Annual statement of accounts 2025

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

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Meetings

The GIZ Supervisory Board held four ordinary meetings in 2025.

The Audit Committee held two meetings in 2025.

The Standing Committee and the Urgent Matters Committee did not hold any meetings in 2025.

Appointments

The following changes were made in the composition of the Supervisory Board during the year under review:

With regard to the employee representatives on the Supervisory Board in fiscal year 2025, Ms Sandra Fuhr was appointed to the Supervisory Board on 1 January 2025. She succeeded Mr Harald Küppers, who stepped down on 31 December 2024.

A number of changes were made in the composition of the shareholder representatives on the Supervisory Board in fiscal year 2025:

The following Supervisory Board mandates were ended:
Felix Banaszak on 3 January 2025
Susanne Baumann on 4 June 2025
Bettina Hagedorn on 10 July 2025
Anja Hajduk on 2 September 2025
Michael Hinterdobler on 14 February 2025
Stephanie Jacobs on 21 November 2025
Carsten Körber on 2 September 2025
Ricarda Lang on 2 September 2025
Claudia Raffelhüschen on 2 September 2025
Dr Christiane Rohleder on 4 June 2025
Steffen Saebisch on 11 June 2025

The following members were newly appointed to the Supervisory Board:
Niels Annen on 4 June 2025
Dr Inge Gräßle on 2 September 2025
Dr Bernhard Kotsch on 4 June 2025
Stephanie Jacobs on 25 February 2025 (ended on 21 November 2025)
Ricarda Lang on 4 February 2025 (ended on 2 September 2025)
Siemtje Möller on 2 September 2025
Jeanette Schwamberger on 11 June 2025
Dr Thomas Steffen on 2 September 2025
Dr Wolfgang Stefinger on 2 September 2025
Katrin Uhlig on 2 September 2025

Mr Jochen Flasbarth stepped down as chair at the 51st meeting held on 20 June 2025 and since then has been an ordinary member of the Supervisory Board. Mr Niels Annen assumed the role of chair following a decision of the Supervisory Board at the same meeting. He is also a member and chair of both the Standing Committee and the Urgent Matters Committee.

At the 52nd meeting of the Supervisory Board on 23 September 2025, a number of shareholder representatives were newly appointed to the three Supervisory Board committees:

- Dr Wolfgang Stefinger was elected as a member of the Standing Committee.
- Ms Jeanette Schwamberger, Dr Inge Gräßle and Ms Siemtje Möller were elected as members of the Audit Committee. Ms Jeanette Schwamberger was elected as chair of the Audit Committee.
- Dr Bernhard Kotsch was elected as a member of the Urgent Matters Committee.

Advising and supervising the Management Board

In fiscal year 2025, as in all previous years, the Supervisory Board and the Management Board worked together on the basis of mutual trust. The Management Board kept the Supervisory Board informed about the company's management policy and the state of operations. During its meetings, the Supervisory Board was therefore able to perform its designated role of advising and supervising the Management Board. The Supervisory Board was actively involved in important company decisions. It advised the Management Board on key issues and approved Management Board proposals after detailed examination. The following issues merit specific mention:

- The Supervisory Board approved GIZ's financial, investment and HR plans for 2026 in December 2025. As in 2024 and 2025, GIZ anticipates a decrease in business volume for the fiscal year 2026.
- The Supervisory Board approved the conclusion of a contract to procure travel agency services for GIZ's offices in Germany and abroad.
- In an extension to a previous decision adopted on 7 December 2023, the Supervisory Board approved the conclusion of contracts for security services (including mobile patrols) at its offices in Bonn, Bonn-Röttgen, Eschborn and Berlin.
- The Supervisory Board approved an extension to the service contract with EY Consulting GmbH to safeguard the operation of SAP S4/HANA and later approved a top-up.
- The Supervisory Board approved the conclusion of framework agreements covering the procurement of standard IT hardware and services.
- The Supervisory Board approved the conclusion of an agreement to lease a compound in Iraq (Baghdad) with residential accommodation for seconded personnel and office space for the country office.
- The Supervisory Board approved the conclusion of an energy contract to supply biogas and green electricity for GIZ's properties in Germany.
- The Supervisory Board approved the general works council agreement on S4GIZ go-live performance bonuses.
- The Supervisory Board approved the purchase of certified emission reductions (CERs) to offset the company's greenhouse gas emissions for the years 2023 (partially) and 2024 (fully).
- The non-financial declaration for the reporting year 2024 (Declaration of Conformity with the German Sustainability Code) was presented to the Supervisory Board for examination. The Supervisory Board reviewed the Sustainability Report, including the human rights reporting obligation.

Management Board reports

As in all previous years, the Management Board complied with its reporting obligations to the Supervisory Board in 2025. It reported regularly on business development at GIZ, which was again positive in fiscal year 2025.

The Supervisory Board obtained regular updates from the Management Board on business development in GIZ's taxable business area, International Services (InS), which again generated a positive operating result and positive net income in fiscal year 2025.

The Management Board gave the Supervisory Board an overview of the various aspects of the digital transformation at GIZ and provided updates on progress towards implementation of the S4GIZ Large Scale Solution at every meeting of the Supervisory Board. These matters were also covered in reports to the Audit Committee.

The Management Board informed the Supervisory Board about a change to the HR strategy and about the (interim) results of internal measures to reduce costs and increase efficiency at GIZ.

The Supervisory Board was informed about IT security matters and the development of GIZ's equal opportunities policy.

The Management Board also reported to the Supervisory Board on measures linked to GIZ's Compliance Management System in respect of 2024.

The Supervisory Board discussed current challenges in the international cooperation sector and the role of Germany and of GIZ. The Management Board reported on current situations, for example in relation to Afghanistan and Yemen. Reports on the audit process for Yemen were presented at both meetings of the Audit Committee.

The Supervisory Board considered status reports on the updating of GIZ's Corporate Strategy 2023–2027 and on the implementation of the voluntary programme on staff restructuring.

Annual statement of accounts 2025

The auditors PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft audited the annual statement of accounts and management report to establish that they comply with the law, the supplementary provisions of the Articles of Association concerning the annual statement of accounts and management report, and with generally accepted accounting principles. They confirm that the bookkeeping system and the annual statement of accounts comply with the law in all material respects and that the annual statement of accounts gives a true and fair view of the company's assets, financial position and income. The management report also complies with German law in all material respects.

At its meeting on 18 June 2026, the Supervisory Board approved the findings of the audit of the annual statement of accounts for 2025 carried out by the auditors and the Audit Committee appointed by the Supervisory Board.

The Supervisory Board recommends that the shareholder adopt the annual statement of accounts for 2025 and formally approve the actions of the Management Board.

Bonn, 18 June 2026

Niels Annen
Chair, GIZ Supervisory Board
State Secretary, German Federal Ministry for Economic Cooperation and Development

01

Management report for fiscal year 2025

I. Background, operating framework and overall performance

a. The company

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is a federal public-benefit enterprise with registered offices in Bonn and Eschborn. It helps the German Government achieve its objectives in the fields of international cooperation for sustainable development and international education and training. Quality, efficiency, sustainability and innovation are at the heart of GIZ's activities as a commercially run enterprise.

GIZ's workforce spans 121 countries (as at 31 December 2025). Thanks to its long-standing presence in numerous partner countries and global networks encompassing politics, business and civil society, GIZ is well positioned to cooperate successfully with a large number of stakeholders.

As at 31 December 2025, GIZ had 23,787 employees across the globe, of whom 66.5% are based in its partner countries with the status of national staff. A further 184 experts are currently on assignments for GIZ in the role of development workers. In addition, the Centre for International Migration and Development (CIM)[1] placed a combined total of 83 integrated experts and returning experts with local employers in GIZ's partner countries and provided financial, advisory and other support.

GIZ's activities focus on effective cross-border cooperation, the transfer of knowledge and the development of expertise. Compared with similar organisations around the world, the sheer range of its activities is unique. Over a period of more than 50 years, GIZ has built up a vast body of experience in different sectors: economic development and employment; governance and democracy; peacebuilding, security, reconstruction and civil conflict transformation; food security, health, basic education and gender equity; energy policy, environmental protection, resource conservation and climate change mitigation. GIZ combines its services in the form of tailored solutions for specific needs, regions and contexts. These range from technical advice on creating the right conditions for development, individual training and measures to strengthen state and community-based organisations and institutions through to networking, dialogue, mediation, project management and procurement/logistics services.

The German Federal Ministry for Economic Cooperation and Development (BMZ) is GIZ's most important source of commissions. In 2025, GIZ also worked on behalf of other German federal ministries – including the Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMUKN), the Federal Foreign Office, the Federal Ministry for Economic Affairs and Energy (BMWE) and the Federal Ministry of Defence (BMVg) – and for the German federal states and both public sector and private sector clients in Germany and abroad. Governments of other countries, private foundations, the United Nations, various regional and multilateral development banks and, above all, the European Commission engage GIZ to implement their own projects or support projects initiated by the federal ministries. GIZ works closely with the private sector through commissions and cofinancing arrangements and helps these clients to successfully combine development and foreign trade activities and integrate sustainability into their supply chains.

Alongside its activities in the public-benefit business area, GIZ operates a taxable business arm, International Services (InS). Within this area, it is authorised by the German Government to receive commissions directly from international clients and to tender for contracts.

These clients include the European Union (EU), national governments, bilateral and multilateral donors and the private sector. In addition, commissions from German public sector clients that, for reasons of tax law, cannot be allocated to the public-benefit business area are managed by InS.

b. Strategy

The environment in which GIZ operates is currently characterised by major geopolitical upheavals. The international cooperation landscape is undergoing fundamental change due to growing levels of conflict, the climate crisis, state fragility, increasing migration and security concerns. The multilateral order is under pressure, and international cooperation is becoming more deeply embedded in foreign, security and economic policy contexts. Against this background, the primary task facing GIZ is to remain effective. By adapting to new realities, it is helping to effectively deliver international cooperation projects, even in times of crisis, from which Germany and Europe also benefit.

[1] The Centre for International Migration and Development (CIM) is run jointly by GIZ and the Federal Employment Agency's International Placement Services. It operates a number of personnel placement programmes with the aim of recruiting highly qualified experts and managers for local employers in partner countries. In the Integrated Experts Programme, German and European experts are recruited for assignments of up to six years. The purpose of the Returning Experts Programme is to support foreign experts who wish to take up important development posts in their country of origin after studies, training or employment in Germany.

Developments and trends affecting GIZ

1. How is our client base changing?

Germany faces major social, economic and environmental challenges on a transformative scale. In this context, it is investing heavily to future-proof its economy and to build resilience and defensive capacity through the Special Fund for Infrastructure and Climate Neutrality and the suspension of the 'debt brake' for defence and security spending. The need for greater budgetary discipline will remain high for the foreseeable future.

In response to heightened criticism of development policy, the German Government has set itself the task of communicating more effectively how international cooperation and an independent development policy help to maintain prosperity and security in Germany. This includes ensuring that international cooperation also creates opportunities for Germany and Europe to exert influence and shape agendas worldwide.

It is expected of GIZ that it must become even more effective at anticipating political developments, both in its partner countries and within Germany and Europe, and that it will take these developments into account when advising commissioning parties and clients, engaging in dialogue with local partners and designing projects.

The political guidelines of the European Commission 2025–2029, with their focus on sustainable prosperity, European defence and the protection of democracy, will determine the strategic direction of European policy for the next four years. Global Gateway remains the EU's core foreign policy brand, based on the ever greater intertwining of geopolitics, internal market interests and external trade policy. The goal is to mobilise greater levels of private-sector investment and to strengthen international trade by improving coordination between the European institutions responsible for technical and financial cooperation.

2. How is the focus of international cooperation changing?

The German Government is aligning international cooperation more closely with national and European interests. This means placing a greater emphasis on security issues and linking international cooperation measures more broadly with Germany's integrated security policy. The German Government also wishes to align development cooperation more effectively with action to promote foreign trade. At the same time, it remains committed to helping people live in peace, freedom and security and will therefore maintain a focus on working in fragile contexts to prevent crises and conflicts and to manage migration. Gender equality remains a key priority of German international cooperation.

In terms of cooperation with emerging economies, there is a growing focus on economic issues and on the provision of global public goods through action to maintain a liveable climate and preserve biodiversity. Consistent international climate policy, climate finance and the issue of climate justice remain high priorities.

The digital transformation will also have a significant impact in many areas of cooperation due to further breakthroughs in artificial intelligence (AI) and quantum computing. In turn, this places a greater spotlight on issues of digital governance by the international community, digital public infrastructure, disinformation and cybersecurity.

3. How is the nature of competition and cooperation changing?

Since the re-election of President Donald Trump, the US has undergone a period of strategic realignment. In terms of international cooperation, the most significant changes to date have been the dissolution of the United States Agency for International Development (USAID) and the US withdrawal from 66 international organisations, including the Intergovernmental Panel on Climate Change, the United Nations Framework Convention on Climate Change and the UN Regional Commissions. At the same time, there are growing expectations of Germany, now the largest provider of official development assistance (ODA) among the Organisation for Economic Co-operation and Development (OECD) member states.

Many countries in Africa have expanded their international partnerships in recent years, resulting in greater competition. In addition to China, other emerging players such as Turkey, the Gulf States and India are also active. While Russia is comparatively less active as a donor, it nevertheless exerts influence in certain countries – above all in former Soviet republics, the Sahel region and North Africa – through its military aid, energy sector partnerships and disinformation campaigns.

There is a growing focus on fund-based solutions, which present business opportunities to expand the role of bilateral technical cooperation (TC) in multilateral funds. In today's competitive environment, the effective use of data and AI is increasingly vital to the success of implementing organisations. That involves forging stronger partnerships with companies and think tanks in these areas, although these organisations also act as competitors to established development and international cooperation organisations.

4. How are our partner countries changing?

The most recent update on the level of achievement of the 2030 Agenda is sobering. According to the UN's Sustainable Development Goals Report 2025, we are currently on track to meet just 18% of the SDG targets. Moderate progress has been made towards a further 17%. The report identifies little or no progress in the case of around half the targets. As things stand today, these will not be achieved by 2030. Finally, the 2025 report highlights that we have actually slipped backwards on around 20% of the targets.

