



Impact and Allocation Reporting

BayernLB Sustainable Financing Framework

As of December 31 2020

Purpose

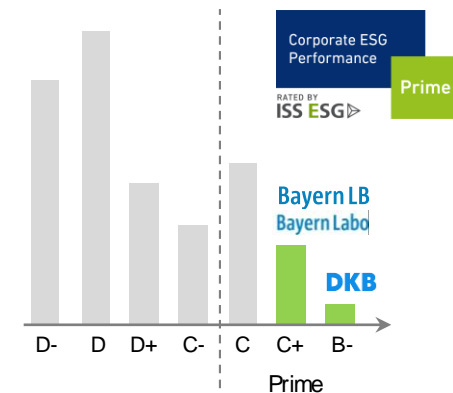
- › BayernLB has been **actively engaged in the promotion of sustainability** for 25 years, achieving **numerous milestones** along the way
- › The latest addition has been the implementation of the **“Sustainable Financing Framework” in February 2020** and the subsequent issue of Green Bonds primarily to private savings banks customers
- › Today, **every issuing entity of the BayernLB Group has implemented a sustainable financing framework** with focus on “green” / “social” or even both
- › Following the **ICMA Green Bond Principles**, BayernLB has promised in its “Sustainable Financing Framework” to publish an annual reporting on its efforts to promote sustainability with the funds provided by investors
- › With this document, BayernLB intends to deliver on this promise and provide the investors with a **comprehensive, transparent and understandable report** on its sustainable loan portfolio as well as on its related, outstanding debt instruments

Prime Status

Awarded by ISS ESG and held by BayernLB since 2006 (first sustainability rating in 2000)

Industry Leader

BayernLB, DKB and BayernLabo are ranked among the leading, sustainable banks in their sector





More than 2,700 MW
installed capacity (plus
more than 800 MW
under construction)
generating around 5.7 m
MWh



