credit risks. The expenses for risk provisions in the lending business recognised in the income statement for financial year 2024 have increased year-on-year.

The measurement of risk provisions for customer lending business is determined, in particular, by the Board of Management's assessment regarding future credit losses, the structure and quality of the loan portfolio as well as overall economic factors. The value of specific valuation allowances on customer receivables corresponds to the difference between the loan amount outstanding and the lower fair value as of the reporting date. Collateral is taken into consideration. Global valuation allowances were recognised in accordance with accounting standard IDW RS BFA 7 for foreseeable counterparty risks in the lending business that have not yet been specified for individual borrowers in the amount of the expected loss over a period of 12 months based on the figure calculated and also used for internal risk management purposes. In order to give due consideration to the current uncertainty about the future geopolitical and economic development, and the inflation-related loss of purchasing power, a specific adjustment amount was also factored in on the basis of statistical-mathematical techniques when determining global valuation allowances. Overall, the total amount of global valuation allowances is € 11.7 million higher than at 31 December 2023.

Valuation allowances on customer lending business have a highly significant impact on the Sparkasse's net assets, financial position and results of operations, while the Sparkasse's Board of Management has significant discretion over these valuation allowances. In addition, the measurement parameters applied which are subject to a high level of uncertainty play a considerable role in determining whether it is necessary to establish valuation allowances and, if so, their amount. In this context, this matter was particularly significant in the context of our audit.

b) Within the framework of our audit, we initially assessed the appropriateness of the controls implemented within the Sparkasse's relevant internal control system and tested the functionality of these controls on a spot check basis. In doing so, we took into consideration the bank's business organisation, its IT systems and relevant measurement models. We also assessed the measurement of customer receivables, including the appropriateness of estimated values, on the basis of spot checks of credit commitments. We therefore evaluated the Sparkasse's documentation concerning its financial condition as well as the recoverability of collateral. In addition, we have evaluated the calculation methods applied by the Sparkasse as well as the underlying assumptions and parameters by way of assessment of the specific and global valuation allowances recognised. We have assessed the appropriateness of the inclusion of further specific risk factors in relation to the current economic uncertainty. On the basis of our audit activities, we were able to confirm the appropriateness of the assumptions made by the Sparkasse's Board of Management in its review of the asset quality of its loan portfolio as well as the appropriateness and effectiveness of the processes implemented by the Sparkasse.

c) Further information is included in the notes to the annual financial statements of the Sparkasse in the section on "accounting policies" and in the management report section "2.3.2. Results of operations".

Other information

The Board of Management and the Supervisory Board are responsible for the other information.

The other information comprises:

- the separate non-financial report in accordance with section 289b HGB, which is referenced in section 6 of the management report, “Note on the non-financial declaration in accordance with section 289b HGB",
- the corporate governance declaration in accordance with section 289f HGB contained in section 7 of the management report, “Declaration in accordance with section 289f HGB”,
- the report of the Supervisory Board, and
- all other parts of the annual report of Hamburger Sparkasse AG for the year ended 31 December 2024 that are not relevant for the audit.

The Supervisory Board is responsible for the report of the Supervisory Board. The Board of Management is responsible for the other information.

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

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

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

Responsibility of the Board of Management and the Supervisory Board for the annual financial statements and the management report

The Sparkasse’s Board of Management is responsible for the preparation of the annual financial statements, which in all material respects comply with the provisions of German commercial law as applicable to banks, and it is responsible that the annual financial statements in compliance with the German proper accounting principles give a true and fair view of the assets, liabilities, financial position and results of operations of the Sparkasse. In addition, the Sparkasse’s Board of Management is responsible for such internal control as they have determined necessary in accordance with the German principles of proper accounting to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Sparkasse’s Board of Management is responsible for assessing the Sparkasse’s ability to continue as a going concern. Furthermore, it has the responsibility to disclose matters related to going concern, as applicable. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the company or to cease operations, or there is no realistic alternative but to do so.

In addition, the Sparkasse’s Board of Management is responsible for the preparation of the management report, which as a whole provides a suitable view of the Sparkasse’s situation, is consistent with the annual financial statements in all material respects, complies with the German legal regulations and suitably presents the opportunities and risks of future development. Furthermore, the Sparkasse’s Board of Management is responsible for such arrangements and measures (systems) which it has deemed necessary in order to enable the preparation of a management report in accordance with the German legal regulations to be applied and to furnish sufficient and appropriate evidence for the statements in the management report.