Increased state fragility is one of the main factors behind the slow progress and reversals experienced in 2025. The OECD's States of Fragility 2025 report identifies 61 fragile contexts, the highest number measured by the OECD to date. Of these, almost a third are considered extremely fragile. 25% of the world's population and 72% of the extremely poor now live in fragile contexts. According to the UN Refugee Agency (UNHCR), the number of displaced people has also risen significantly – from 51 million in 2013 to 123 million by the end of 2024. Of these, 73.5 million are internally displaced persons.

These factors are compounded by a challenging geoeconomic environment. In its World Development Report 2024, the World Bank states that it is now much more difficult for middle-income countries to make progress compared to the past three decades. According to the report, this is mainly due to high levels of debt, rising protectionism and the challenges posed by the energy transition. Climate change, biodiversity loss and environmental pollution are adding to the pressure for action in many partner countries.

Our partner countries act with confidence and assurance, carefully weighing up their interests and options. For many, there is now a more explicit focus on their own interests. They want to engage in a transparent dialogue based on the parties' mutual expectations and respective interests. 2025 also saw a further increase in engagement with triangular cooperation and mutual learning initiatives.

GIZ's Corporate Strategy

In August 2025, GIZ updated its Corporate Strategy 2023–2027 to reflect changes in the political environment and increasing resource scarcity. The company's strategic objective is to remain competitive, effective and cost-effective. The update is merely intended as a fine-tuning of GIZ's pathway towards Destination 2028 rather than marking a change of course. It emphasises the need for not only a more focused and systematically directed service and product portfolio aligned with the German Government's political priorities but also the targeted development of strategic partnerships – especially with the private sector, financial actors and European partners. Digital transformation is an integral component of the strategy. Standardisation, automation and data-driven operational management will allow us to create more efficient processes, reduce our management costs and measure the results we achieve more accurately. GIZ's updated strategy will help us maximise the impact of our international cooperation work and maintain our contribution to the goals of the 2030 Agenda and the Paris Agreement.

The following section of this report outlines GIZ's four strategic areas of action: (1) effectiveness; (2) business development; (3) expertise and alliances; and (4) cost-effectiveness.

Area of action 1: Effectiveness

GIZ will become more effective – and therefore ensure greater relevance, impact and visibility – by aligning its services more closely with political priorities, the requirements of commissioning parties and clients and the global challenges that lie ahead. Crucially, this involves developing a systematic and strategically directed portfolio of services and products that offers greater quality and scalability. The company aims to leverage its expertise in a more targeted manner and achieve a greater impact by pooling its technical knowledge, establishing common standards and adopting an integrated approach to innovation management.

In 2025, GIZ took a number of key steps towards systematic product portfolio management. By the end of the year, the portfolio comprised a total of 16 products. The company also developed a series of basic evaluation, management and costing procedures to ensure integration into the established structures in the following year.

Area of action 2: Business development

In 2025, in connection with updating its Corporate Strategy, GIZ adapted its business development approach, linking it more closely to the service portfolio and to systematic collaboration with partners. The aim here is to ensure greater alignment between business development and politically prioritised issues while proactively harnessing partnerships. The latter act as a strategic lever, allowing us to integrate relevant expertise and enhance the quality and effectiveness of our work.

One of our priorities during the year under review was to refine our business development approach in the context of Team Europe and Global Gateway. In this context, GIZ strengthened its role as an EU implementation partner while at the same time laying the foundations for a business development approach that will be more focused on partnerships and processes.

Area of action 3: Expertise and alliances
With regard to 'expertise and alliances', GIZ's updated strategy has placed a new emphasis on expanding cooperation with the private sector, financial actors and institutions that promote foreign trade. This reflects changes in the political landscape and the German Government's stipulations that international cooperation should be aligned more closely with economic cooperation.

Partnerships with companies, development banks and financial market actors are used to leverage business development, particularly in the European context. At the same time, GIZ continued its work of laying the foundations for a more systematic and process-driven approach to partnerships with the goal of managing them more effectively and integrating them more closely into GIZ's service portfolio. The ongoing Corporate Strategic Evaluation on partner orientation in GIZ's partner countries will provide valuable input to help shape this agenda.

Area of action 4: Cost-effectiveness
The drive for greater cost-effectiveness and efficiency is a central focus of the Corporate Strategy and has gained increasing relevance due to the continuing pressure to cut costs. GIZ aims to reduce its management costs sustainably, use its resources more effectively, and maintain and expand its capacity to deliver services in a landscape of increasingly tight funding. To this end, processes will be standardised and managed across multiple projects. Organisational development will be consistently process-driven, and existing structures will be reviewed and realigned.

Comprehensive preparations for the introduction of S4GIZ were completed in 2025. This means that we can now roll out a globally uniform IT systems landscape across the company as the cornerstone of a digitally robust, future-proof organisation.

At the same time, we laid the foundations for a company-wide data strategy, data governance and improved data security. GIZ also established a framework for the responsible use of AI and automation to achieve further efficiency gains.

In 2025, the goal of enhancing our digital performance was integrated into the updated Corporate Strategy as a distinct strategic objective. It is a prerequisite for efficiency, control and transparency. This will provide greater consistency when it comes to driving and managing the company's digital and overall transformation.

c. Operating framework

Federal budget situation
Due to the early general election, 2025 began with a provisional government budget. For GIZ, this created planning uncertainty since our assumptions about future business development – as set out in the 2025 financial, investment and HR plans (FIPP) – were based on the government draft for the 2025 federal budget and the former German Government's medium-term financial plan.

Following its election, the new German Government presented a new draft budget for 2025. Unexpectedly, the cash appropriation for the TC budget item was set to increase significantly by €189 million to €1,869 million. GIZ had previously had to assume a substantially lower level of cash funding and its internal management had been geared towards such an outcome. Consequently, early in the second half of 2025, the company realigned its financial control mechanisms so that it could take full advantage of the additional funding.

Voluntary programme on staff restructuring
The company faces the challenge of safeguarding its future viability, above all in terms of its capacity to operate effectively and deliver services, while at the same time proactively consolidating its structural costs. GIZ's workforce is a crucial factor in both these endeavours. With this in mind, targeted investments in areas such as staff development must go hand in hand with a focused programme of workforce reorganisation and downsizing. In 2025, under the 'voluntary programme on staff restructuring' and on the basis of a corresponding general works council agreement, GIZ concluded mutually agreed severance or phased retirement agreements with around 500 people. Around 100 of the posts that become vacant will be filled through a programme of targeted recruitment designed to maintain our operational capacity and service delivery. From 2028 onwards, compared with its current personnel costs, GIZ will be able to achieve savings of approximately €25 million per year as the number of posts declines.

S/4HANA go-live on 1 January 2026
As the new SAP S/4HANA system is rolled out, the company's core business processes are being standardised and digitalised. Around 40 legacy systems have been phased out. Standardisation will prevent future system disruption. In terms of availability, the company's previous systems were limited and fragmented, especially within country and project offices. From now on, all GIZ's business processes worldwide will run in a single system landscape. In 2025, the company reached a number of key milestones in preparation for the go-live in January 2026.

In a series of online training sessions held between October and December, 550 internal trainers prepared around 5,900 participants to work with the new systems. In addition, the necessary organisational changes were initiated throughout the company, particularly at country and project offices in the field structure. On 16 December 2025, GIZ and the General Works Council successfully concluded negotiations on a series of general works council agreements on the use of the S/4HANA systems.

As the system was introduced at the turn of the year 2025/2026, the 2025 annual statement of accounts has been prepared and drawn up using the legacy systems.

II. Assets, financial position and income

The most obvious point to make about GIZ's assets, financial position and income in fiscal year 2025 is that turnover fell slightly, while income also declined year on year. Despite a difficult operating environment, net profit for the fiscal year as a whole remained positive.

a. Assets

The balance sheet total ended the year under review at €3,584 million, up €253 million compared with the year-end figure of €3,331 million for 2024.

Fixed assets rose from €676 million to €741 million. This increase was due to payment of the last purchase price instalments to the property development company for the Eschborn Campus and its corresponding recognition as a balance sheet asset in November 2025. The increase in current assets was mainly due to a rise of €229 million in the figure for projects in process. In turn, this rise was a result of migration to S/4HANA, which meant that not all projects could be settled. GIZ's financing activities were the main factor behind the decline of €89 million in advance payments made.

Receivables and other assets rose by €140 million to €615 million. Trade receivables rose by €50 million from €125 million to €175 million, mainly as a result of higher receivables from the Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (up €99 million) and the Federal Ministry for Economic Cooperation and Development (up €10 million). These increases were partly offset by year-on-year declines in receivables from the Federal Foreign Office (down €20 million), the Federal Office for Migration and Refugees (down €18 million), the Federal Ministry for Economic Affairs and Energy (down €10 million) and the European Union (down €6 million). The balance sheet figure for project-related assets was up €101 million, mainly due to higher bank and cash in hand totals at the year-end cut-off point. Other assets ended the year €10 million lower at €127 million. The main factors here were the reversal of the pension fund top-up and lower reimbursements under the insurance policy with Hallesche Versicherung.

At €488 million, equity ended the year €20 million higher as a result of positive net income for the year. This amount was added to the reserves required under the Articles of Association. With a higher balance sheet total, the equity ratio[2] fell by 0.4 percentage points to 13.5%.

Provisions fell by €12 million to €353 million, primarily due to the reversal of pension provisions totalling €54 million. The reversal was made possible by valuation gains due to a higher actuarial interest rate, which led to the first-ever funding surplus in the year under review.

The above reductions in balance sheet provisions were partly offset by higher provisions for personnel costs and provisions for outstanding administrative costs. The most important of these was the provision for personnel reorganisation under the voluntary programme on staff restructuring (up €17 million) and the provisions for long-term working-time accounts (up €5 million) and for outstanding administrative costs (up €15 million). The general warranty and risk provision was up by €9 million, primarily due to the risk situation in the Middle East (including the Palestinian territories, Iran, Yemen and Lebanon).

Liabilities rose by €245 million from €2,498 million to €2,743 million. This increase was mainly due to a total of €2,369 million for advance payments received, which ended the year €220 million higher in the public-benefit business area but fell by €25 million at InS.

[2] The equity ratio is defined as equity less premium as a proportion of the balance sheet total.

The increase in liabilities to banks to €228 million (up €4 million) was mainly due to the scheduled disbursement of the last instalment of the loan for the GIZ Eschborn Campus, although this rise was partly offset by scheduled repayments of the loan for the GIZ Bonn Campus. The decrease of €11 million in liabilities to affiliated companies, taking the year-end total to €4 million, was due to the last funding request from GIZ Unterstützungskasse GmbH for 2025, which was not settled until January 2026. Other liabilities ended the year €54 million higher at €69 million, mainly due to the inclusion of the repayment obligation totalling €54 million to the shareholder following the reversal of the pension provisions.

b. Financial position

As at the balance sheet date, cash in hand and bank balances stood at €971 million, down €91 million on the year-end figure of €1,062 million for 2024. Lower cash inflows from ongoing business operations (down €9 million) and cash inflows of €2 million from financing activities (mainly from taking out a loan and the full repayment of a loan) did not cover cash outflows totalling €84 million in respect of investment activities. The significant decline in cash flow from ongoing business operations is primarily due to cash outflows exceeding cash inflows, which is reflected in the higher figures for projects in process and project-related assets. This was due to the early closing on account of the system migration to S/4HANA on 1 January 2026.

c. Income

At €3,800 million, turnover for the fiscal year was down €129 million compared with 2024.

The following table shows the distribution of turnover across business areas:

Total operating performance	2025			2024			Change	
	Public-benefit business area	InS	Total	Public-benefit business area	InS	Total	Total	
	in € millions	in € millions	in € millions	in € millions	in € millions	in € millions	in € millions	in %
Turnover	3,509	291	3,800	3,655	274	3,929	– 129	– 3
Changes in services not yet invoiced	224	4	228	2	– 10	– 8	236	– 2,950
Capitalised services	1	0	1	1	0	1	0	0
Total operating performance	**3,734**	**295**	**4,029**	**3,658**	**264**	**3,922**	**107**	**3**

The fall in turnover is linked to a slight decrease in the provision of services to commissioning parties and clients.

Other operating income increased by €49 million. The main factor here was the reversal of frozen pension provisions totalling €54 million on account of the funding surplus. This increase was partly offset, mainly by lower reversals of other provisions (down €2 million) and lower additions to specific and general allowances (down €2 million).

At €2,225 million, cost of materials was up €90 million on the previous year. Within this category, purchased goods rose by €12 million and purchased services by €79 million. The main factors here were higher expenses for other external services (up €100 million) and increased costs for financial contributions and grants (up €26 million). These increases were partly offset by lower construction costs (down €25 million) and lower costs incurred by projects (down €22 million). Section III. e. Use of Resources contains a more detailed review of this item and a table showing the changes in purchases of goods and services.

Personnel costs rose by €21 million from €1,619 million to €1,640 million. The main factor here was additional provision for personnel reorganisation. More details of changes in the size of the workforce can be found in section III. e. Use of Resources.

Other operating expenses rose by €63 million, from €135 million to €198 million. This was primarily due to the inclusion of the repayment obligation to the shareholder following the release of the frozen pension provision and to an addition to the general warranty and risk provision.

At €7 million, the financial result is on par with the previous year.

Overall, net income for the year was around €20 million compared with the 2024 figure of €38 million. The following table shows a breakdown of net income by business area:

Net income	2025	2024	Change	
	in € millions	in € millions	in € millions	in %
Public-benefit business area	16.3	32.8	– 16.5	– 50
InS	3.6	5.5	– 1.9	– 35
GIZ total	**19.9**	**38.3**	**– 18.4**	**– 48**

Net income was down on the previous year both in the public-benefit business area and at InS. The year-on-year fall in net income was mainly due to additions to the provision for personnel reorganisation under the voluntary programme on staff restructuring. At InS, the decline in net income was primarily attributable to one-off impacts in the previous year (due to reversals of provisions).

d. Investments and investment financing

GIZ's investment planning activities were mainly shaped by the construction of the new GIZ Eschborn Campus (overall €234 million up to 2025).