1.3 m tons CO₂
emissions saved in 2020



2,663 EURm
Sustainable Loan
Portfolio



194.4 EURm Green
Bonds outstanding as of
December 31 2020

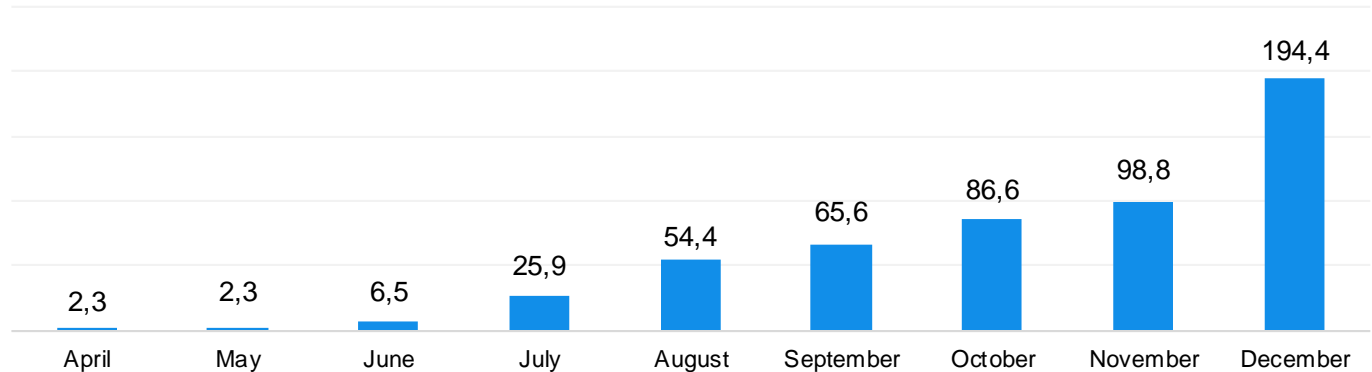
Portfolio and Impact

Sustainable Debt Instruments Outstanding

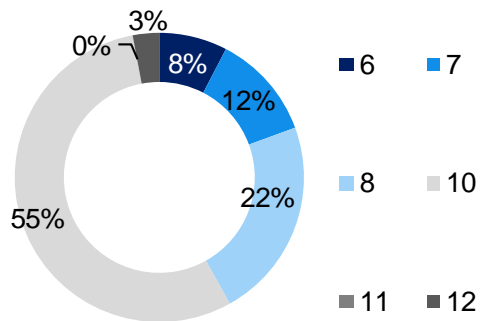
ISINs

- › DE000BLB8238
- › DE000BLB8246
- › DE000BLB8253
- › DE000BLB83J5
- › DE000BLB83K3
- › DE000BLB83L1
- › DE000BLB8063
- › DE000BLB8071
- › DE000BLB80S2
- › DE000BLB8162
- › DE000BLB8170
- › DE000BLB8188
- › DE000BLB81T8
- › DE000BLB81U6
- › DE000BLB81V4
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- › DE000BLB82L3
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- › DE000BLB83X6
- › DE000BLB9MY7

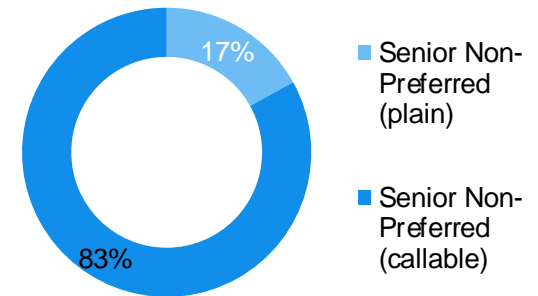
Development volume (as of December 31 2020, EURm)



Breakdown by tenor (in years)



