

Press Release

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Another Sustainable Debut Transaction

LBBW Issues its First Own Social Bond

LBBW has successfully placed its first social bond on the market. The senior non preferred issue has a volume of EUR 500m and a term of eight years. The bank will use the issue proceeds to fund projects that deliver social value. Examples of these include health care and social services projects such as hospitals, university hospitals, doctors' surgeries, care homes and homes for people with disabilities. Funding can also go to kindergartens, schools, vocational training programs and local infrastructure projects and services such as public transport or water supply. LBBW's total social bond portfolio comes to over EUR 2.7bn.

"This bond marks another step in our sustainable issuing activities. As a bank with a clear sustainability strategy, our aim is to be one of the pioneers of social bonds in Germany," explained Dr Christian Ricken, the member of LBBW Board of Managing Directors in charge of capital market activities. He went on: "LBBW is one of the first financial institutions to have a social bond program. Our goal is to develop the market for sustainable bonds as a whole and actively promote it."

This aligns LBBW with international standards. Back in 2014, it signed the ICMA (International Capital Market Association)

Green Bond Principles. A Social Bond Framework in line with the ICMA Social Bond Principles followed in 2019. In particular, this framework governs transparency when using funds and impact reporting. This creates security and guidance for investors who want to invest their funds in “social assets”.

LBBW has been active in the area of sustainable issues for a long time, managing green bonds and green schuldscheins for companies such as innogy, Mann+Hummel and Porsche as well as own issues. In 2017, the bank issued its first own green bond with a volume of EUR 750m. In May 2019, LBBW placed its first own green mortgage-backed covered bond in USD with a volume of USD 750m. These were followed by two unsecured green senior non-preferred bonds with a volume of EUR 750m in May and EUR 500m in July of this year.

Further information on LBBW's social bond program can be found at:

www.LBBW.de/socialbond