GIZ's property investments are financed through two long-term loan agreements. Interest rate swap agreements have been concluded to hedge interest rates for both variable-rate financing arrangements. The loan for the GIZ Campus in Bonn was fully repaid in the fiscal year. The loan for GIZ's Eschborn Campus is valued at €228 million after disbursement of the final tranche in 2025. The total loan volume is €230 million with an interest rate of 2.093% p.a.

All other investments are financed out of the company's own funds. For details of the contracts awarded, please refer to section III. e Use of Resources.

In connection with investments, there is a purchase commitment of €0.4 million.

III. Economic situation

To aid understanding of the economic situation, the key indicators and terms used in this section are explained below:

- The term **commissions received** refers to commissions received by GIZ from federal ministries or other commissioning parties and clients.
- **Income** is the sum of refinanced expenditure and transfers from clients (for projects commissioned by German public sector clients that are not part of the refinancing process and from third-party funding providers under cofinancing arrangements).
- The **control parameter** is the ratio of management costs to the reference figure (four-year average of revenue in the public-benefit business area). To limit management costs, the Supervisory Board has set an upper limit of 12% for the control parameter under normal business conditions.
- The term **management costs** refers to all Head Office structural costs in the public-benefit business area (excluding costs directly related to projects). It includes personnel and materials (excluding any offsetting). The figure also takes account of various deductible items intended to clearly distinguish the costs of the public-benefit business area from the inputs provided for self-initiated measures and for InS.

a. General observations

GIZ was able to close the fiscal year 2025 satisfactorily:

- Commissions received fell by 27% compared with the previous year.
- At just under €4 billion, business volume remained stable at the same level as the previous year.
- At 12.3%, the control parameter used in the public-benefit business area was above the upper limit due to investment in the company's digital transformation.
- As expected, operating profit at InS (€3.8 million) was below the previous year's level (€5.7 million).
- GIZ's total workforce as at 31 December 2025 was down by 743 (3%).

GIZ uses a number of financial indicators (see table below) as a key source of information for management decisions.

Comparison of planned and actual figures		**Planned 2025**	**Actual 2025**	**Deviation actual/planned**
Commissions received				
Public-benefit business area	€ millions	3,610	3,282	– 328
InS	€ millions	270	264	– 6
Total	**€ millions**	**3,880**	**3,546**	**– 334**
Income in the public-benefit business area	€ millions	3,425	3,674	250
Total operating performance at InS	€ millions	287	295	8
Business volume	€ millions	3,712	3,969	258
Control parameter	%	13.0	12.3	– 0.7
Operating result InS	€ millions	2.0	3.8	1.8
Net income for the year InS	€ millions	1.8	3.6	1.8
Number of employees at year-end				
Germany-based staff[1]	Number	2,737	2,853	116
Project staff in Germany	Number	2,785	2,787	2
Seconded field staff	Number	2,382	2,324	– 58
Staff covered by the Collective Bargaining Agreement (MTV) or Public-Sector Remuneration System (TVöD)[1]	Number	7,904	7,964	60
National staff	Number	15,748	15,823	75
Total GIZ staff[1]	**Number**	**23,652**	**23,787**	**135**

[1] Excluding the Management Board and trainees.
The figures shown above may contain rounding differences.

For each indicator, the year-on-year changes and deviations from the planned figures are examined in greater detail in the following section.

b. Commissions received and orders on hand

Commissions received

In 2025, GIZ received commissions with a total value of €3,546 million. As expected, this was below the level of the previous year (€4,838 million) but still reached 91% of the planned figure. The volume of commissions received in the public-benefit business area ended the year €1,047 million (24%) lower at €3,282 million, while the total figure for InS declined by €245 million (48%) to €264 million. When comparing these year-on-year figures, it should be noted that InS received an exceptionally large commission in 2024 totalling €117 million for an education project on behalf of the Global Partnership for Education (GPE) as well as several major funding increases for ongoing projects, meaning that the actual figure for 2024 was significantly above the normal level. As a proportion of the GIZ total, commissions received in the public-benefit business area were around 4 percentage points higher at 93%, which is a more typical level.

The following table shows the commissions received at GIZ for each business area and sector. It is followed by a closer examination of the figures in each category.

Commissions received	Actual 2025	Share	Actual 2024	Share	Change
	in € millions	in %	in € millions	in %	in %
Public-benefit business area total	**3,282**	**93**	**4,329**	**89**	**– 24**
of which BMZ	2,973	84	3,645	75	– 18
BMZ budget funding	1,993	56	2,460	51	– 19
Cofinancing for projects commissioned by BMZ	980	28	1,185	24	– 17
of which German public sector clients	271	8	639	13	– 58
German public sector clients budget funding	199	6	495	10	– 60
Cofinancing for projects commissioned by German public sector clients	72	2	144	3	– 50
of which other business sectors	38	1	45	1	– 15
InS	**264**	**7**	**509**	**11**	**– 48**
GIZ total	**3,546**	**100**	**4,838**	**100**	**– 27**

The figures shown above may contain rounding differences.

Commissions received in the public-benefit business area

In 2025, the public-benefit business area received commissions with a total value of €3,282 million. This was €1,047 million (24%) lower than in the previous year.

Compared with 2024, the volume of commissions received in the BMZ business sector fell by €672 million (18%) to €2,973 million, ending the year €124 million (4%) below the planned figure. The reduction is primarily attributable to lower commitment authorisations in the TC and other budgets. At the same time, it was not possible to match the high level of cofinancing achieved in 2024.

With regard to German public sector clients, the volume of commissions received fell significantly by €368 million (58%) as a result of lower federal budget funding.

Commissions received at International Services (InS)

In 2025, InS received commissions with a total value of €264 million. This was €245 million (48%) below the previous year but 98% of the planned figure for 2025. When making year-on-year comparisons, it should be noted that in 2024 InS secured a large commission totalling €117 million as well as an unusually high number of commissions in the €10–50 million range, taking the total for that year to a particularly high level. During the fiscal year under review, InS acquired the following large-scale commissions (≥ €10 million):

- €45 million for the Integrated Response Hub for Ukraine project commissioned by the Federal Foreign Office
- €26 million for the Logistical Support for the Federal Admission Programme for Afghanistan (BAP) project commissioned by the Federal Office for Migration and Refugees (BAMF)
- €22 million for the Flexible Instrument for Stabilisation (FIS) Afghanistan project commissioned by the Federal Foreign Office
- €13 million for the International Sustainable Chemistry Collaborative Centre (ISC3) project commissioned by the Federal Environment Agency.

Orders on hand

As at 31 December 2025, the total figure for orders on hand stood at €10,299 million, a decrease of €453 million (7.6%) compared with the 2024 year-end figure of €10,752 million. Of this total year-end figure, the public-benefit business area and InS accounted for €9,623 million (2024: €9,995 million) and €676 million (2024: €757 million), respectively.

c. Business volume

At €3,969 million, total business volume remained stable, on par with the previous year. This figure comprises income of €3,674 million from the public-benefit business area (down €30 million year on year but €249 million above the planned figure) and a total operating performance of €295 million at InS (up €31 million year on year and €8 million above the planned figure).

The following table provides an overview of the year-on-year change in business volume for GIZ's business areas and sectors. The table is followed by a closer examination of the figures in each category.

Business volume	Actual 2025	Share	Actual 2024	Share	Change
	in € millions	in %	in € millions	in %	in %
Public-benefit business area total	**3,674**	**93**	**3,704**	**93**	**– 1**
of which BMZ	3,194	80	3,201	81	0
BMZ budget funding	2,425	61	2,506	63	– 3
Cofinancing for projects commissioned by BMZ	769	19	695	18	11
of which German public sector clients	443	11	454	11	– 2
German public sector clients budget funding	382	10	401	10	– 5
Cofinancing for projects commissioned by German public sector clients	61	2	53	1	16
of which other business sectors	37	1	49	1	– 24
InS	**295**	**7**	**264**	**7**	**12**
GIZ total	**3,969**	**100**	**3,968**	**100**	**0**

The figures shown above may contain rounding differences.

Income in the public-benefit business area

In 2025, GIZ generated income of €3,674 million in the public-benefit business area. This is slightly (1%) lower than the figure for the previous year. The planned figure was exceeded by €249 million (7%), primarily due to results in the BMZ business sector. GIZ's planning for 2025 was based on the initial draft budget of the previous German Government. Following the adoption of the 2025 federal budget, there were increases in the cash appropriations for some key budget items. In terms of GIZ's income, the most important of these was the increase in the TC budget. Cofinancing income in the BMZ business sector also exceeded the planned total. Overall, this business sector generated income of €3,194 million, which was in line with the previous year's result.

Results in the International Services (InS) business area

In 2025, InS achieved a total operating performance of €295 million, up €31 million (12%) on the previous year and also above the planned figure. At €3.8 million (previous year: €5.7 million), the operating result for 2025 was above the planned figure of €2.0 million. At €3.6 million (previous year: €5.5 million), net income for the year was also above the planned figure (€1.8 million) on the back of stronger-than-expected business volumes.

d. Control parameter

The control parameter (the ratio between management costs for the year under review and the four-year average for income in the public-benefit business area) stood at 12.3% in 2025 (12.2% in 2024) and was thus below the planned figure of 13.0%. This net improvement of 0.7 percentage points compared to the planned figure was due partly (0.3 percentage points) to lower management costs (as a result of cost-saving measures already underway, primarily the voluntary programme on staff restructuring) and partly (0.4 percentage points) to higher income in 2025.

e. Use of resources

Personnel

The following table shows a year-end comparison of staff numbers at GIZ for 2025 and 2024:

GIZ workforce[1] (headcount as at the reporting date)	Actual 31.12.2025	Actual 31.12.2024	Change	
			absolute	in %
Germany-based staff	2,711	2,771	– 60	– 2.2
Project staff in Germany	2,696	2,863	– 167	– 5.8
Seconded field staff	2,278	2,439	– 161	– 6.6
Total public-benefit business area staff	**7,685**	**8,073**	**– 388**	**– 4.8**
Germany-based staff	142	135	7	5.2
Project staff in Germany	91	44	47	106.8
Seconded field staff	46	57	– 11	– 19.3
Total InS staff	**279**	**236**	**43**	**18.2**
Total staff (public-benefit business area + InS)	**7,964**	**8,309**	**– 345**	**– 4.2**
National staff	**15,823**	**16,221**	**– 398**	**– 2.5**
Total GIZ personnel	**23,787**	**24,530**	**– 743**	**– 3.0**
Development workers	184	224	– 40	– 17.9
Integrated experts[2]	59	74	– 15	– 20.3
Returning experts[2]	24	31	– 7	– 22.6

[1] Excluding the Management Board, temporary workers, trainees, interns and staff on leave of absence, etc.
[2] Employment contract with local employers in partner countries.
The figures shown above may contain rounding differences.

As at 31 December 2025, GIZ employed a total of 23,787 staff. This was down by 743 (3%) on the year-end figure for 2024 (deviation from planned figure: 0.6%).

The number of staff with a German employment contract fell by 388 (4.8%) in the public-benefit business area but rose by 43 (18.2%) at InS. The year-end figure for national staff fell by 398 (2.5%). Overall, the combined total of seconded field staff and national staff was down by 570. However, the change in staff numbers varied between countries, with 46 countries seeing an increase. The partner countries with the largest growth in staff numbers were Ukraine (up 59), Nigeria (up 37), Tanzania (up 34), Mauritania (up 30) and Ecuador (up 23). The number of GIZ staff working in the field structure decreased in 61 countries.

A total of 184 development workers were deployed by GIZ, in addition to 59 integrated experts and 24 returning experts who held employment contracts with organisations or companies in partner countries. These numbers fell significantly over the course of 2025.

Salaries

The current Annex 4 (salary bands) to the Collective Agreement on Remuneration (VTV) was terminated by GIZ's collective bargaining partner ver.di on 31 March 2025. The parties to the collective bargaining negotiations have not yet been able to reach agreement. Accordingly, there was no collectively agreed salary increase in 2025.

Purchases of goods and services

The following table compares the 2025 and 2024 year-end figures for worldwide awards of service and construction contracts, goods procurement orders and financing by GIZ:

Awards and orders[1]	Actual 2025	Actual 2024	Change	
	in € millions	in € millions	in € millions	in %
Head Office service contracts	562	543	19	3
Head Office construction contracts	6	1	5	500
Head Office financing arrangements	814	778	36	5
Head Office goods procurement orders	131	173	–42	–24
Total Head Office awards and orders	**1,513**	**1,495**	**18**	**1**
Local service contracts	323	246	77	31
Local construction contracts	19	13	6	46
Local financing arrangements	59	62	–3	–5
Local goods procurement orders	72	62	10	16
Total local awards and orders	**473**	**383**	**90**	**23**
GIZ total awards and orders	**1,986**	**1,878**	**108**	**6**

[1] The term 'awards and orders' refers both to awards of public sector contracts and orders within the meaning of German procurement law (section 103 of the Act against Restraints on Competition) and awards of funding under financing arrangements.
The figures shown above may contain rounding differences.

In 2025, GIZ concluded contracts totalling approximately €1,986 million with contractors and financing recipients. This figure was up 6% on the previous year. Contract awards and orders accounted for 50% of GIZ's total business volume.

Worldwide, GIZ awarded service contracts totalling €885 million in 2025 (€562 million through Head Office and €323 million at local level). This is equivalent to around 45% of the total procurement volume, making it the single biggest procurement category. Compared with the previous year, the volume of service contracts concluded worldwide with companies and individuals rose by 12%.

Financing arrangements were the second-biggest procurement category in 2025 with a total worldwide volume of €873 million (€814 million through Head Office and €59 million at local level). Financing arrangements are financial contributions made by GIZ that enable recipient organisations to implement their own, predefined activities. Compared with the previous year, the total volume of financing arrangements worldwide rose by 4%.

Of all the contracts awarded to providers and financing recipients through GIZ Head Office in 2025, 73.8% went to companies based in Germany and 19.2% to companies based elsewhere in Europe. Only 7% of all service and works contracts were concluded with non-European companies.

Of all the contracts for materials and equipment awarded by GIZ Head Office in 2025, 64.9% went to German companies and 30.1% to companies based elsewhere in Europe. 5% of all GIZ contracts for materials and equipment were awarded to non-European companies.

The purpose of financing arrangements is to strengthen local structures and partners. In 2025, 51.7% of all funding awarded through Head Office under financing agreements went to non-European recipient organisations. The rest was awarded to support the public-benefit activities of German organisations (15.2%) and organisations based elsewhere in Europe (33.1%).

