

23 March 2021

Bundling Group-wide responsibility

Cara Schulze becomes new Head of Sustainability

On 1 April, Cara Schulze will assume Group-wide responsibility for sustainability at LBBW. She succeeds Thomas Rosenfeld, who took on this assignment in 2017.

In her new, additional role, Cara Schulze will report directly to Chairman of the Board of Managing Directors Rainer Neske. The lawyer will remain Chief Operating Officer (COO) of LBBW's Capital Markets Business and head of the staff unit of this business area. Alongside business focus, digitalization, and agility, sustainability has been one of LBBW's four strategic cornerstones since 2017.

"Ms Schulze has already been in charge of sustainability in the capital markets business. As our new Head of Sustainability, she will now also focus on the impact of sustainability across all areas of the business and the bank's risk management. She satisfies all the requirements for the role with her longstanding experience of managing complex issues," says Chairman of LBBW's Board of Managing Directors Rainer Neske.

Cara Schulze succeeds Thomas Rosenfeld, who held this position alongside his role as Member of the Board of Managing Directors of BW-Bank and Managing Director of LBBW Asset

and Wealth Management. “I’d like to thank Thomas Rosenfeld for the work he has accomplished around our cornerstone of sustainability,” says Rainer Neske. “He and his great many co-workers have successfully driven this strategically important topic forward within the company.”

Cara Schulze joined LBBW in 2019. Her previous roles included 13 year as a Managing Director for Barclays Investment Bank. After passing the second state examination in 1997, she started her career at the audit firm PwC in the UK. “Combining banking business and sustainability for the success of LBBW is a matter close to my heart,” says Cara Schulze. “We have an outstanding position on the banking market for sustainability, but we need to keep working hard to retain our top position. “It is particularly important to work together throughout the Group across all levels and divisions in an interdisciplinary way.”

LBBW a pioneer in many fields

Sustainability has a long history at LBBW. In 1992, the bank was one of the first to release an environmental report. Sustainability has been one of the bank’s four strategic cornerstones since 2017. Its significance therefore reaches well beyond the optimization of the bank’s own business operations. Because customers’ demand for sustainable solutions and advice relating to both financing and investment has been increasing rapidly for years, sustainability has taken a central position in the banking business.

LBBW sees itself as a pioneer in many fields. For example, it is the leading ESG issuer among European commercial banks with an outstanding volume of its own green and social bonds of more than EUR 6.5bn (ESG = environmental, social & governance criteria). In addition, LBBW is one of the leading addresses for supporting ESG bond issues for financial

institutions, supranationals and agencies. It recently acted as lead manager for two social bonds issued by the European Union as part of the SURE program with a total volume of EUR 22.5bn. In March 2021, LBBW was also lead manager for the state of Baden-Württemberg's first green bond issue.

Clear priority in the years ahead

However, LBBW is successful not only in the "green capital market," but also in corporate clients business. In 2020, LBBW was involved in a large amount of sustainable corporate financing in Germany, including high-volume transactions with a sustainability component for prominent customers such as Dürr and Voith. Also last year, LBBW established a Sustainability Advisory Team that provides companies with comprehensive advice regarding the development of sustainable business models and the selection of suitable financing tools. With regard to investment, LBBW is expanding its advisory services and product range for sustainable investments. It currently manages customer funds of EUR 23bn in line with sustainability criteria. This volume is expected at least to double by 2025.

"Sustainability will therefore remain a clear priority in our work throughout the bank in the years ahead," says Cara Schulze. For example, sustainability will be implemented to an even greater degree in credit risk management. LBBW is already classifying significant parts of its credit portfolio. This will be expanded further in the years to come, forming the basis for the sustainable transformation of the portfolio in line with ESG criteria. The bank also continues to set itself ambitious targets with regard to its own environmental footprint. By investing in forestation projects via a fund, LBBW has been carbon neutral since the start of the year. But prevention is better than

compensation. The plan is therefore to reduce CO2 emissions by another 10% this year.