Breakdown by type



Renewable Energy Portfolio

Overall Sustainable Loan Portfolio

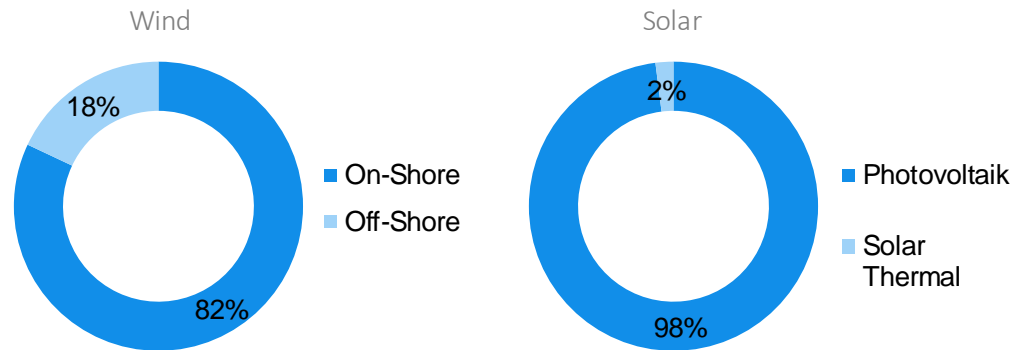


1,858 EURm

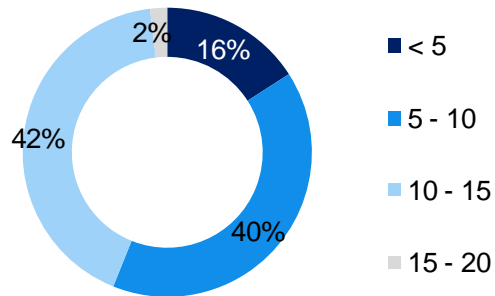


805 EURm

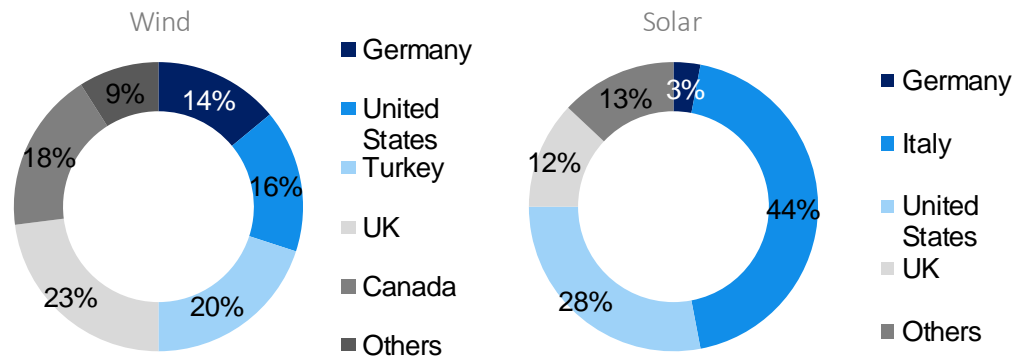
Technological split (in EURm)



Tenor (in years)



Geographical split



Impact

	Number of loans	Amount (EURm)	Share of Total Portfolio Financing	Eligibility for green bonds	Average portfolio lifetime (years)	Pro-rata installed capacity (MW)	Annual electricity production (MWh)	Annual GHG emissions avoided (tCO ₂)
Wind/Solar Projects	125	2,143	80.5%	100%	9.06	2,756	5,667,559	1,290,969
Projects under construction	22	520	19.5%	100%	7.22	813	1,804,254 (expected)	421,087 (expected)

Total

Methodology:

1. In most cases, BayernLB does not finance the entire project. To calculate BayernLB's share of the installed capacity, we adjust the total installed capacity of each project with BayernLB's share of the total credit volume
2. To approximate the annual electricity generation, we adjust the installed capacity to the average MWh generated for each MW of installed capacity for the individual country, year and technology (e.g. a German off-shore wind farm produced on average 3,044 MWh for each MW of installed capacity in 2018, based on data from IRENA available here <https://irena.org/Statistics>)
3. To conservatively estimate the annual CO₂-savings, we multiply the total annual energy generation in MWh with a CO₂ intensity per MWh of 0.275 tons. For comparison, investors can look up common CO₂ intensities here <https://www.iea.org/data-and-statistics/charts/co2-intensity-of-selected-countries-1990-2017> or here <https://www.iea.org/commentaries/tracking-the-decoupling-of-electricity-demand-and-associated-co2-emissions>.
4. In addition we reduce the calculated CO₂-savings by the life cycle CO₂ emissions from wind and solar power plants. Estimations for this factor varies widely over time and in different studies. In our calculation we reduce the saved CO₂ by 20 g/KWh for wind and 50 g/KWh for solar power plants

Project Examples



Global Tech I



- › Global Tech I is one of the first “far-offshore” windparks in the North Sea and is comprised of 80 wind turbine generators.
- › With an annual eco-friendly energy production of 1.4 million MWh the plant delivers the average electricity consumption of 450.000 households avoiding emissions of 560 thousand tons of CO2.
- › The project profits from the German feed-in tariff EEG.

Key Project Data

Installed capacity	400 MW
Amounts	EUR 520m (BLB Share EUR 124m)
BayernLB role	Mandated Lead Arranger & LC Issuing Bank
Timing	In operation since 2015
Location	Germany
Financing set-up	Consortium of 8 banks



Juno Solar



- › In the midst of the COVID-19 pandemic, BayernLB provided a 1-year construction loan and letter of credit facility for Juno photovoltaic solar project.
- › It was the inaugural project financing sponsored by SB Energy (affiliate of Softbank Group Corp.) in the U.S., being part of the company's recently acquired 1.7 GW solar development portfolio.
- › The construction loan will be repaid at COD with proceeds from a Tax equity investment (23%) guaranteed by Barclays Bank PLC and a Term Loan (77%) from Global Atlantic Financial Group Ltd.

Key Project Data

Total Installed Capacity	300 MW
Amounts	USD 398.5m (BLB Share USD 76.1m)
BayernLB Role	Mandated Lead Arranger
Timing	Entry into service mid-2021
Location	USA (Borden County, Western Texas)
Financing set-up	Consortium of 5 banks

Disclaimer

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