In 2025, the worldwide total for goods procurement stood at €203 million. Of this figure, €131 million was attributable to Head Office and €72 million to country offices. The total figure was down 14% on the previous year.

Across the globe, GIZ concluded construction contracts with a total value of €25 million in 2025. This figure was up 79% year on year.

Total awards and orders (including financing arrangements) as a proportion of total business volume

As a proportion of GIZ's total business volume, the figure for total awards and orders (including financing arrangements) was up 2.7% on the previous year. The following table provides an overview of the year-on-year changes in this metric since 2020:

Total volume of awards and orders	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
	in € millions	**in € millions**	**in € millions**	**in € millions**	**in € millions**	**in € millions**
Business volume	3,327	3,701	3,991	3,968	3,968	3,969
Total awards and orders	1,838	2,397	2,099	1,947	1,878	1,986
Total awards and orders as a proportion of business volume	**55.3 %**	**64.8 %**	**52.6 %**	**49.1 %**	**47.3 %**	**50.0 %**

Worldwide awards of service contracts to companies (in € millions)

In 2025, GIZ Head Office awarded service contracts to companies totalling €501 million. This was up 4.4% on the previous year. The 2025 figure for decentralised awards of service contracts to companies was €254 million. This was 31.6% higher year on year. The total figure for worldwide awards of service contracts to companies was €755 million, up 12.2% on the previous year.

The following table compares the figures for worldwide awards of service contracts to companies over the period from 2020 to 2025:

Awards to service companies	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
	in € millions	**in € millions**	**in € millions**	**in € millions**	**in € millions**	**in € millions**
Head Office awards to service companies	424	507	492	509	480	501
Decentralised awards to service companies	151	253	228	209	193	254
Worldwide awards to service companies	**575**	**760**	**720**	**718**	**673**	**755**

Worldwide awards of service contracts to companies as a proportion of business volume

In 2025, worldwide awards of service contracts to companies accounted for 19.0% of GIZ's business volume. This figure was up 2.0% year on year.

The following table compares the figures for worldwide awards of service contracts to companies as a proportion of business volume over the period from 2020 to 2025:

Awards to service companies	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
	in € millions	**in € millions**	**in € millions**	**in € millions**	**in € millions**	**in € millions**
Business volume	3,327	3,701	3,991	3,968	3,968	3,969
Worldwide awards to service companies	575	760	720	718	673	755
Worldwide awards to service companies as a proportion of business volume	**17.3 %**	**20.5 %**	**18.0 %**	**18.1 %**	**17.0 %**	**19.0 %**

IV. Proportion of women on the Management Board, management levels 1 and 2, the Supervisory Board and the Board of Trustees

a. Proportion of women on the Management Board

GIZ's Articles of Association stipulate that women should make up at least 40% of the Management Board. Until this proportion is achieved, the Supervisory Board is to give preference to women where they demonstrate equal suitability, capabilities and professional experience, after carefully weighing up the merits of each individual case.

The rules of procedure for GIZ's Supervisory Board stipulate that membership of the Management Board should be divided equally between women and men (i.e. a 50/50 split) unless there is an odd number of members, in which case the imbalance between men and women should be no more than one seat.

During the period under review, the Management Board was made up of one man and two women. The proportion of women was therefore 66.7%.

b. Proportion of women on management levels 1 and 2

Section 7.1 of Germany's Public Corporate Governance Code (PCGK) requires the disclosure of the proportion of women in management positions, including specifically the two management levels below senior management. The figure is based on all managers in GIZ organisational units regardless of their salary band. Level 1 managers report directly to the Management Board, while level 2 managers report directly to level 1 managers.

Quotas for the proportion of women on management levels 1 and 2 immediately below the Management Board are determined in line with Germany's Leadership Positions Act (FüPoG). In accordance with a Management Board decision taken in 2022, the quotas are as follows: women are to make up 50% of level 1 management positions and 48% of level 2 management positions. These quotas are set for a period of five years.

As at 31 December 2025, the proportion of women on management level 1 was 52.6% (10 women). The proportion of women on management level 2 was 53.7% (44 women). The overall proportion of women on management levels 1 and 2 was thus 53.5% (54 women).

c. Proportion of women on the Supervisory Board

Section 6.2.1 PCGK states that 'The supervisory body shall be composed in such a way that … existing statutory quotas and voluntary or obligatory internal targets … regarding the composition of the supervisory body, in particular in terms of qualifications and the equal participation of different genders, are reached.' In addition, the company's shareholder must take account of Germany's Appointments to Federal Bodies Act (*Bundesgremienbesetzungsgesetz*).

The GIZ Supervisory Board has a total of up to 20 members. Six of the ten employee representatives are women and four are men. At the beginning of 2025, out of the ten members appointed by the shareholder, the number of women stood at five and the number of men at five. The proportion of women in this group was therefore 50%. After various new appointments over the course of 2025 and one resignation on 22 November, the proportion of women on the Supervisory Board at year-end was 52.6%.

d. Proportion of women on the Board of Trustees

In accordance with Article 24 of its Articles of Association, GIZ has a Board of Trustees with up to 40 members.

As at 31 December 2025, the Board of Trustees had 34 members, 15 of whom were women and 19 were men. The proportion of women was thus 44.1%. The proportion of women on the Board of Trustees was therefore lower than at the end of 2024, when it stood at 46.2%. As several retirements and new appointments are currently pending, the proportion of women on the Board of Trustees may change.

Proportion of women in %	31.12.2025	31.12.2024	Target
Management Board	66.7	66.7	50
Management levels 1 and 2	53.5	50.0	50/48
Supervisory Board	52.6	50.0	50
Board of Trustees	44.1	46.2	

V. Outlook

a. Business forecast

The planned and forecast values for commissions received and income are based on the Management Board's current assessments of future business development. These take into account the 2026 federal budget (based on the budget reconciliation meeting of 13 November 2025), the German Government's medium-term financial plan and the results of the institutional and operational dialogue with clients in the public-benefit business area as well as orders on hand and the current acquisition pipeline in GIZ's taxable business area (InS).

Planned and forecast commissions received		Actual 2025	Planned 2026	Forecast 2027	Forecast 2028
Public-benefit business area	in € millions	3,282	3,111	3,083	3,246
InS	in € millions	264	310	320	320
Total	**in € millions**	**3,546**	**3,421**	**3,403**	**3,566**
Income in the public-benefit business area	**in € millions**	**3,674**	**3,461**	**3,172**	**3,008**
Total operating performance InS	**in € millions**	**295**	**316**	**323**	**350**
Business volume	**in € millions**	**3,969**	**3,777**	**3,495**	**3,359**
Control parameter	**in %**	**12.3**	**12.8**	**12.4**	**12.0**
Operating result InS	**in € millions**	**3.8**	**2.3**	**2.4**	**3.0**
Net income for the year InS	**in € millions**	**3.6**	**1.8**	**1.8**	**2.2**

The figures shown above may contain rounding differences.

Planned and forecast totals for commissions received in the public-benefit business area

Looking ahead at the figures for 2026, the planned total for commissions received in the public-benefit business area is €3,111 million. This decline of €171 million (5%) compared to the actual figure for 2025 mainly affects the BMZ business sector due to lower appropriations under budget items of relevance to GIZ.

Compared to the actual figure for 2025, the volume of new commissions in the BMZ business sector is expected to fall by €237 million (8%), due not only to an anticipated drop in the volume of budget-funded commissions but also of commissions under cofinancing arrangements. The main reasons for this are the reduction in the commitment authorisation for the TC budget and a lower volume of commissions under cofinancing arrangements (also partly due to the reduced commitment authorisation).

An increase is anticipated in relation to German public sector clients. The planned figure for commissions received in this business sector is €350 million, up €79 million (29%) on the actual total for 2025. When comparing these figures, however, it should be noted that some commissions were not received in 2025 as originally assumed, but are now expected in 2026. Another factor underlying this planned increase is that GIZ aims to secure further commissions out of federal budget funding while maintaining around the same level of cofinancing.

In the 'forecast' year 2027, the Management Board anticipates a decline of €28 million (1%) to €3,083 million compared with the planned figure for 2026 due to reductions in the volume of commissions received out of German public sector client budget funds. The forecast for 2028 assumes that commitment authorisations under the TC budget will return to the 2024 level of around €1.8 billion and that the volume of third-party cofinancing for BMZ commissions will also increase. At €3,246 million, the 2028 forecast is around €163 million (5%) higher than the 2027 forecast.

Planned and forecast totals for commissions received in the International Services (InS) business area

The plans drawn up by InS envisage a figure of €310 million for commissions received in 2026. This figure is €46 million (15%) above the actual total for 2025. The forecast totals for 2027 and 2028 are both €320 million.

Planned and forecast business volume

With specific regard to 2026, the planned figure for total business volume is €3,777 million, comprising income in the public-benefit business area of around €3,461 million and a total operating performance of around €316 million at InS. This reduction of almost 5% compared to the actual figure for 2025 is attributable to the public-benefit business area. The company expects total business volume to decline further in subsequent years to €3,494 million in 2027 and €3,359 million in 2028. The following two sections explain the figures in more detail.

Income in the public-benefit business area

The following table contains a detailed breakdown of actual and projected income in the public-benefit business area for the years 2025 to 2028:

Income	Actual 2025	Planned 2026	Forecast 2027	Forecast 2028
	in € millions	in € millions	in € millions	in € millions
BMZ	**3,194**	**2,951**	**2,752**	**2,662**
of which TC budget	1,732	1,702	1,578	1,531
of which special initiatives	435	376	322	273
of which other BMZ budgets	258	190	202	208
of which third-party cofinancing	769	683	650	650
German public sector clients	**443**	**474**	**389**	**321**
of which budget funds	382	397	331	272
of which third-party cofinancing	61	77	58	49
Other business sectors	**37**	**37**	**31**	**25**
Public-benefit business area total	**3,674**	**3,462**	**3,172**	**3,008**

The figures shown above may contain rounding differences.

Total planned income for 2026 is €3,462 million, which is down €212 million (6%) compared with the actual figure for 2025. In the BMZ business sector, GIZ plans to generate income of €2,951 million in 2026. Based on the cash appropriations for relevant items in the federal budget and the medium-term financial plan, the Management Board anticipates a reduction in GIZ's income from federal budget funding compared to 2025. With regard to German public sector clients, the planned figure for 2026 stands at €474 million, which is higher than the actual total for 2025, partly due to the high volume of commissions received in previous years.

The main factors affecting planned income in the public-benefit business area in 2026 are set out below:

- Compared to the figure for 2025, the cash appropriation under the TC budget is expected to fall by a substantial €96 million (5%) to €1,742 million. Taking into account a share of €40 million for other governmental TC implementing organisations (BGR and PTB), GIZ anticipates income of €1,702 million in 2026. Compared to the actual figure for 2025, this corresponds to a decrease of €30 million (2%).
- Overall, the cash amounts allocated to special initiatives in the 2026 budget are down compared to the 2025 budget. We therefore expect income from these budgets to decline, with the exception of the Special Initiative on Displaced Persons and Host Countries, for which the 2026 cash appropriation is on par with the previous year.
- GIZ will endeavour to maintain its highly successful growth trajectory in the area of cofinancing. However, the reduction in funding under the TC budget will also limit GIZ's scope to attract cofinancing. If commissions from the TC budget decline, there will be fewer potential link-ups for cooperation projects.
- The high levels of planned income from the German public sector clients business are based on the high volume of commissions received in preceding years.

Based on changes in the German Government's medium-term financial plan and in the forecast totals for commissions received, further significant declines in revenue are expected in the two 'forecast' years. At €3,172 million, forecast income for 2027 is down €290 million (8.4%) compared with the planned figure for 2026. The forecast total for 2028 shows a further decline to €3,008 million. Compared to the actual figures for 2025, income is expected to fall by a significant €666 million (18.1%) over the period up to and including 2028.

Total operating performance at International Services (InS)

InS is planning a total operating performance of €316 million for 2026. This corresponds to an increase of €21 million (7%) compared to the actual figure for 2025. The increase is due to the high volume of commissions received in preceding years, for which the associated projects are due to be implemented. For 2027 and 2028, based on current and expected portfolio developments, InS anticipates a total operating performance of €323 million and €350 million, respectively.

The planned figures for 2026 show total net income, which includes interest and taxes, of €1.8 million. For 2027 and 2028, InS is aiming for total net income of €1.8 million and €2.2 million, respectively.

Control parameter

Against a background of declining income but a continued need for substantial funding to expand in the area of digitalisation, the planned figure for GIZ's control parameter in 2026 – based on planned and forecast income for 2025 and the following years – is 12.8%. This is 0.5 percentage points higher than the actual figure for 2025. The increase is mainly due to expectations of lower income. By 2028, GIZ aims to gradually bring the control parameter back down to 12.0% and therefore realign it with the upper limit set by the Supervisory Board.

b. Anticipated use of resources

Personnel forecast

GIZ's overall staff numbers are projected to fall by around 2.8% in 2026 compared to 2025. Following an increase in the size of the workforce up to 2024, staff numbers are showing the effects of declining income in the public-benefit business area from 2024 onwards. This trend is expected to continue in 2026, 2027 and 2028. At its meeting on 12 December 2024, GIZ's Supervisory Board decided that the reduction in staff numbers needed to maintain the company's capacity to operate and deliver services should not be left solely to natural fluctuation and that an early severance programme should be established for the mutually agreed termination of contracts. For further details of this programme, please refer to section I. c. Voluntary programme on staff restructuring.

GIZ staff	Actual 2025	Planned 2026	Forecast 2027	Forecast 2028
Germany-based staff[1]	2,853	2,680	2,493	2,323
Project staff in Germany	2,787	2,742	2,499	2,379
Seconded field staff	2,324	2,259	2,056	1,956
Staff covered by the Collective Bargaining Agreement (MTV) or Public-Sector Remuneration System (TVöD)[1]	**7,964**	**7,681**	**7,048**	**6,658**
National staff	15,823	15,445	14,291	13,736
Total employees[1]	**23,787**	**23,126**	**21,339**	**20,394**

[1] Excluding the Management Board and trainees.

