

24 August 2021

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EnBW successfully issues two subordinated bonds

- **Total issue size €1 billion Euro, of which €500 million as green bond**
- **Proceeds from green subordinated bond to be invested in wind and solar power projects and rollout of fast charging stations for electric vehicles**
- **Green Financing Framework reviewed by sustainability agency ISS ESG**

Karlsruhe. EnBW today successfully launched two subordinated bonds on the capital markets with an issue size of €500 million each, with one of the issues in the form of a green bond. The proceeds from the green subordinated bond are to be used exclusively to fund climate-friendly projects. Rating agencies Moody's and Standard & Poor's classify 50% of each of the two subordinated bonds as equity, which has a positive impact on the key performance indicators relevant to EnBW's rating.

"The proceeds from today's green subordinated bond issue will be invested in sustainable environmental and climate protection projects in the categories offshore wind, onshore wind, photovoltaics and e-mobility infrastructure," said CFO Thomas Kusterer. The proceeds from the other bond issue will likewise be directed to further implementation of the Company's sustainability-oriented strategy but are not earmarked for specific projects.

EnBW aims to become climate-neutral overall by 2035. The clearly defined roadmap for achieving this comprises a phased, permanent exit from coal-fired power generation coupled with a further massive expansion of renewable energy sources. Half of the generation portfolio is to consist of renewables by as early as 2025.

CFO Thomas Kusterer emphasises: "Around 80% of the proceeds from the green subordinated bond will go into future-oriented projects that we currently have under development, such as the joint offshore wind power project with bp in the UK, or under construction, such as the Gottesgabe and Alttrebbin large-scale photovoltaic projects with 150 megawatts each in Brandenburg." The remaining approximately 20% will be used to refinance existing green projects.

Sustainability rating agency ISS ESG has confirmed that today's EnBW green subordinated bond issue complies with the Green Bond Principles and has good sustainability quality. EnBW, as the issuer, has also once again been attested good sustainability performance.

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At the beginning of August, EnBW published an updated version of its Green Financing Framework, in which it lays down how the proceeds of green financing instruments are to be used.

The green subordinated bond is also certified by the Climate Bonds Initiative (CBI), whose high standards feature detailed sector-specific criteria for qualification as green bonds. All EnBW projects financed with proceeds from the bond issue conform with the EU taxonomy for environmentally sustainable economic activities and consequently already would comply in principle with a future EU Green Bond Standard. They also support the United Nations Sustainable Development Goals (SDGs).

EnBW was supported in issuing the bonds by a banking syndicate comprising Barclays and Deutsche Bank as joint structuring advisors and BBVA, BNP Paribas, LBBW, MUFG und NatWest as additional joint lead managers.

The green subordinated bond has a term of 60 years. For the bond issue with an initial coupon of 1.375%, EnBW has a right of early redemption that it can first exercise on 31 May 2028 and thereafter at any coupon date. The other subordinated bond with an initial coupon of 2.125% can first be redeemed on 31 May 2032. That bond has a term of 60 years.

The bonds are subordinate to all other financial liabilities and rank equally with EnBW's outstanding subordinated bonds.

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Information on the subordinated bonds at a glance:

Issue size	€500 million	€500 million
Duration	60 years	60 years
Initial coupon	1.375%	2.125%
Issue price	100%	100%
ISIN	XS2381272207	XS2381277008
Issuer	EnBW Energie Baden-Württemberg AG	
Bond ratings	Baa3 (Moody's), BBB- (S&P)	
First coupon date	31 August 2022	31 August 2022
Issuer's first redemption option	31 May 2028	31 May 2032
Denomination	€100,000	
Other key bond features	<ul style="list-style-type: none"> • EnBW has the right to defer interest payments. These must be made, however, if EnBW pays dividends. • Subordinated. • The full bond terms and conditions can be found in the bond prospectus. 	
Joint structuring advisors	Barclays / Deutsche Bank	
Joint lead managers	BBVA, BNP Paribas, LBBW, MUFG und NatWest	
Legal advice	Clifford Chance Deutschland LLP (for EnBW); Linklaters LLP (for the banks)	
Exchange	Luxembourg	

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