



Treasury Finance Forum Day 2018

Debt Capital Markets – Current trends and developments – Focus Schuldschein

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Debt Capital Markets Origination Corporates



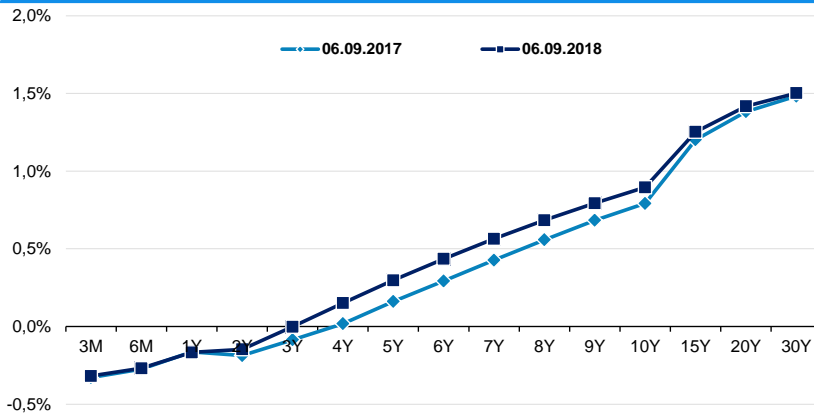
1. Debt Capital Markets Overview
2. Current trends and developments
3. Schuldschein in a nutshell
4. Your point of contact

Debt Capital Markets Overview



Slightly rising interest rates are expected

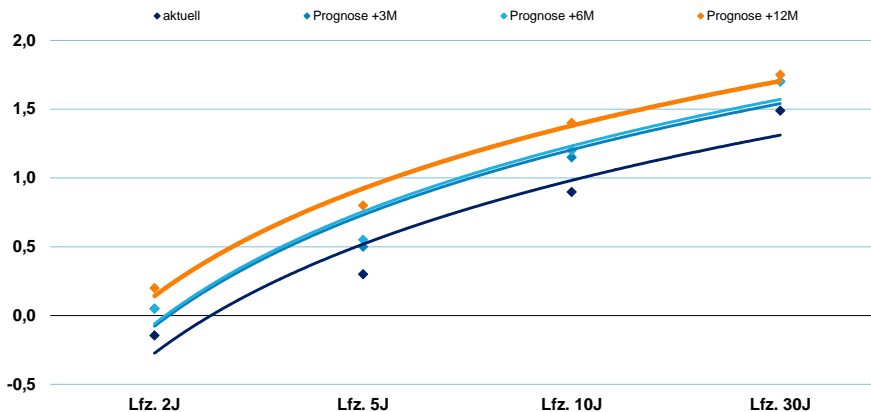
Euro Swap Interest Rate Structure (current vs. -1Y)



Euro Swap Rates

	06.09.2017	06.09.2018	Delta (in bps)
3M	-0,33%	-0,32%	1
6M	-0,27%	-0,27%	1
1Y	-0,16%	-0,17%	0
2Y	-0,19%	-0,15%	4
3Y	-0,09%	0,00%	8
4Y	0,02%	0,15%	13
5Y	0,16%	0,30%	14
6Y	0,29%	0,44%	14
7Y	0,43%	0,56%	14
8Y	0,56%	0,68%	13
9Y	0,68%	0,79%	11
10Y	0,79%	0,90%	10
15Y	1,20%	1,25%	5
20Y	1,38%	1,42%	3
30Y	1,48%	1,50%	2
10Y-2Y	0,98%	1,04%	6