Forecast purchases of goods and services

It is very difficult to predict in any detail the future volume of goods, services and construction contracts and financing arrangements in a given year, as they depend very largely on the specific requirements of each project. The volume of future contracts depends to a considerable extent on the company's business development.

c. Opportunities and risks

Opportunities

GIZ operates in what is currently a very challenging environment, as evidenced by the often rapid changes we have seen over recent years. Those changes also present opportunities that GIZ will endeavour to harness in the next two years.

- GIZ has many years of experience in cooperating with the private sector and will build on that experience to achieve its twin goals of contributing to sustainable transformation in its partner countries and of promoting German interests. To this end, GIZ is working with new partners such as the German export credit agency Euler Hermes, with which it has concluded a new cooperation agreement.

- Last year, the company also strengthened its partnerships with actors representing the international financial sector. In this area, GIZ was able to draw above all on its experience of sustainable finance and of supporting businesses in our partner countries. There are opportunities here for GIZ to perform multiple roles. For example, these could include advising on funds, matchmaking for investments and developing project pipelines. After reaching a series of promising agreements with various financial institutions in 2025, GIZ is now focused on implementing them.

- The landscape of international climate finance is constantly evolving. In this area, the Green Climate Fund (GCF) remains the most important donor. GIZ is currently implementing 12 projects for GCF with a combined volume of approximately €500 million (including GCF contributions of around €430 million). Looking ahead, GIZ anticipates that climate adaptation projects in fragile states, particularly in Africa and the Middle East, will offer the greatest business potential. In addition, the Fund for Responding to Loss and Damage (FRLD) presents GIZ with an opportunity to act, under certain circumstances, as an 'access entity' in the preparation, management and implementation of a country's funding application. New business opportunities also exist in global carbon markets to meet the demand from international donor countries for high-quality, evidence-based greenhouse gas (GHG) mitigation projects that have reached the stage of funding readiness. GIZ is well positioned to harness this potential thanks to its proven technical expertise and track record of implementation.

- In 2026, GIZ will also focus on systematically expanding its data management capabilities and on harnessing the associated technological and business policy opportunities. To this end, it is developing a data strategy and a binding data governance framework, as well as upgrading the corresponding technical infrastructure, so that it can make effective use of data to manage its processes and monitor its impacts and performance. In this context, GIZ will build on its highly relevant experience of implementation, for example in the use of AI applications and in advising governments on the use of data and AI.

- GIZ is also well positioned to play a central role in the implementation of foreign, development and defence policies, which together form a political priority of the German Government as set out in the Coalition Agreement and the BMZ reform process. To make the most of this opportunity, GIZ will focus in 2026 on a more structured and systematic approach to the cross-cutting issue of integrated security. In this context, it will also examine links to other issues that fall under a broad definition of the term security, e.g. economic, raw material and water security. Crucially, this will require effective positioning within the political arena and in GIZ's relationships with commissioning parties and clients.

Risks

GIZ's risk management system promotes risk awareness and allows staff to identify and deal with risks on the basis of standardised procedures. It sets out the principles, processes and roles involved in dealing proactively with potential risks. Risks are identified in a six-month cycle, but organisational units can report ad hoc risks at any time independently of this survey. GIZ's Management Board is kept informed about the risk situation every six months. Any action required is taken in regular consultation with relevant bodies such as the Risk and Compliance Committee. The Supervisory Board receives this information through the quarterly reporting system.

GIZ's focus in 2026 and subsequent years will be on the company-wide risks and challenges set out below:

- Funding for development cooperation remains on a downward trajectory among donor countries. The expected decline in funding is also confirmed by key figures in the medium-term financial plan up to 2029 and in the 2026 federal budget. Further cuts in ODA funding will have an impact on the organisation, particularly in the coming years. GIZ has begun implementing measures to maintain its operational capacity in the face of this looming decline in revenue. The goal here is to lower its (structural) costs by specifying company-wide cost-saving targets and reducing the number of staff.

- As part of the SAP S/4HANA roll-out, GIZ is standardising and digitalising its core business processes. The new system went live on 1 January 2026 as a minimum viable product (MVP). An MVP is a launch version with the basic functions required for operational capability. The Management Board decided to proceed with the scheduled go-live on the basis of various independent recommendations that assessed the scheduled go-live as the best option. The go-live resulted in temporary restrictions on business-critical processes. These were caused by delays in data migration, limited system functionality and the fact that staff training had not yet been completed. The processes mapped by the system are fundamentally operational. In the medium term, however, the migration has led to backlogs in the processing of new contracts and invoice payments, quality risks on the accounting side and impacts on project implementation and delivery. These risks are being addressed through appropriate measures. The 'hypercare' phase, an intensive period of system support immediately following the go-live, has been extended until 31 May 2026. During this phase, expanded support mechanisms will be in place to ensure system stability before the transition to routine operation. Additional key functionalities are being activated on an ongoing basis to speed up processes and facilitate use. Further financial, legal and reputational risks for the company cannot be ruled out if the mitigation measures fail to take effect as planned.

- As the level of digitalisation increases, threat scenarios become more complex and place greater demands on the systems used to protect information and data. Despite continuous improvements in the maturity level of the Information Security Management System (ISMS), IT security incidents may still occur that cause significant damage or force the company to take rapid, far-reaching action such as shutting down affected systems. Such incidents could significantly undermine GIZ's ability to deliver services. GIZ regularly raises awareness among its employees about threats and monitors the threat situation through the DIGITS Department.

- Structural fragility and conflict characterise the environment in around two thirds of the countries and regions in which GIZ operates. Due to these different crisis contexts, GIZ is particularly exposed to security and personnel risks (e.g. staff [mental] health) alongside political, strategic and commercial risks. In addition to the ongoing war in Ukraine and the escalation in the Middle East, other conflicts threaten security in various parts of the world, including the Democratic Republic of the Congo, Myanmar, Afghanistan, Somalia, Mali, Niger, South Sudan and Syria. There is an increased risk of escalation in a further 24 countries. There is also a risk of existing conflicts spreading to neighbouring countries and destabilising entire regions (e.g. in the Sahel). GIZ can draw on a professional system of security risk and crisis management in order to minimise risks in advance and maintain its ability to deliver services in fragile contexts and high-risk countries. Our duty of care towards our staff is the top priority in GIZ's crisis management system. In the event of a crisis, we maintain intensive communication with the organisations that commission us. The costs associated with these risks are factored in during the annual planning process on the basis of previous experience. Specific risks have been taken into account by creating suitable provisions in the balance sheet. Although remote management can mitigate political and personnel security risks in crisis situations, it exposes us to greater commercial and compliance risks and therefore requires additional mitigation measures in these areas. Both GIZ's risk and compliance management system and its internal control system methodically identify and address remote management as a risk factor. On the basis of identified risks, they specify what actions are to be taken at country level (e.g. more frequent internal controls) and monitor compliance with those requirements. A guidance paper has been drawn up and agreed with BMZ under the heading 'Implementing projects under remote management'. This paper also serves as an internal guide. An updated version of the guidance paper is planned for 2026. This update will reflect all changes linked to the introduction of S/4HANA and will include further best-practice examples. The specific risks identified in the context of these measures have been taken into account by creating balance sheet provisions to cover warranty and price risks.

- The war between the US/Israel and Iran has significant implications for the security situation in the Middle East and thus also for GIZ. GIZ country offices in the region have activated their contingency plans. All seconded staff have been withdrawn from Iraq and Lebanon in an orderly manner. In the Palestinian territories, the presence of seconded personnel has been significantly reduced. In Jordan, the family members of seconded staff have also been withdrawn in an orderly manner, and the number of seconded personnel has been significantly reduced. Travel to Syria was temporarily suspended but is now resuming. Offices in some countries remain closed, and colleagues are working remotely. The work of implementing projects continues as far as the security situation permits.

- With regard to the construction project in Eschborn, GIZ took out a variable-rate loan hedged by interest rate swaps. The total amount drawn down as at the balance sheet date was €228 million. The agreed variable interest rate for each interest settlement period of the loan term was hedged by interest rate swaps, adjusted to the repayment plan, which each form a valuation unit with the loan. The interest rate swap agreement effectively converts the variable interest expenses for the property loans taken out by GIZ into fixed interest payments. With regard to the total term of the loan (not beyond 2055), this creates what is known as a synthetic fixed-interest loan. This arrangement is not expected to create any financial risk since profits or losses can only arise – depending on the interest rate level at the time – if the loans are redeemed early.

- GIZ's pension schemes are reviewed on a regular basis to take account of changes in the actuarial parameters, actual life expectancies and changes in the minimum/fund assets for the pension obligations outsourced to Deutscher Pensionsfonds AG and GIZ Unterstützungskasse GmbH. Currently, no top-up risks are anticipated over the forecasting period.

GIZ analyses and evaluates the impact of the above risks on future results in its interim forecasts. Due to our analysis of opportunities and risks and of the countermeasures, hedges and balance sheet provisions we have established, our current assessment is that there are no risks that might jeopardise the continued existence of the company.

Non-financial declaration

Details of the non-financial declaration required by section 289b of the German Commercial Code (*Handelsgesetzbuch*, HGB) can be found online in GIZ's Integrated Company Report. This report meets the requirements set out by the Global Reporting Initiative and the UN Global Compact and is available to download at https://reporting.giz.de. We also produce a report every two years based on the German Sustainability Code.

Bonn/Eschborn, 26 May 2026

The Management Board

Thorsten Schäfer-Gümbel
Chair of the
Management Board

Ingrid-Gabriela Hoven
Deputy Chair of the
Management Board

Anna Sophie Herken
Member of the
Management Board

02

Annual statement of accounts 2025

Balance sheet as at 31 December 2025

Assets

	Notes		31.12.2025		31.12.2024
			in €		in €'000
A. Fixed assets					
I. Intangible assets	(1)				
1. Purchased concessions, industrial property rights and similar rights and assets as well as licences to such rights and assets		1,176,591.48		1,829	
2. Advance payments made		0.00	1,176,591.48	0	1,829
II. Tangible assets	(1)				
1. Land, land rights and buildings including buildings on third-party land		515,632,943.32		274,326	
2. Other plant, operating and office equipment		20,972,296.00		22,931	
3. Advance payments made and assets under construction		0.00	536,605,239.32	173,910	471,167
III. Financial assets	(2)				
1. Shares in affiliated companies		25,000.00		25	
2. Participating interests		539,862.01		540	
3. Securities held as fixed assets		202,667,845.23		202,668	
4. Other loans		50,254.20	203,282,961.44	78	203,311
			741,064,792.24		**676,307**
B. Current assets					
I. Inventories	(3)				
1. Projects in process		264,349,659.34		35,828	
2. Advance payments made		978,475,985.44	1,242,825,644.78	1,067,652	1,103,480
II. Receivables and other assets	(4)				
1. Trade receivables		174,563,082.37		125,093	
2. Receivables from affiliated companies		162.79		0	
3. Project-related assets		312,861,051.54		212,219	
4. Other assets		127,396,882.39	614,821,179.09	137,746	475,058
III. Cash in hand, Central Bank balances, bank balances			971,219,845.56		1,062,516
			2,828,866,669.43		**2,641,054**
C. Prepaid expenses			13,957,339.42		13,801
			3,583,888,801.09		**3,331,162**
Off-balance sheet item	(9)				
Trust assets €677,791 (2024: €1,672 thousand)					

The figures shown above may contain rounding differences of +/- one unit (€).

Shareholder's equity and liabilities

	Notes			31.12.2025		31.12.2024
				in €		in €'000
A. Shareholder's equity						
I. Subscribed capital	(5)	**20,452,000.00**			**20,452**	
Subscribed capital unpaid		-11,759,713.27			-11,760	
Called-up capital			8,692,286.73		8,692	
II. Capital reserve	(5)		**5,112,918.81**		**5,113**	
III. Revenue reserves						
Reserves as per Articles of Association	(6)		473,943,489.43		453,967	
IV. Unappropriated profit			**0.00**	**487,748,694.97**	**0**	**467,773**
B. Provisions	(7)					
1. Provisions for pensions and similar obligations			85,800,167.00		139,390	
2. Provisions for taxes			1,422,728.54		1,664	
3. Other provisions			265,710,452.91	**352,933,348.45**	223,478	**364,532**
C. Liabilities	(8)					
1. Liabilities to banks			228,487,532.93		224,063	
2. Advance payments received			2,369,111,730.79		2,173,663	
3. Trade payables			72,434,946.46		70,529	
4. Liabilities to affiliated companies			3,458,066.52		14,671	
5. Other liabilities			69,381,583.90	**2,742,873,860.60**	15,366	**2,498,292**
– of which relating to taxes €13,347,926 (2024: €15,545 thousand)						
– of which relating to social security €0 (2024: €0 thousand)						
D. Deferred income				**332,897.07**		**565**
				3,583,888,801.09		**3,331,162**
Off-balance sheet item	(9)					
Trust assets €677,791 (2024: €1,672 thousand)						

Profit and loss account

Profit and loss account for the period from 1 January to 31 December 2025

	Notes	2025		2024	
			in €		in €'000
1. Turnover	(10)	3,799,508,040		3,928,898	
2. Change in projects in process		228,521,591		– 7,956	
3. Other capitalised services	(1)	655,821		627	
Total operating performance			**4,028,685,452**		**3,921,569**
4. Other operating income	(11)		67,420,932		18,305
5. Cost of materials	(12)				
a) Purchased goods		212,415,139		200,843	
b) Purchased services		2,012,960,408	2,225,375,546	1,934,444	2,135,287
6. Personnel costs	(13)				
a) Wages and salaries		1,327,496,386		1,303,307	
b) Social security, retirement pension and support costs – of which in respect of retirement pensions: €96,248,615 (2024: €104,612,108)		312,418,604	1,639,914,990	315,275	1,618,582
7. Amortisation and depreciation of intangible and tangible fixed assets			19,296,340		18,813
8. Other operating expenses	(14)		197,736,774		134,795
9. Income from other securities and loans forming part of the financial assets			5,527		8
10. Other interest and similar income	(15)		16,259,337		17,242
11. Interest and similar expenses	(16)		9,164,743		9,992
12. Taxes on income	(17)		409,076		891
13. Earnings after taxes			**20,473,778**		**38,766**
14. Other taxes			497,611		438
15. Net profit for the year			**19,976,167**		**38,328**
16. Transfer to the reserves prescribed in the Articles of Association			–19,976,167		– 38,328
17. Unappropriated profit			**0**		**0**

The figures shown above may contain rounding differences of +/– one unit (€).

