

# Presseinfo

31 October 2019

## **BayernLB arranges first blue social bond for DKB**

### **Funds to be used for water and effluents**

**Munich** – ABN Amro, BayernLB, DZ Bank, Natixis and UniCredit joined forces to place a blue social bond for BayernLB subsidiary DKB. The Pfandbrief is part of DKB's social bond programme and fulfils both the Social Bond Principles (SBP) and the UN's Social Development Goals (SDGs). The EUR 500 million in funds raised will be used to finance water supply and the disposal of effluents. The order book stood at over EUR 2 billion.

“The placing of DKB's first blue social bond was a great success for all involved,” explained Dr Jörg Senger, head of the Sales & Origination Division in BayernLB's Financial Markets Business Area. “Investors' growing interest in sustainable investments is clear to see in the order books.” BayernLB has extensive expertise in structuring and placing green and sustainable securities.

Armin Hermann, head of the Treasury Division at DKB commented “the overwhelming success of this transaction strengthens our resolve to pursue our sustainable strategy in capital market financing. Sustainability is not just a label for us - every bond allows an in-depth, transparent insight into our core business. And that's what it's all about.”

The social Pfandbrief is underpinned by a “blue” lending pool of EUR 1.3 billion from DKB's social bond programme. Around 90 investors contributed to an order book that was four times oversubscribed. The

# Presseinfo

Page 2 of 2

blue social bond has a maturity of 10 years and a coupon of 0.01 percent. 62 percent of the bond's subscription came from Germany, with 38 stemming from foreign investors. The share of ESG investors was 30 percent.