

Impact and Allocation Reporting

BayernLB Sustainable Financing Framework

As of December 31 2021

Purpose

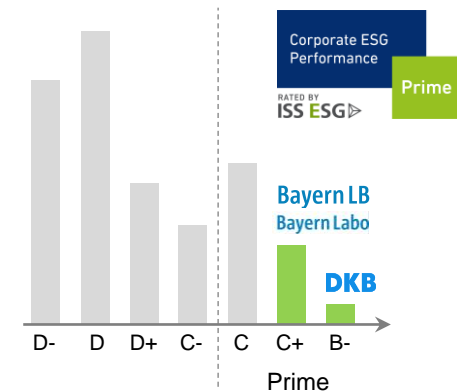
- › BayernLB has been **actively engaged in the promotion of sustainability** for 25 years, achieving **numerous milestones** along the way
- › In February 2020, BayernLB published the **“Sustainable Financing Framework”** and the subsequent issue of Green Bonds private savings banks customers as well as institutional investors
- › 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 2.800 MW
installed capacity (plus
more than 300 MW
under construction)
generating around 6.5 m
MWh



1.6 m tons CO₂
emissions avoided in
2021



2,896 EURm
Sustainable Loan
Portfolio



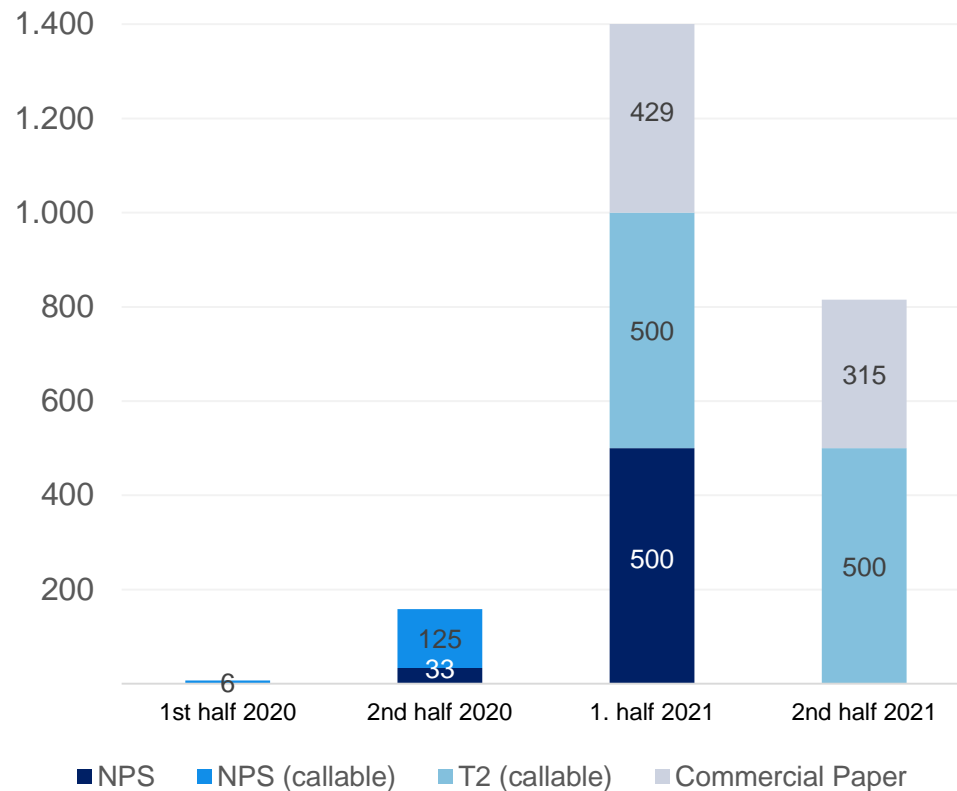
2,408 EURm green
funding outstanding as of
December 31 2021

Portfolio and Impact

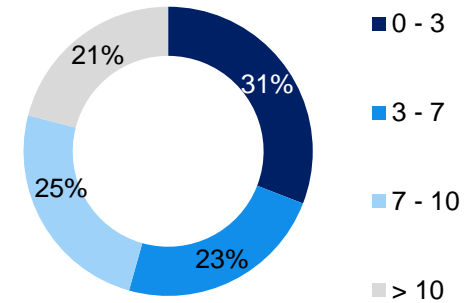
Sustainable Debt Instruments Outstanding

Issuing activity (outstanding, EURm)

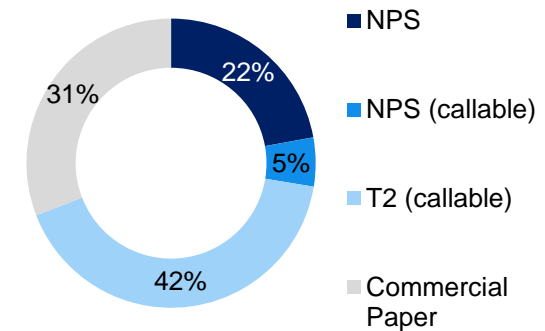
Total amount outstanding: 2,408 EURm



Breakdown by tenor (in years)