Notes to the accounts 2025

Notes to the balance sheet and the profit and loss account

As at the balance sheet date of 31 December 2025, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Bonn/Eschborn, qualifies as a large corporation within the meaning of section 267 (3) German Commercial Code (*Handelsgesetzbuch*, HGB). GIZ's annual statement of accounts is prepared in accordance with the provisions of the HGB for large corporations and the supplementary provisions of the German Limited Liability Companies Act (*GmbH-Gesetz*). The fiscal year corresponds to the calendar year. To improve the clarity of presentation, the item 'Project-related assets' has been added in the balance sheet. The profit and loss account is classified using the total cost method. The legally required information on the balance sheet and the profit and loss account is provided in the notes to the accounts.

As provided for in section 296 (2) sentence 1 HGB, GIZ is not required to draw up consolidated financial statements and a consolidated management report as its subsidiaries are of subordinate importance with regard to the company's statutory obligation to provide a true and fair view of its assets, financial position and income.

General notes on accounting and valuation methods

Accounting and valuation methods

The accounting and valuation methods used by GIZ have not changed compared with the previous year.

Fixed assets

Intangible and tangible assets

Intangible and tangible assets are shown at purchase or production cost less amortisation or depreciation based on the useful life of the assets as determined by the specific depletion of value in operating activities. Scheduled amortisation or depreciation is calculated on a straight-line basis (pro rata temporis). The following table sets out the useful lives of the main asset groups:

	Years
IT programmes, other rights	3 – 7
Business, operational and other buildings	5 – 50
Machinery and equipment	5 – 19
Other technical equipment, plant and machinery	4 – 10
Operating and office equipment	3 – 14

The Meander Building, the Campus in Bonn and the Campus in Eschborn are depreciated over 33 years, the office building in Berlin over 40 years and Campus Kottenforst in Bonn over 50 years. Land with buildings and rights of use in partner countries are depreciated over a period of between 8 and 20 years.

A collective item is formed in the year of purchase for low-value assets (LVA) with purchase costs between €250 and €1,000. This is depreciated on a straight-line basis over five years.

Grant-financed fixed assets are financed entirely through investment grants. Investment grants have been deducted from the acquisition costs.

Newly constructed buildings are capitalised at production cost. Production cost includes individually attributable costs from the deployment of personnel and an appropriate share of production overheads.

Financial assets

Financial assets are valued at the lower of purchase cost and fair value. Lower valuations are applied where sustained impairment is anticipated. If the reasons for recognising write-downs on financial assets in previous years no longer apply, those assets are written up.

Under 'Other loans,' the long-term loans provided to help staff purchase residential property for their own use were discounted at 2.5% per year. Otherwise, figures are shown at nominal value.

Current assets

Current assets are valued strictly at the lower of purchase or production cost.

Projects in process are recognised at purchase or production cost, including an appropriate portion of overhead costs. Advance payments made and receivables are stated at nominal value less any specific and general allowances.

'Project-related assets' is a special GIZ balance sheet item allowing a better insight into the company's assets and financial position. This item includes the cash and bank balances of projects, as well as receivables and corresponding liabilities.

Other assets are stated at their nominal value. In accordance with section 253 HGB, other assets with a remaining term of more than one year are discounted in line with their remaining term using the corresponding average market interest rate (published by the German Bundesbank) and shown at present value.

Cash in hand and bank balances are stated at nominal value unless a lower fair value measurement is required in individual cases.

Receivables and payables in foreign currencies

Long-term receivables and payables denominated in foreign currencies are valued at the lower or higher of cost or market, respectively. Short-term receivables and payables in foreign currencies as well as bank balances with terms to maturity of up to one year are translated using the average spot exchange rate on the balance sheet date. Non-convertible currencies are not translated or revalued. Receivables and payables that are denominated in foreign currencies and shown in the balance sheet under the item 'Project-related assets' are recognised using the exchange rate for the original posting. This is because these receivables and payables are always settled in the same foreign currency based on the euro equivalent on the date of the original posting.

Prepaid expenses

Expenses incurred before the reporting date are shown as 'prepaid expenses' if they relate to expenditure for a specific period after the reporting date.

Equity

Both subscribed capital and the capital reserve are shown at nominal value.

Provisions

Provisions are recognised at the settlement amount deemed necessary according to prudent business judgement. In calculating this amount, any direct compensation claims are deducted from the total obligation.

In fiscal year 2015, GIZ outsourced the company pension scheme entitlements accrued by its staff up to 30 June 2015 ('past service') under 'Collective bargaining agreement no. 3 covering retirement, invalidity and surviving dependants' pensions for Head Office employees' (old company pension scheme/alte bAV) to Deutscher Pensionsfonds AG. In 2016, the remaining entitlements were outsourced as at 1 September 2016 to GIZ Unterstützungskasse GmbH, which was formed in 2015.

The liabilities incurred up to 31 December 2015 under the collective bargaining agreement on pensions dated 1 March 2004 (bAV 2005) were outsourced to Deutscher Pensionsfonds AG in fiscal year 2017. Entitlements accrued from 1 January 2017 ('future service') are settled by GIZ Unterstützungskasse GmbH.

As outsourced pension obligations will be met in future by Deutscher Pensionsfonds AG and GIZ Unterstützungskasse GmbH, they are classified as indirect obligations.

GIZ has chosen to exercise the option provided for in Article 28 (1) sentence 2 of the Introductory Act to the German Commercial Code (EGHGB) to show indirect pension obligations as provisions in the balance sheet. On each reporting date, the total sum required in order to meet GIZ's pension obligations less all pension provisions established in GIZ's financial statements less the fair value of the assets held by the pension providers in the pension fund and provident fund must be disclosed as a funding deficit in the notes.

The main actuarial parameters used by GIZ as at 31 December 2025 are detailed in section (7) 'Provisions'.

One actuarially calculated provision (accident benefit) was valued according to the projected unit credit method, using the Heubeck 2018 G mortality tables of Prof. Dr Klaus Heubeck.

In accordance with section 253 (2) sentence 1 HGB, other provisions with a remaining term of more than one year were discounted in line with their remaining term using the corresponding average market interest rate (published by the German Bundesbank) for the previous seven fiscal years.

Liabilities and advance payments received

Liabilities are reported at their settlement amount.

Advance payments received are recognised at their nominal value.

Deferred income

Income before the reporting date is shown as 'deferred income' if it relates to income for a specific period after the reporting date.

Derivative financial instruments

Derivative financial instruments, as pending transactions, are generally not capitalised. Unrealised losses from derivative financial instruments are recognised as provisions and affect income unless those instruments form part of a valuation unit and the losses are offset by opposite movements in the value of the underlying transaction. Underlying transactions and their associated derivatives are combined into valuation units. These are recognised in the balance sheet using the net hedge presentation method.

Deferred taxes

Deferred taxes result from the following temporary differences:

Balance sheet item	31.12.2025 Difference between statutory and tax accounts	Tax rate	31.12.2025 Deferred taxes
	in €'000	in %	in €'000
Other receivables	94	28.4	27
Provisions for pensions and similar obligations	22,743	28.4	6,490
Other provisions	2,504	28.4	715
Other liabilities	2	28.4	1
	25,343	28.4	**7,233**

As at the balance sheet date, there were deferred tax assets of €7,233,000.

Deferred taxes are recognised on differences between the statutory accounts and the tax accounts if the differences are likely to be reversed over subsequent fiscal years. Deferred tax is calculated on the basis of an effective tax rate of 28.4% that is expected to apply when the differences are reversed. As a general rule, deferred tax assets and deferred tax liabilities are netted off against each other in the accounts. If the figure for deferred tax assets exceeds that for deferred tax liabilities on the balance sheet date, GIZ does not exercise the option to capitalise deferred tax assets provided for under section 274 (1) sentence 2 HGB.

Profit and loss account

Appropriation of profits

GIZ's Articles of Association stipulate that profits must only be used for those public-benefit purposes approved under the Articles of Association.

An amount equal to the annual net profit of €19.9 million was transferred to the reserves provided for in the Articles of Association.

Notes to the balance sheet

(1) Intangible and tangible assets

Changes in fixed assets are shown in the appendix to the notes (Changes in fixed assets in fiscal year 2025).

(2) Financial assets

In fiscal year 2015, GIZ formed its own provident fund under the name GIZ Unterstützungskasse GmbH (registered office in Bonn, Germany) and is the sole owner. As at 31 December 2025, the equity of GIZ Unterstützungskasse GmbH stood at €25,000. The net profit/loss for the fiscal year was €0.

Since 2010, GIZ has also held a 49% equity investment in sequa gGmbH, whose registered office is in Bonn. This holding is recognised at purchase cost (€535,862). In fiscal year 2024, the equity of sequa gGmbH totalled €4,972,880, with a surplus for the year of €0. As of this writing, the annual accounts as at 31 December 2025 were not yet available.

In fiscal year 2024, with the permission of our shareholder in accordance with Article 11.2.4 of the company's Articles of Association, GIZ acquired 20 shares in PD – Berater der öffentlichen Hand GmbH, each with a nominal value of €200. In fiscal year 2024, the equity of PD – Berater der öffentlichen Hand GmbH stood at €55,546,478 and its net profit at €14,445,931.

The item 'Securities held as fixed assets' contains a security-based investment fund established by GIZ at UBS. The securities are shown at their purchase cost of €202,667,845. As at the balance sheet date, the market value of the portfolio held in the security-based investment fund was €228,311,953.

(3) Inventories

Advance payments made

Of the total figure of €978,475,985, advances of €87,230,300 are covered by guarantees. A general allowance of 1% has been recognised for advance payments made. In total, advance payments made of €198,860,601 (previous year: €165,413,209) have a term of over one year.

Advance payments made by contract type	2025	2024
	in €	in €
Financing agreements	952,567,385	899,099,938
Service contracts	91,950,958	76,286,659
Procurement of materials and equipment	114,324,291	119,953,969
Funds administered by GIZ (twinning)	52,871	43,841
Other	315,200	85,824
Impairment	– 10,052,558	– 10,972,285
VAT not yet offset on advance payments made	– 14,297,889	– 16,845,736
Statistical offsetting of advance payments made	– 156,384,273	0
Total	**978,475,985**	**1,067,652,210**

The figures shown above may contain rounding differences of +/– one unit (€).

(4) Receivables and other assets

	2025				2024			
	Residual term				Residual term			
	less than 1 year	over 1 year	Total 2025	of which from shareholder[1]	less than 1 year	over 1 year	Total 2024	of which from shareholder[1]
	in €	in €	in €	in €	in €'000	in €'000	in €'000	in €'000
1. Trade receivables								
– Public-benefit business area	147,909,348	1,000	147,910,348	140,447,864	47,598	0	47,598	40,856
– InS	26,652,734	0	26,652,734	12,852,099	77,495	0	77,495	33,750
	174,562,082	**1,000**	**174,563,082**	**153,299,963**	**125,093**	**0**	**125,093**	**74,606**
2. Receivables from affiliated companies								
– Public-benefit business area	163	0	163	0	0	0	0	0
	163	**0**	**163**	**0**	**0**	**0**	**0**	**0**
3. Project-related assets								
– Cash and bank balances	160,454,406	0	160,454,406	0	64,763	0	64,763	0
– Partnership services advanced	25,210,890	0	25,210,890	0	27,298	0	27,298	0
– Receivables, other	150,881,880	0	150,881,880	0	152,004	0	152,004	0
– Liabilities, other	– 23,686,124	0	– 23,686,124	0	– 31,847	0	– 31,847	0
	312,861,052	**0**	**312,861,052**	**0**	**212,218**	**0**	**212,218**	**0**
4. Other assets								
Receivables								
– from premium, see (5)	0	4,090,335	4,090,335	4,090,335	0	4,090	4,090	4,090
– from rent advances abroad	2,364,724	21,350	2,386,074	0	2,633	6	2,640	0
– from staff for travel and other advances	2,157,750	470,490	2,628,240	0	3,516	463	3,979	0
– from the tax authorities	22,030,378	0	22,030,378	0	20,284	0	20,284	0
– Other	26,917,568	69,344,286	96,261,854	50,784,286	28,873	77,880	106,753	59,320
	53,470,422	**73,926,461**	**127,396,882**	**54,874,621**	**55,306**	**82,439**	**137,746**	**63,410**
	540,893,719	**73,927,461**	**614,821,179**	**208,174,584**	**392,617**	**82,439**	**475,057**	**138,016**

The figures shown above may contain rounding differences of +/– one unit (€).

Under German public price law, the pension fund top-up is chargeable to the shareholder over a number of years. The item 'Other assets' includes €50,784,286 in respect of the portion not yet reclaimed. As this is a long-term receivable over eight years, the amount is recognised at present value. 'Other assets' also includes the administrative costs credit since this item is by nature an advance payment. The administrative costs credit is accounted for separately and administered by Deutscher Pensionsfonds AG. The pension fund submits an annual report to GIZ on changes in the administrative costs credit and the current balance. As at 31 December 2025, the administrative costs credit was shown at historic cost (€18,560,000).

(5) Capital (through payment)

	2025	2024
	in €	in €
Subscribed capital	20,452,000	20,452,000
Capital reserve	5,112,919	5,112,919
Less:		
Subscribed capital unpaid	11,759,713	11,759,713
Premium due, see (4)	4,090,335	4,090,335

The item 'Subscribed capital unpaid' refers to those parts of the capital increase made in accordance with the shareholder resolution of 23 June 1978 (and entered in the commercial register) that have not yet been called up. The last two items should be regarded as risk capital and can be called up if needed subject to the approval of the shareholder.

(6) Reserves provided for in the Articles of Association

Changes in reserves provided for in the Articles of Association

	in €
Brought forward as at 1 January 2025	453,967,323
Net profit for the year transferred to reserves	19,976,167
Total as at 31 December 2025	**473,943,489**
Of which:	
– tied reserves	409,580,121
– untied reserves	64,363,368
	473,943,489

(7) Provisions

Provisions for pensions and similar obligations

Provisions are still recognised in respect of the pension liabilities outsourced from 2015 to 2017 under the old (pre-2005) company scheme (alte bAV) and the 2005 scheme. These provisions were frozen at the time of outsourcing at the level stated in the balance sheet.