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

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

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

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

As part of an audit, we exercise professional judgement and maintain professional scepticism. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of Sparkasse's internal controls or these arrangements and measures.
- evaluate the appropriateness of accounting policies used by the Sparkasse's Board of Management and the reasonableness of estimates made by the Sparkasse's Board of Management and related disclosures.
- form conclusions on the appropriateness of the Sparkasse's Board of Management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sparkasse's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditors' report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Sparkasse to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements in compliance with the German proper accounting principles give a true and fair view of the assets, liabilities, financial position and results of operations of the company.
- evaluate the consistency of the management report with the annual financial statements, its legal consistency, and the view of the Sparkasse's position it provides.
- perform audit procedures on the forward-looking information presented by the Sparkasse's Board of Management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Sparkasse's Board of Management as a basis for the forward-looking information, and evaluate the proper derivation of the forward-looking information from these assumptions. We do not express a separate audit opinion on the forward-looking information and on the underlying assumptions. There is a significant, unavoidable risk that future events will differ materially from the forward-looking information.

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

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

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

Other legal and regulatory requirements

Assurance report in accordance with section 317 Abs. 3a HGB on the electronic reproduction of the annual financial statements and the management report prepared for publication purposes

Assurance conclusion

We have performed an assurance engagement in accordance with section 317 (3a) HGB to obtain reasonable assurance about whether the reproduction of the annual financial statements and the management report (hereinafter also referred to as "ESEF documents") contained in the attached electronic file Haspa_AG_ESEF-2024-12-31.xhtml and prepared for publication purposes complies in all material respects with the requirements of section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance engagement only extends to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within this reproduction nor to any other information contained in the above-mentioned electronic file.

In our opinion, the reproduction of the annual financial statements and the management report contained in the above-mentioned electronic file and prepared for publication purposes complies in all material respects with the requirements of section 328 (1) HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the above-mentioned file beyond this reasonable assurance conclusion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Annual Financial Statements and on the Management Report" above.

Basis for the reasonable assurance conclusion

We conducted our assurance engagement on the reproduction of the annual financial statements and the management report contained in the above-mentioned electronic file in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance in Accordance with Section 317 (3a) HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (IDW AsS 410 (06.2022)). Accordingly, our responsibilities are further described below in the "Auditor's Responsibilities for the Assurance Engagement on the ESEF Documents" section. Our audit department has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibility of the Board of Management and the Supervisory Board for the ESEF documents

The Sparkasse's Board of Management is responsible for the preparation of the ESEF documents including the electronic reproduction of the annual financial statements and the management report in accordance with section 328 (1) sentence 4 no. 1 HGB.

In addition, the Sparkasse's Board of Management is responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of section 328 (1) HGB for the electronic reporting format, whether due to fraud or error.

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

Auditor's responsibilities for the assurance engagement on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of section 328 (1) HGB, whether due to fraud or error. As part of an audit, we exercise professional judgement and maintain professional scepticism. We also

- identify and assess the risks of material non-compliance with the requirements of section 328 (1) HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance conclusion.
- obtain an understanding of internal control relevant to the assurance engagement on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance conclusion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815 as applicable on the reporting date on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited annual financial statements and the audited management report.

Further information pursuant to Article 10 of the EU Audit Regulation

In accordance with section 340k (3) HGB in conjunction with the Articles of Association of Hamburger Sparkasse AG, Hamburg, and the HSGV, as well as the audit regulation for the HSGV'S audit office, we are the Sparkasse's statutory auditor. On 11 April 2024, the General Meeting of the Sparkasse adopted a resolution electing us as auditor for the 2024 financial year. We were engaged by the Supervisory Board on 28 May 2024.

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

The services rendered by us in addition to the audit of the financial statements are listed in the notes to the financial statements of Sparkasse under Other information, Expenses for the auditor.

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be uploaded to the Company Register – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

Responsible auditor

The German Public Auditor responsible for the engagement is Mr Dirk Bolte.

Hamburg, 18 March 2025

Auditing Division of the
HANSEATISCHER SPARKASSEN- UND GIROVERBAND
(HANSEATIC SAVINGS BANKS ASSOCIATION)

Dirk Bolte
Wirtschaftsprüfer (German Public Auditor)

Report of the Supervisory Board

During the reporting year, the Supervisory Board and the Board of Management regularly, without delay and comprehensively discussed all fundamental matters related to the strategic alignment of Hamburger Sparkasse AG, its corporate policies, its company planning, the development of its operating business, its financial condition, its exposure to risk and the business and risk strategy, and the Supervisory Board made all decisions that were incumbent on it. All issues key to the company were discussed in depth with the Board of Management in four plenary sessions. In addition, the Supervisory Board convened for one other meeting at which it discussed the business scenarios underlying the planning with the Supervisory Board of HASPA Finanzholding. Matters of major importance as well as topics specified in particular in the German Banking Act were discussed and fleshed out ahead of time at the meetings of the committees established from among the members of the Supervisory Board. The Supervisory Board met in person.

In addition to the ongoing discussions on the financial and risk situation, other issues of importance for the Supervisory Board were a change in the schedule of responsibilities for the Board of Management, benchmark analyses regarding Board of Management remuneration and the composition of skills and expertise among the Supervisory Board members, the internal ratings-based approach (IRBA) for calculating capital requirements, the new worlds of work in connection with the move to the Deutschlandhaus, Haspa activities to acquire young talent, and the European Central Bank's SREP decision.