Euro Swap Interest Rate Forecast



Europa

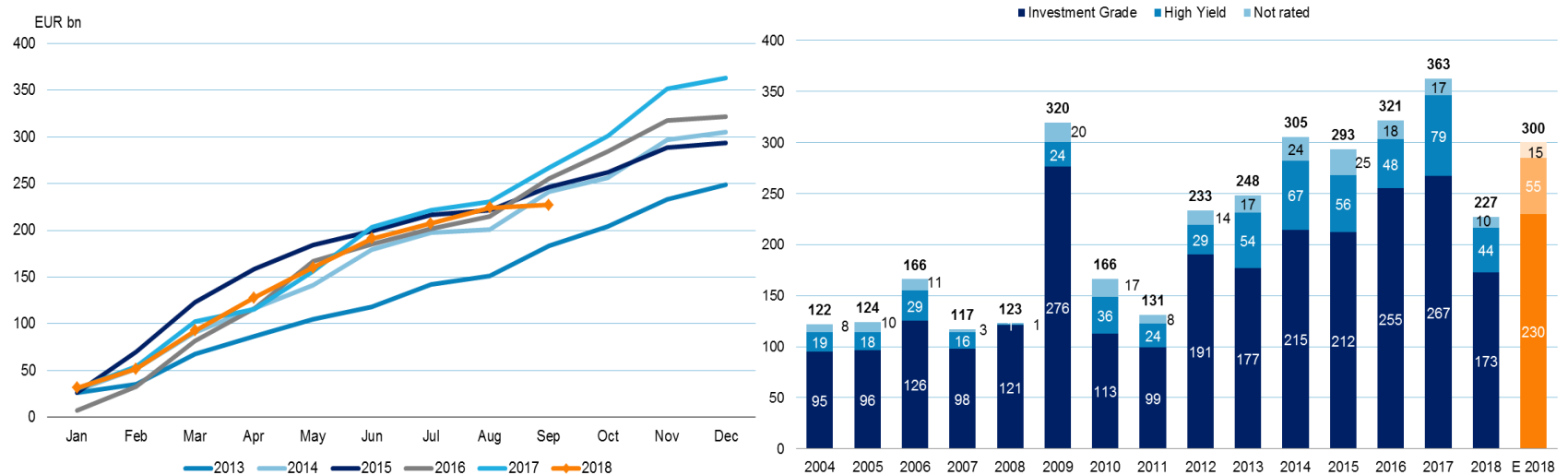
- › Reduction of the QE program
- › Key interest rate hike in summer 2019 at the earliest.
- › Target of 2% inflation achieved

USA

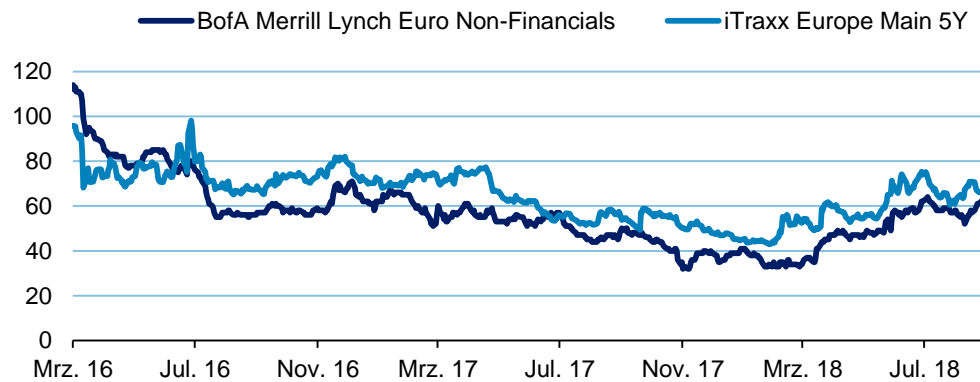
- › 2 more rate hikes in 2018 (up to 2.50%) and 3 more announced for 2019 (up to 3.25%)
- › increasing inflation expectations

Corporate EUR Bond Market - Overview

New Issue Dynamics



Spread development



Corporate Bonds

BayernLB with a very good momentum in 2018




September 2018

Telefonica Emisiones S.A.U.
EUR 1bn
1.495% / Sep 2025
Joint Lead Arranger



February 2018

Sixt SE
EUR 250m
1.50% / Feb 2024
Joint Lead Arranger



January 2018

BMW Finance
EUR 1.25bn / 750m
0.375% / 1.125%
Jul 2023 / Jan 2028
Joint Lead Arranger