Entitlements under the pre-2005 (alte bAV) and 2005 schemes are classed as indirect obligations. GIZ exercises the option granted under Article 28 (1) sentence 2 EGHGB to show these indirect pension obligations as balance sheet liabilities. On each reporting date, the total sum required in order to meet GIZ's pension obligations less all frozen pension provisions less the fair value of the assets held by the pension providers in the pension fund and provident fund must be disclosed as a funding deficit in the notes.

The corresponding settlement amounts were actuarially calculated using the average market interest rate for the last 10 years as published by the German Bundesbank, based on an expected remaining term of 15 years. As at 31 December 2025, the negative difference for the past service scheme was €19,532,553 compared with the figure based on discounting using the annual average interest rate for the last 7 years (2.21%). As at 31 December 2025, the negative difference for the future service scheme was €21,199,539. The arithmetic difference is negative because the 7-year annual average interest rate exceeds the 10-year annual average interest rate. The bar on distribution (section 268 (8) HGB), which applied in the previous year, therefore does not apply in the year under review.

The main actuarial parameters are listed in the following table.

	in %
Actuarial interest rate	2.05
Rate of pension increase during the qualifying period (2005 company pension scheme/bAV 2005)	4.49
Rate of pension increase during the qualifying period (pre-2005 company pension scheme/alte bAV)	3.08
Rate of increase in 2005 company pension scheme, annual	1.00
Rate of increase in old (pre-2005/alte bAV) company pension scheme, annual	1.00
Trend in social security contribution assessment ceiling, annual	3.00
Fluctuation, scaled according to age	0.00

The actuarial parameters were adjusted as at 31 December 2022. Excluding the fluctuation parameter has no impact on the calculation of the settlement amount for 'past service' and 'future service' under the 2005 pension scheme and no material impact on the calculation of the settlement amount for 'future service' under the old pension scheme (alte bAV).

Compared to the year-end figure for 2024, the funding deficit fell to €169,486,892.

	in €
Settlement amount	757,236,064
Pension fund assets	520,407,283
Frozen pension provisions	67,341,889
Funding deficit	**169,486,892**

As a result of the increased rate of interest since 2022, there was a funding surplus in respect of the indirect obligations to be settled by GIZ Unterstützungskasse GmbH (Bonn). This was mainly due to valuation gains as a result of a higher actuarial interest rate. In fiscal year 2025, the surplus was balanced by the partial reversal of the frozen pension provisions for 'future service'. As a result, there was neither a deficit nor a surplus at the year-end.

	in €
Settlement amount	578,966,639
Provident fund assets	27,081,441
Cash surrender value of employer's liability insurance	533,426,920
Frozen pension provisions	18,458,278
Funding deficit	**0**

Other provisions

Provisions for commitments in respect of phased retirement (Altersteilzeit) and benefits were determined in accordance with actuarial methods. Maturity-congruent average market interest rates for the previous seven fiscal years of 1.84% (previous year: 1.47%) and 2.21% (previous year: 1.95%) were used.

Obligations totalling €8,974,674 for phased-retirement schemes are covered by a fixed-term, non-interest-bearing deposit of €3,900,000 (cover fund). Fair value corresponds to cost.

Provisions for long-term working-time accounts are recognised at fair value in line with the rules for securities-based pension obligations pursuant to section 253 (1) sentence 3 HGB.

Other provisions with a remaining term of more than one year were discounted using the average market interest rate of the previous seven fiscal years in line with their remaining term.

The main other provisions recognised are listed in the following table:

	2025	2024
	in €	in €
Working-time accounts	113,970,049	108,104,702
Severance payments, phased retirement and salary back-payments	41,204,810	25,220,000
Warranty and costing risks	34,644,241	24,099,167
Outstanding administrative costs	25,864,400	11,352,423
Leave credits	19,091,359	18,902,060
Variable remuneration	14,251,819	16,272,166

At a meeting on 12 December 2024, GIZ's Management Board and Supervisory Board decided to implement a series of personnel reorganisation measures in order to maintain the company's capacity to perform and deliver services. The planned measures consist of a programme of mutually agreed severance and phased retirement agreements. Severance and phased retirement agreements were concluded with 500 people during the fiscal year under review. The severance and phased retirement programme ended in the fiscal year under review. In fiscal year 2025, a sum of €25,919,863 was added to the provision of €25,200,000 formed in the previous year, taking the total outstanding provision (after deducting amounts utilised in 2025) to €41,204,810. The provision for general warranty and costing risks was increased by €10,052,669 in light of the ongoing fragility and geopolitical tensions affecting the Middle East.

(8) Liabilities

	Residual term				
	< 1 year	> 1 year	of which > 5 years	Total 2025	of which to shareholder
	in €	in €	in €	in €	in €
1. Liabilities to banks	8,237,533	220,250,000	189,050,000	228,487,533	0
2. Advance payments received					
– Public-benefit business area	2,255,605,758	0	0	2,255,605,758	2,218,065,117
– InS	88,657,618	79,256,592	0	167,914,210	71,029,121
– Impairment	– 6,961	0	0	– 6,961	0
	2,344,256,415	**79,256,592**	**0**	**2,423,513,007**	**2,289,094,237**
Less					
– VAT not yet offset on advance payments received	– 54,401,276	0	0	– 54,401,276	– 53,242,668
	2,289,855,139	**79,256,592**	**0**	**2,369,111,731**	**2,235,851,569**
3. Trade payables	72,434,946	0	0	72,434,946	0
4. Liabilities to affiliated companies	3,458,067	0	0	3,458,067	0
5. Other liabilities	68,821,332	560,252	0	69,381,584	53,594,843
	2,442,807,017	**300,066,844**	**189,050,000**	**2,742,873,861**	**2,289,446,412**

	Residual term				
	< 1 year	> 1 year	of which > 5 years	Total 2024	of which to shareholder
	in €'000	in €'000	in €'000	in €'000	in €'000
1. Liabilities to banks	9,226	214,837	146,167	224,063	0
2. Advance payments received					
– Public-benefit business area	2,029,063	0	0	2,029,063	1,992,990
– InS	198,950		0	198,950	128,353
– Impairment	-15	0	0	-15	0
	2,227,998	**0**	**0**	**2,227,998**	**2,121,343**
Less					
– VAT not yet offset on advance payments received	-54,335	0	0	-54,335	-49,325
	2,173,663	**0**	**0**	**2,173,663**	**2,072,018**
3. Trade payables	70,529	0	0	70,529	0
4. Liabilities to affiliated companies	14,671	0	0	14,671	0
5. Other liabilities	14,685	681	23	15,366	0
	2,282,774	**215,518**	**146,190**	**2,498,292**	**2,072,018**

The figures shown above may contain rounding differences of +/– one unit (€).

The item 'Liabilities to affiliated companies' consists of other liabilities towards GIZ Unterstützungskasse GmbH. The year-on-year increase in other liabilities is mainly due to the reversal of the frozen pension provision in respect of 'future service'. The reversed amount was recognised in the year under review under other liabilities to the commissioning party.

Loan agreements

1. GIZ Bonn Campus loan

GIZ has a loan agreement with Postbank (a branch of Deutsche Bank AG) covering the purchase of land and construction of the GIZ Campus in Bonn. The agreement runs up to 2 January 2031. The loan amount of €104,037,000 was fully repaid in the year under review.

As security for this loan, a registered land charge of €84,037,000 plus annual interest of 15% and a one-off fee of 10% was entered in the land registry against the GIZ Campus in Bonn. An additional registered land charge of €65,100,000 plus annual interest of 15% and a one-off fee of 10% was entered against the Meander property. The registered land charge remains in place.

2. GIZ Eschborn Campus loan

GIZ has a loan agreement with Deutsche Bank AG covering the purchase of land and construction of the GIZ Campus in Eschborn. The agreement runs up to 28 February 2055. The loan amount is €230,000,000. The amount repayable by GIZ as at the reporting date was €228,050,000.

As security for this loan, a registered land charge of €230,000,000 plus annual interest of 15% and a one-off fee of 10% was entered in the land registry against the GIZ Campus in Eschborn. The registered land charges of €65,100,000 and €84,037,000 used as security for the loan under 1 (see above) were included as additional security for the overall exposure under both loans.

This property loan is covered by an interest rate swap agreement. For each quarter of the loan term, the agreed variable interest rate (fixed margin plus three-month EURIBOR) has been hedged by means of quarterly interest rate swaps adjusted to the repayment plan, each of which forms a single valuation unit with the associated loan. The interest rate swap agreement effectively converts the variable interest expenses on the property loan into fixed interest payments of 2.093% per annum.

Underlying transaction/hedge	Risk/type of valuation unit	Amount included
Variable loan interest payment/interest rate swap	Interest rate risk/ microhedge	€228,050,000

The underlying transaction is a variable-interest loan with a term up to February 2055. By this date, opposite movements in the valuations of the underlying transaction and the hedge are expected to balance each other out.

The prospective effectiveness of the hedge (i.e. for the planning period from inception of the hedge and on each balance sheet date up to expiry of the hedging relationship) was substantiated by matching the corresponding terms of the hedged transaction and the hedging instrument using the critical terms match method and documenting the results. All the parameters (nominal value, term and reference indices) match the underlying transaction and the hedging instrument.

The retrospective effectiveness of the hedge (i.e. the 'actual' figures on the balance sheet date) was substantiated using the critical terms match method. These items are recognised for accounting purposes using the net hedge presentation method.

(9) Off-balance sheet item: trust assets/trust liabilities

	2025	2024
	in €	in €
Intangible and tangible assets	677,791	1,672,492

Assets of €677,791 are matched by corresponding liabilities.

Notes to the profit and loss account

(10) Turnover

Turnover by business area

	2025	2024
	in €	in €
Business contracts	3,474,613,841	3,622,013,645
Grant-based (incl. GIZ-initiated measures with third-party financing)	34,075,289	32,480,762
Public-benefit business area	3,508,689,130	3,654,494,407
InS	290,818,910	274,403,295
	3,799,508,040	**3,928,897,702**

Turnover by location of commissioning party

	2025		2024	
	in €	in %	in €	in %
Federal Republic of Germany	3,714,551,192	98	3,824,806,595	97
Rest of Europe	70,956,724	2	91,824,387	2
Africa	– 3,595	0	0	0
Americas	6,531,725	‹ 1	3,974,013	‹ 1
Asia	7,471,994	‹ 1	8,292,707	‹ 1
	3,799,508,040		**3,928,897,702**	

Turnover by region of activity

	2025		2024	
	in €	in %	in €	in %
Africa	1,308,623,697	34	1,192,868,308	30
Americas	220,567,783	6	241,342,003	6
Asia	746,260,815	20	822,613,849	21
Europe	497,311,398	13	432,423,943	11
Oceania	4,119,834	‹ 1	9,424,766	‹ 1
Supraregional	1,022,624,513	27	1,230,224,833	31
	3,799,508,040		**3,928,897,702**	

Turnover by commissioning party in the public-benefit business area (in addition to allocation-based business):

	2025 in €	2024 in €
Federal Ministry for Economic Cooperation and Development	3,073,938,353	3,200,925,668
Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection	236,949,182	95,647,318
Federal Foreign Office	92,168,570	113,353,767
Federal Ministry for Economic Affairs and Climate Action	52,173,418	193,097,549
Engagement Global gGmbH	26,794,453	27,415,993
European Investment Bank	5,782,145	3,296,003
Federal Ministry for Digital and Transport	2,849,698	2,645,339
Federal Office for Migration and Refugees	1,914,495	2,336,675
Federal Ministry for Labour and Social Affairs	1,671,232	1,199,426
Other turnover	14,447,584	14,576,669
	3,508,689,130	**3,654,494,407**

Turnover by commissioning party at InS:

	2025 in €	2024 in €
Federal Foreign Office	78,878,812	52,594,283
European Union	47,814,408	60,017,597
BMZ (InS)	25,913,070	31,247,010
Federal Ministry for Economic Affairs and Climate Action	24,210,120	31,736,047
Federal Office for Migration and Refugees	20,192,906	18,149,953
Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection	18,778,190	230,916
Federal Ministry of Education and Research	10,109,691	7,346,959
German Aerospace Center	3,993,217	4,872,636
Federal Employment Agency (Triple Win)	3,538,003	5,921,850
Other turnover	57,390,493	62,286,044
	290,818,910	**274,403,295**

(11) Other operating income

Breakdown of other operating income

	2025 in €	2024 in €
Income from reversal of provisions	58,000,388	6,782,787
Income from administration cost refunds	4,101,437	2,912,619
Income from reversal of impairment losses	1,922,897	3,629,169
Income from foreign currency valuations	1,489,253	1,577,508
Income from insurance refunds	207,870	1,783,987
Other income	1,699,087	1,618,768
	67,420,932	**18,304,838**

Income not related to the period under review totalled €59,843,155 (previous year: €12,258,185). This income is mainly due to reversals of provisions, reversals of impairment losses on receivables and income from insurance refunds.

(12) Cost of materials

	2025	2024
	in €	in €
Cost of purchased goods	212,415,139	200,842,598
of which materials and equipment purchased through Head Office	116,972,598	102,982,657
of which materials and equipment purchased by projects	91,496,034	93,792,296
Cost of purchased services	2,012,960,407	1,934,443,538
of which other external services	1,486,484,573	1,386,405,182
of which costs incurred by projects	249,570,444	271,877,791
of which financial contributions and grants	123,097,455	97,152,942
	2,225,375,546	**2,135,286,136**

(13) Personnel costs

	2025	2024
	in €	in €
Wages and salaries	1,327,496,386	1,303,307,170
of which project staff	568,639,682	560,485,552
of which national staff	386,091,739	387,406,187
of which Head Office staff	333,469,963	306,616,622
Social security, retirement pension and support costs	312,418,604	315,274,562
of which project staff	133,067,785	132,171,757
of which Head Office staff	86,066,731	78,581,877
of which national staff	69,626,982	71,868,288
of which pension fund top-up	9,035,733	9,035,733
	1,639,914,990	**1,618,581,732**

The total costs for GIZ Unterstützungskasse GmbH were €23,657,106 (previous year: €23,616,907).

The increase in personnel costs was mainly due to additional provisions for personnel reorganisation.