Following a lengthy debate and based on a list of different criteria, the Supervisory Board then assessed its structure, size, composition and performance as well as the knowledge, skills and experience of both Supervisory Board members and the Supervisory Board as a whole and determined these to be adequate and in line with regulatory requirements. The Supervisory Board also devoted attention to the structure, performance and suitability of the Board of Management and its members, which it judged to be appropriate and in line with the requirements applicable to Hamburger Sparkasse AG, and decided on how to measure and set the variable remuneration awarded to the members of the Board of Management.

The Supervisory Board was involved in all material decisions of Hamburger Sparkasse AG requiring its consent by law or the company's articles of association. The Chairman of the Supervisory Board and the Spokesman of the Board of Management also regularly engaged in discussions at which the latter informed the former of current operational matters and addressed strategic considerations ahead of time. The Supervisory Board satisfied itself of the Board of Management's due and proper conduct of business and made all decisions that are incumbent upon it by its authority – especially under the requirements of applicable laws and the articles of association. It received regular reports on the work of the committees. The annual training event focused on the effects of climate change.

The auditing division of the Hanseatischer Sparkassen- und Giroverband (Hanseatic Savings Banks Association), which the General Meeting had elected to serve as the auditors, audited the bank's annual financial statements as at 31 December 2024 – comprising the balance sheet, income statement, notes as well as the cash flow statement and the statement of changes in equity – including the bookkeeping system as well as the management report and issued an unqualified auditors' report.

The auditors' report was submitted to the members of the Audit Committee tasked with conducting a preliminary review and presented to further members of the Supervisory Board for inspection. The auditors attended the financials meetings of the Audit Committee and the Supervisory Board and reported on the material findings of their audit. The Supervisory Board discussed the auditors' report in detail and duly noted its findings. The Supervisory Board's own review fully concurs with the results of the audit by the auditing division of the Hanseatic Savings Banks Association. The Supervisory Board sees no reason to raise any objections against the management and the financial statements that were presented. The Supervisory Board approved the annual financial statements as prepared by the Board of Management at today's meeting. The annual financial statements have thus been adopted pursuant to section 172 AktG.

Under the control and profit transfer agreement, the net income for the 2024 financial year before profit transfer, as reported in the annual financial statements, is transferred in full to HASPA Finanzholding without requiring a resolution of the General Meeting as to the appropriation of net retained profits.

The Supervisory Board also reviewed the non-financial report (Sustainability Report). In doing so, it took into account the findings of the review of the report conducted by the Compliance division. The audit did not lead to any reservations.

Ms. Birte Quitt joined the Board of Management on 1 January 2024, which means that the Board of Management again has five members. The divisional management model implemented in preparation for prospective succession solutions has proven successful and will therefore be continued.

The Supervisory Board expresses its gratitude and appreciation to the Board of Management and to all employees of Hamburger Sparkasse AG for their great personal dedication and successful work in the past financial year. The Supervisory Board also thanks the works council for the good and constructive collaboration.

Hamburg, 10 April 2025

The Supervisory Board

Prof. Dr. Burkhard Schwenker
Chairman of the Supervisory Board

Divisions

Compliance
Christian Albers

Direct Consulting
David Paviera

Purchasing, Facility Management and Logistics
Nico Urban

Comprehensive Bank Controlling
Stefan Hahn

Real Estate Customers
Jens Ole Heitmann

IT Management
Niels Rasmussen

Credit and Legal
Olav Melbye, General Legal Representative

Customer Journey Investment and Pension
Dennis Grünert

Customer Journey Daily
Lars Fiolka

Customer Journey Start-up and Grow
Thorsten Detjen

Customer Journey Living
Helge Fobbe

Omnichannel Management
Arne Nowak

Organisation and Process Management
Alexandra Hasse

People & Culture
Dennis Chan

Private Banking
Frank Krause
Annemarie Schlüter

Alster-East Region
Ralf Günther
Tobias Take

Alster-West Region
Tobias Foerster
Helge Steinmetz

North Region
Dörte Martens
Oliver Weisflog

North-East Region
Dörte Paulsen
Silke Schwing

East Region
Holger Knappe
Björn Sass

South Region
Arent Bolte
Marcel Sluppke

West Region
Carsten Blöß
Metta Schade

Audit
Thorsten Pegelow

Risk Management
York Heitmann

Treasury
Dr. Jan Zurek

Corporate Development
Tobias Lücke

Corporate Communication
Stefanie von Carlsburg

Enterprise Customers
Gesa Clausen-Hansen
Andreas Mansfeld, General Legal Representative

Works Council

Chairman of the Works Council
Gottfried Max Segert

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