Breakdown by type



Renewable Energy Portfolio

Overall Sustainable Loan Portfolio

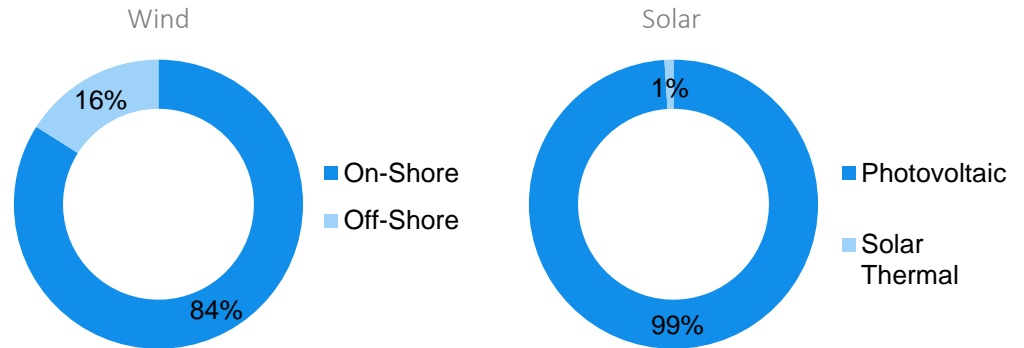


1,878 EURm

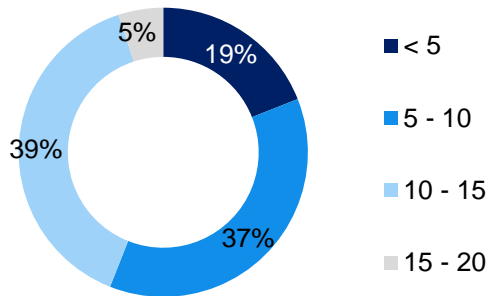


1,018 EURm

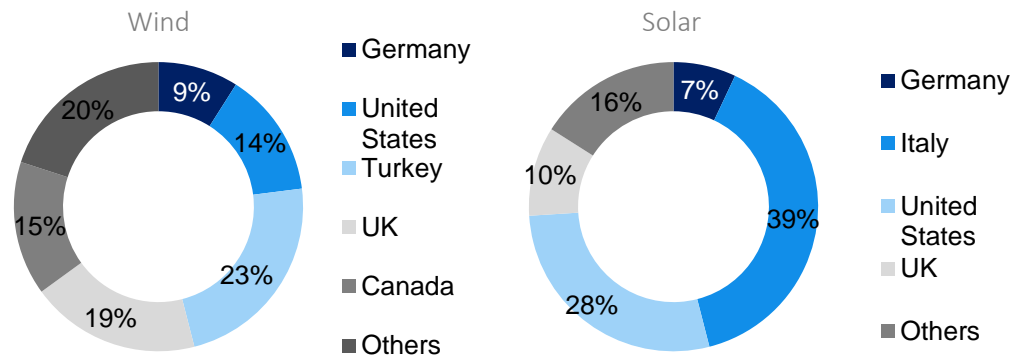
Technological split (in EURm)



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	142	2,712	93,6%	100%	8.42	2,895	6.484.953	1.622.778
Projects under construction	9	184	6,4%	100%	15.03	342		

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 and technology (e.g. a German off-shore wind farm produced on average 3,287 MWh for each MW of installed capacity in 2019, 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 (e.g. https://www.ipcc.ch/site/assets/uploads/2018/02/ipcc_wg3_ar5_annex-iii.pdf). In our calculation we reduce the saved CO₂ by 20 g/KWh for wind and 50 g/KWh for solar power plants.

Project Examples



Project Granada



- › The portfolio comprises the solar parks “Fotosfera”, “Kissoro” and “Sunplex” as well as the substation “Venalta” located in Spain’s south eastern Granada province.
- › With an annual eco-friendly energy production of 315 GWh the plant delivers the average electricity consumption of 95.000 households avoiding
- › The project benefits from long-term PPA with EnBW, an energy company based in Germany’s Baden-Württemberg state

Key Project Data

Installed capacity	150 MW
Amounts	EUR 88,7m
BayernLB role	Mandated Lead Arranger, Security Agent & LC Issuing Bank
Timing	Operation starting II/2022
Location	Spain/Andalusien
Financing set-up	Bilateral financing



Project Harburnhead



- › Refinancing of an operational onshore wind farm consisting of 22 Enercon wind turbines with a total capacity of 51.7MW
- › The windfarm generates more than 139GWh of electricity per year, enough to supply more than 35,000 homes
- › The project is located in Scotland and benefits from the UK Government's Renewable Obligation Certificates support regime. Its electricity is being sold to the market under a long term pay-as-produced PPA with Statkraft Markets GmbH

Key Project Data

Total Installed Capacity	51,7 MW
Amounts	GBP 62.5
BayernLB Role	Mandated Lead Arranger
Timing	Entry into service mid-2016
Location	Scotland
Financing set-up	Bilateral financing

Disclaimer

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