

Press Information, 19th January 2022

Berlin Hyp issues first Green Bond under new taxonomy-aligned Green Bond Framework

- EUR 500mn Green Senior Preferred Bond meets sound investor demand despite challenging capital market environment
- First issuance under new taxonomy-aligned Green Bond Framework
- Berlin Hyp's 15th benchmark-sized Green Bond in total

Berlin Hyp has successfully concluded the first issuance under its new Green Bond Framework making the German real estate financier one of the first banks to align its lending activities with the EU Taxonomy's requirements for buildings and construction activities. The Framework provides for two different green loan products that will be used alongside each other during a transformation period until the end of 2025. One of them focusses on energy efficiency and doesn't represent major changes to Berlin Hyp's existing approach. The other one is an innovation which is fully aligned with the EU Taxonomy's climate change mitigation criteria for buildings and construction activities. This latter green loan product's share of Berlin Hyp's overall new business in green eligible assets is to increase continuously between 2022 and 2025 and will be 100 percent from 2026 onwards. ISS ESG verified the Green Bond Framework and published a Second Party Opinion.

The new EUR 500mn green senior preferred bond has a 5-years tenor and is rated Aa2 by Moody's and AA- by Fitch. The coupon is 0.375%, and its 0.412% yield is based on a re-offer price of 99.817%.

On 18th January 2022 at 9am CET, Commerzbank, Crédit Agricole, JP Morgan, LBBW and UniCredit, Berlin Hyp's joint lead managers on this transaction, opened their books with an initial spread guidance of mid swap +45 area basis points. Hauck Aufhäuser Lampe Privatbank acted as a co-lead manager, Crédit Agricole as sole green bond structural advisor.

By 9.45am CET orders worth more than EUR 500mn were already in the books. A second book update, published at 11.25am CET, showed an order volume of more than EUR 1.1bn. At the same time the spread was revised and fixed at mid swap + 30 basis points. Orders from 88 investors for more than EUR 1bn remained in the order book on this final level.

78% of the bond went to German investors, followed by French accounts who bought 12%. Banks and savings banks were allocated 47%, followed by funds with 33% and official institutions with 10%. 40% of the debenture went to dedicated ESG investors.

„Being the most active European bank green bond issuer we're proud to have taken the next important step. With our new, ambitious, taxonomy-aligned Green Bond Framework we're setting the course for the future. The positive feedback from investors and their broad demand for our 15th

green bond are the best reward we can think of“, says Maria Teresa Dreo-Tempsch, responsible for capital markets in Berlin Hyp’s board of managing directors.

Press contact

Nicole Hanke
Communications and Marketing
T +49 30 2599 9123
Nicole.hanke@berlinhyp.de

Funding & Investor Relations

Bodo Winkler-Viti
T +49 30 25 99 95 21
bodo.winkler@berlinhyp.de

Berlin Hyp specialises in large-volume real estate finance for professional investors and housing societies, for whom the Bank develops individual financing solutions. As an enterprise forming a Group together with the German savings banks, it also makes an extensive spectrum of products and services available to these institutions. Berlin Hyp is not only at the forefront as the issuer of the first Green Pfandbrief; the bank also supports the financing of sustainable real estate. Berlin Hyp’s clear focus, 150 years of experience and the ability to actively shape the digital transformation in the real estate sector with an eye to the future characterise the Bank as a leading German real estate and Pfandbrief bank.