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Press Release >

EnBW launches first green bond

Green Financial Framework reviewed by sustainability agency ISS-oekom / €500 million bond issue maturing 2033 / investment in wind power, photovoltaics and electric mobility

Karlsruhe. EnBW today successfully launched its first green bond on the capital market, with an issue size of €500 million. The bond issue, with a 15-year term to maturity, was oversubscribed within hours. The coupon is 1.875 percent.

In contrast to conventional corporate bonds, the proceeds from a green bond must be used exclusively to fund climate-friendly projects. EnBW is among the first German companies to have launched a green bond of this size. Increasing numbers of institutional investors now prefer sustainable investments.

“The transformation of our company towards renewable energies and smart infrastructure solutions is a core element of our strategy,” said CFO Thomas Kusterer. Far beyond that, however, sustainability is today an integral part of EnBW’s business model. “The fact that the bond was several times oversubscribed shows that issuing it as a green bond supports our strategy. That has also been rewarded by the capital market.”

ISS-oekom, a rating agency internationally recognised in the sustainability sector, has confirmed that the EnBW bond complies with the Green Bond Principles. The applicable criteria were drawn up by the International Capital Market Association (ICMA). EnBW had already published its Green Financial Framework on its website on 17 October. ISS-oekom confirms the bond’s good sustainability quality and EnBW’s good sustainability performance.

In addition, EnBW’s first green bond is also certified to the high standards of the Climate Bonds Initiative (CBI). These feature detailed sector-specific criteria for qualification as green bonds. The criteria are developed by teams of experts coordinated by an advisory board comprising institutional investors and (environmental) NGOs.

Kusterer: “For EnBW, today’s issue is a logical continuation of our strategy for the company as a whole. It is thus an example of funding follows strategy.”

The proceeds from the bond launched today will be allocated to projects in the fields of wind power, photovoltaics and electric mobility.

Information on the bond at a glance:

Maturity	2033
Issue size	€500 million
Term to maturity	15 years
Issue price	99.534%
Coupon	1.875%
Securities identification numbers	ISIN: XS1901055472 Common code: 190105547 WKN: A2RTNC
Issuer	EnBW International Finance B.V.
Guarantor	EnBW Energie Baden-Württemberg AG
Key bond features	<ul style="list-style-type: none">- First coupon date 31 October 2019- Expected bond ratings: A3 (Moody's), A- (S&P)- Denomination €1,000
Structuring banks	Société Générale, SEB
Underwriters	BBVA, DZ Bank, LBBW, Morgan Stanley
Exchange	Luxembourg

Further information:

EnBW Green Financing Framework:

<https://www.enbw.com/company/investors/bonds-share/bonds/green-bond.html>

About ISS-oekom: ISS-oekom is one of the world's leading ESG research and rating agencies with an established rating methodology and high market recognition. ISS-oekom analyses key equities and bond issuers worldwide for their environmental, social and governance performance.

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