(14) Other operating expenses

Breakdown of other operating expenses

	2025	2024
	in €	in €
Office operating costs	47,404,233	37,035,208
Offices	27,498,789	29,010,732
Consulting, appraisal and translation services	23,355,440	25,944,697
Provisions, e.g. for warranty and price risks	16,864,611	7,325,532
GIZ and external personnel	11,623,245	11,970,538
Foreign currency valuations	3,733,822	638,022
Impairment	2,048,273	1,129,503
Other expenses	65,208,360	21,740,488
	197,736,774	**134,794,720**

The item includes €180,558 for the audit of the annual statement of accounts and €2,774,198 for other services provided by the external auditor, mainly audits of the proper use of funds (partly charged on to the audited projects).

Expenses not related to the period under review totalled €80,283,050 (previous year: €26,700,475). These expenses mainly consist of a repayment obligation to GIZ's shareholder due to the reversal of the frozen pension provision.

The item 'office operating costs' includes ongoing IT operating costs, which rose by €11 million year on year.

(15) Other interest and similar income

This item mainly relates to interest income of €15,486,085 (previous year: €16,837,897) on bank deposits. The interest on pension provisions was €500,068 (previous year: €359,863).

(16) Interest and similar expenses

These expenses relate primarily to interest charges of €9,526,913 (previous year: €9,617,220) in respect of liabilities. Interest expenses for the compounding of long-term provisions came to €402,953 (previous year: €330,557).

(17) Taxes on income

	2025	2024
	in €	in €
Corporation tax		
– income previous year	796,434	1,621,702
– expense current year	240,950	–1,280,854
– expense previous year	–990,933	–835,311
Trade tax current year	–455,527	–313,141
Trade tax previous year	0	–83,190
	–409,076	**–890,794**

The income and expenses shown in the above table for corporation tax and trade tax refer to GIZ's taxable business area, InS. With regard to its activities strictly linked to the corporate purpose, GIZ is not subject to corporation tax (section 5 (1) no. 9 German Corporation Tax Act, KStG) or trade tax (section 3 no. 6 German Trade Tax Act, GewStG).

Germany's Minimum Taxation Directive Implementation Act, which was published on 27 December 2023, is not expected to have any impact on GIZ's results.

Significant events after the balance sheet date

There were no significant events after the balance sheet date of 31 December 2025.

Other information

Company law

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (registered offices in Bonn and Eschborn) is entered in the Commercial Register maintained by the District Court of Bonn under HR B 18384 and in the Commercial Register maintained by the District Court of Frankfurt am Main under HR B 12394.

Total other financial commitments

Other financial commitments totalled €74,096,063.

Commitments under commercial leases

Commitments under commercial leases for office premises, parking spaces and IT equipment (2026–2029) stood at €22,599,954. Of this total, €18,194,676 is payable in 2026.

Purchase commitments for investment projects

As at the balance sheet date, purchase commitments for investment projects totalled €347,666.

Obligations to affiliated companies

The company's provident fund, GIZ Unterstützungskasse GmbH, has set up two payment plans (Leistungsplan II and III). GIZ provides it with the funds needed to make pension payments under these plans. In the fiscal year under review, this amount was €50,758,067 (previous year: €60,870,620). The payment plan concluded in 2015 was cancelled in 2017.

Contingent liabilities

GIZ is a member of several consortia in which it cooperates with partners from various EU and other countries to jointly win contracts and implement project measures in various fields (procurement of materials and equipment and delivery of services).

In all these consortia, each member is jointly and severally liable to the client. GIZ's liability is minimised on account of its lead role and its provision of project funds as projects progress. Therefore, claims are not expected. As at the balance sheet date, there were nine consortia in all. GIZ has the lead role in three of these consortia.

As at 31 December 2025, the risk arising from participation in the consortia amounted to €390,376 (previous year: €307,998). Based on the experience of recent years, claims are not expected.

Average number of employees during the year

	2025	2024
Germany-based staff	2,876	2,949
Project staff (Germany)	2,825	2,935
Field staff	2,394	2,534
Total GIZ employees (excluding national staff)	**8,095**	**8,418**
National staff	15,959	16,408
Total GIZ personnel	**24,054**	**24,826**

Supervisory Board and Management Board

Supervisory Board

Chair	**Jochen Flasbarth**	State Secretary, German Federal Ministry for Economic Cooperation and Development (up to 20 June 2025)
	Niels Annen	State Secretary, German Federal Ministry for Economic Cooperation and Development (from 20 June 2025)
First Deputy Chair	**Louisa Ameyo Agossivi Sedjro**	Programme Manager, GIZ
Second Deputy Chair	**Dr Wibke Thies**	Senior Country Manager, GIZ
	Felix Banaszak	Member of the German Federal Parliament (up to 3 January 2025)
	Susanne Baumann	State Secretary, German Federal Foreign Office (up to 4 June 2025)
	Ines Born	Ministry Coordinator, Unified Service Sector Union (ver.di), National Office
	Jochen Flasbarth	State Secretary, German Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (from 20 June 2025)
	Sandra Fuhr	Project Manager, GIZ (from 1 January 2025)
	Dr Inge Gräßle	Member of the German Federal Parliament (from 2 September 2025)
	Bettina Hagedorn	Member of the German Federal Parliament (up to 10 July 2025)
	Anja Hajduk	State Secretary, German Federal Ministry for Economic Affairs and Climate Action, Berlin (up to 2 September 2025)
	Michael Hinterdobler	Deputy Director General, Head of Division, Bavarian State Chancellery (up to 25 February 2025)
	Stephanie Jacobs	Director General, Bavarian State Chancellery (from 25 February to 21 November 2025)
	Michael Köller	Representative of the German Foundation for International Development (DSE), Bavarian State Chancellery (from 17 February 2026)
	Carsten Körber	Member of the German Federal Parliament (up to 2 September 2025)
	Judith Kordon	Specialist, GIZ
	Dr Bernhard Kotsch	State Secretary, German Federal Foreign Office (from 4 June 2025)

Ricarda Lang	Member of the German Federal Parliament (from 4 February to 2 September 2025)
Siemtje Möller	Member of the German Federal Parliament (from 2 September 2025)
Claudia Raffelhüschen	Member of the German Federal Parliament (up to 2 September 2025)
Dr Christiane Rohleder	State Secretary, German Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (up to 4 June 2025)
Sascha Rusgiarto	Risk Management Specialist, GIZ
Steffen Saebisch	State Secretary, German Federal Ministry of Finance (up to 11 June 2025)
Marcel Schmelz	Director, Unified Service Sector Union (ver.di), Wiesbaden Division
Jeanette Schwamberger	State Secretary, German Federal Ministry of Finance (from 11 June 2025)
Dr Julius Spatz	Director, Asia II Division, GIZ
Dr Thomas Steffen	State Secretary, German Federal Ministry for Economic Affairs and Energy (from 2 September 2025)
Dr Wolfgang Stefinger	Member of the German Federal Parliament (from 2 September 2025)
Daniela Suttner	Deputy Head of Regional Division, Unified Service Sector Union (ver.di), Hesse Regional Division
Katrin Uhlig	Member of the German Federal Parliament (from 2 September 2025)
Michael Köller	Representative of the German Foundation for International Development (DSE), Bavarian State Chancellery (from 17 February 2026)
Arthur Richard Wallach	Portfolio Manager, GIZ

Management Board

Thorsten Schäfer-Gümbel

Chair of the Management Board and Labour Relations Director; Departments: Asia, Pacific, Latin America, Caribbean; Client Liaison and Business Development; Procurement, Property, Contracting, Language Services; Human Relations Corporate Units: Academy for International Cooperation; Compliance and Integrity; Corporate Development; Corporate Communications

Ingrid-Gabriela Hoven

Deputy Chair of the Management Board
Departments: Europe, Mediterranean, Central Asia; Sector and Global Programmes; Sectoral Department; Finance
Corporate Units: Evaluation; Corporate Security

Anna Sophie Herken

Member of the Management Board
Departments: Africa; International Services; Digital Transformation and IT Solutions
Corporate Units: Information Governance; Legal Affairs and Insurance; Auditing

Remuneration

The remuneration received by members of the Management Board generally includes a fixed salary and a variable component. For members of the Management Board currently employed, the total remuneration in fiscal year 2025 was €865,946.

As at 31 December 2025, GIZ had an employer-financed provident fund commitment totalling €150,023 towards currently serving members of the Management Board. In 2025, GIZ transferred €232,491 to Alte Leipziger Unterstützungskasse e. V. in order to fund these pension commitments.

	Fixed salary	Additional benefits	Variable remuneration	Total	Retirement pension costs
	in €	in €	in €	in €	in €
Thorsten Schäfer-Gümbel	258,000	6,248	28,800	293,048	134,490
Ingrid-Gabriela Hoven	245,000	13,234	28,800	287,034	–
Anna Sophie Herken	245,000	12,064	28,800	285,864	98,000
Total	**748,000**	**31,546**	**86,400**	**865,946**	**232,490**

In 2025, members of the Supervisory Board were solely reimbursed for their travel costs of €13,604. There was no further remuneration. No benefits were paid to former members of the Management Board during the year under review.

A provision of €328,633 has been recognised to cover transitional allowances for former managing directors and former members of the Management Board. Transitional allowance payments in fiscal year 2025 totalled €167,814. Indirect pension obligations towards former managing directors and former members of the Management Board totalled €12,803,787.

Loans to organs of the company

There are no loans to organs of the company.

Declaration of conformity by the Supervisory Board and Management Board

The Supervisory Board and Management Board declare that the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH has complied and will continue to comply with the regulations and recommendations set out in the Public Corporate Governance Code of the Federal Republic of Germany except in those cases set out in section III of this report.

Bonn/Eschborn, 26 May 2026

The Management Board

Thorsten Schäfer-Gümbel
Chair of the Management Board

Ingrid-Gabriela Hoven
Deputy Chair of the Management Board

Anna Sophie Herken
Member of the Management Board

Changes in fixed assets (gross figures)

	Cost of acquisition						Amortisation and depreciation					Carrying amounts	
	Brought forward 1.1.2025	Grant-financed[1] fixed assets Additions	Additions	Reclassification	Retirements	Carried forward 31.12.2025	Brought forward 1.1.2025	In the fiscal year	Additions	Retirements	Carried forward 31.12.2025	31.12.2025	31.12.2024
	in €	in €	in €	in €	in €	in €	in €	in €	in €	in €	in €	in €	in T€
I. Intangible assets													
1. Purchased concessions, industrial property rights and similar rights and assets as well as licences to such rights and assets	11,414,424	0	345,757	0	2,497	11,757,684	9,585,431	998,159	0	2,497	10,581,092	1,176,591	1,829
2. Advance payments made	0	0	0	0	0	0	0	0	0	0	0	0	0
	11,414,424	0	345,757	0	2,497	11,757,684	9,585,431	998,159	0	2,497	10,581,092	1,176,591	1,829
II. Tangible assets													
1. Land, land rights and buildings including buildings on third-party land	391,235,990	0	78,069,640	173,910,073	0	643,215,703	116,910,141	10,672,618	0	0	127,582,759	515,632,943	274,326
2. Other plant, operating and office equipment	72,668,849	198,392	5,759,540	0	741,121	77,687,268	49,737,376	7,625,564	0	647,967	56,714,973	20,972,296	22,931
3. Advance payments made and assets under construction	173,910,073	0	0	-173,910,073	0	0	0	0	0	0	0	0	173,910
	637,814,911	198,392	83,829,179	0	741,121	720,902,969	166,647,517	18,298,182	0	647,967	184,297,732	536,605,239	471,167
III. Financial assets													
1. Shares in affiliated companies	25,000	0	0	0	0	25,000	0	0	0	0	0	25,000	25
2. Participating interests	539,862	0	0	0	0	539,862	0	0	0	0	0	539,862	540
3. Securities held as fixed assets	202,667,845	0	0	0	0	202,667,845	0	0	0	0	0	202,667,845	202,668
4. Other loans	86,208	0	0	0	27,848	58,361	8,107	0	0	0	8,107	50,254	78
	203,318,915	0	0	0	27,848	203,291,068	8,107	0	0	0	8,107	203,282,961	203,311
	852,548,251	**198,392**	**84,174,936**	**0**	**771,466**	**935,951,721**	**176,241,055**	**19,296,340**	**0**	**650,464**	**194,886,931**	**741,064,792**	**676,307**

[1] Acquisition costs were offset against the investment grants.
The figures shown above may contain rounding differences of +/- one unit (€).

03 Auditor’s report

Independent auditor's report

To the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Bonn/Eschborn, Germany

Audit opinions

We have audited the annual financial statements of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Bonn/Eschborn, which comprise the balance sheet as at December 31, 2025, and the statement of profit and loss for the financial year from January 1 to December 31, 2025, and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, for the financial year from January 1 to December 31, 2025. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f Abs. [paragraph] 4 HGB [Handelsgesetzbuch: German Commercial Code] (disclosures on the quota for women on executive boards).

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2025 and of its financial performance for the financial year from January 1 to December 31, 2025 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the audit opinions

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. 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.

Other information

The executive directors are responsible for the other information. The other information comprises the statement on corporate governance pursuant to § 289f Abs. 4 HGB (disclosures on the quota for women on executive boards) as an unaudited part of the management report.

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

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

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

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

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

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They have the responsibility for disclosing, as applicable, matters related to a going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

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

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

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

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

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

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

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

- Obtain an understanding of internal control 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 these systems of the Company.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Frankfurt am Main, 26 May, 2026

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

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Wirtschaftsprüfer
(German Public Auditor)

sgd. ppa. Claudia Burck
Wirtschaftsprüferin
(German Public Auditor)

Further reports of GIZ

Integrated Company
Report 2025

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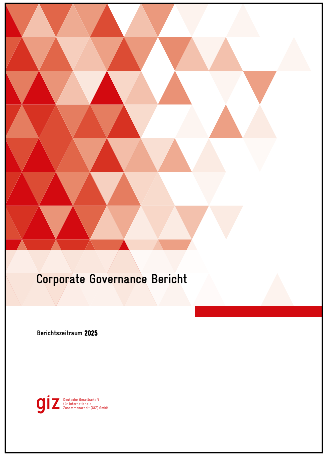

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Corporate governance
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