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DekaBank, Helaba and LBBW bookrunners for a new EIB Climate Awareness Bond

Joint press release by DekaBank, Helaba and LBBW: Climate Awareness Bond placed exclusively for savings banks

Approximately half of all German savings banks (Sparkassen) have already signed a voluntary commitment to climate-friendly and sustainable business practices. The commitment entails among other points the management of their own investment portfolios in accordance with recognized sustainability criteria as well as the promotion of awareness of sustainable security investments among customers.

In order to help savings banks implement the goals arising from their commitment, Deka-Bank, Helaba and LBBW - themselves also signatories to the commitment - have jointly placed a new Climate Awareness Bond (CAB) issued by the European Investment Bank (EIB) exclusively for German savings banks. In this way, they are offering the savings banks an attractive opportunity to invest their green own funds. The EU's Climate Bank herewith engages actively with the savings bank group on ESG issues.

»The joint voluntary commitment was an important milestone and now, together with the savings banks, we are taking the next step in demonstrating our unequivocal determination to act on climate change. We are delighted to have the opportunity to share our extensive know-how in this field.«

Hans-Dieter Kemler
Member of Helaba's Executive Board

The bond, which is part of the EIB's CAB programme launched already in 2007, has a volume of EUR 500 million and matures on November 15th, 2030. Proceeds from CABs are allocated to projects that contribute substantially to climate change mitigation, in line with the EU Taxonomy Regulation. This approach was recommended by the Sustainable Finance Commit-tee of the Federal Government in its final report of February, 24th.

Martin K. Müller, a member of DekaBank's Board of Management, comments: "We view this Climate Awareness Bond as making a substantial contribution to supporting the savings banks in their commitment to protecting the climate."

Hans-Dieter Kemler, a member of Helaba's Executive Board, says: "The joint voluntary commitment was an important milestone and now, together with the savings banks, we are taking the next step in demonstrating our unequivocal determination to act on climate change. We are delighted to have the opportunity to share our extensive know-how in this field."

Dr. Christian Ricken, a member of LBBW's Board of Managing Directors responsible for the bank's financial market activities, adds: "For many years, LBBW has built up a proven track record in placing green bonds. By taking part in this transaction, we are lending our support to the savings banks in structuring their proprietary investments along more sustainable lines."

Strong demand from the savings banks

The Climate Awareness Bond met with keen interest from the savings banks. At Eur 550 million, the final order book was oversubscribed even without distribution with other investors. The price was 12 basis points below mid-swap (an average reference rate used among banks). The order book exhibited a very granular structure with a total of almost 30 investors. As expected, the vast majority of orders came from savings banks, which are also signatories to the voluntary commitment.

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