April 2018

Heidelberg Cement AG
EUR 750m
1.75% / April 2028
Joint Lead Arranger

Corporate EUR Bonds					Corporate EUR - German Credit (D & AT)				
Source: Bloomberg		Source: Bloomberg			Source: Bloomberg		Source: Bloomberg		
Manager 2018	Rank	Vol (MM USD)	Issues	Table Share (%)	Manager 2018	Rank	Vol (MM USD)	Issues	Table Share (%)
BNP Paribas	1	21.375,96	149	8,97%	Deutsche Bank	1	6.257,09	38	8,82%
Deutsche Bank	2	17.842,72	107	7,48%	UniCredit	2	6.129,42	32	8,64%
Societe Generale	3	14.621,66	104	6,13%	BNP Paribas	3	5.368,71	28	7,57%
Goldman Sachs	4	13.333,40	61	5,59%	Societe Generale	4	5.064,93	28	7,14%
Credit Agricole CIB	5	12.513,63	90	5,25%	Commerzbank	5	4.892,89	31	6,90%
JP Morgan	6	12.461,29	95	5,23%	JP Morgan	6	4.197,90	25	5,92%
UniCredit	7	11.834,46	76	4,96%	ING Groep	7	3.725,36	23	5,25%
HSBC	8	11.614,62	96	4,87%	Goldman Sachs	8	3.644,61	20	5,14%
ING Groep	9	10.564,95	77	4,43%	Credit Agricole CIB	9	3.325,65	16	4,69%
Barclays	10	9.709,74	67	4,07%	Barclays	10	2.874,81	16	4,05%
Bank of America Merrill Lynch	11	9.647,42	65	4,05%	HSBC	11	2.781,02	17	3,92%
Citi	12	8.409,51	68	3,53%	BayernLB	12	2.464,22	13	3,47%
Commerzbank	13	7.726,18	55	3,24%	Banco Santander	13	2.298,37	11	3,24%
Banco Santander	14	7.524,92	49	3,16%	Bank of America Merrill Lynch	14	2.270,33	7	3,20%
Mitsubishi UFJ Financial Group Inc	15	7.267,40	49	3,05%	Banco Bilbao Vizcaya Argentaria	15	1.861,62	13	2,62%
Morgan Stanley	16	5.632,11	43	2,36%	Morgan Stanley	16	1.664,22	10	2,35%
NatWest Markets	17	4.903,45	38	2,06%	Credit Suisse	17	1.384,29	9	1,95%
Natixis	18	4.628,48	48	1,94%	Mitsubishi UFJ Financial Group Inc	18	1.364,59	7	1,92%
Mizuho Financial	19	4.194,30	37	1,76%	Mizuho Financial	19	1.267,72	7	1,79%
Banco Bilbao Vizcaya Argentaria	20	4.095,63	34	1,72%	NatWest Markets	20	1.089,58	7	1,54%
RBC Capital Markets	21	4.078,58	27	1,71%	Citi	21	936,29	8	1,32%
Credit Suisse	22	4.009,43	37	1,68%	RBC Capital Markets	22	932,00	6	1,31%
Sumitomo Mitsui Financial	23	2.692,62	23	1,13%	UBS	23	548,47	3	0,77%
BayernLB	24	2.657,83	14	1,11%	Sumitomo Mitsui Financial	24	537,37	5	0,76%
Intesa Sanpaolo	25	2.522,86	26	1,06%	Intesa Sanpaolo	25	522,60	5	0,74%
Danske Bank	26	1.793,68	15	0,75%					
UBS	27	1.576,59	9	0,66%					
Lloyds Bank	28	1.331,22	10	0,56%					
Credit Mutuel-CIC	29	1.258,89	11	0,53%					
Mediobanca	30	1.068,00	10	0,45%					
SEB	31	986,69	8	0,41%					
Nordea	32	936,71	10	0,39%					
La Caixa	33	900,70	11	0,38%					
Wells Fargo	34	797,49	9	0,33%					
Rabobank	35	755,73	8	0,32%					
Standard Chartered Bank	36	699,13	8	0,29%					
Erste Group Bank	37	688,74	8	0,29%					
Landesbank Hessen-Thuringen Giro	38	672,90	6	0,28%					
OP Cooperative	39	563,37	8	0,24%					
Pareto Securities	40	383,02	6	0,16%					

Corporate EUR Bonds - D&AUT Banks				
Source: Bloomberg		Source: Bloomberg		
Manager 2018	Rank	Vol (MM USD)	Issues	Table Share (%)
Deutsche Bank	1	17.842,72	107	7,48%
JniCredit	2	11.834,46	76	4,96%
Commerzbank	3	7.726,18	55	3,24%
BayernLB	4	2.657,83	14	1,11%
Erste Group Bank	5	688,74	8	0,29%
Landesbank Hessen-Thuringen Giro	6	672,90	6	0,28%
Raiffeisen Bank International Group	7	328,64	5	0,14%
ZJ Bank	8	323,81	2	0,14%
Landesbank Baden-Wuerttemberg	9	225,41	2	0,09%




July 2018

Daimler Int. Fn.
EUR 1.5bn / 1bn / 500m
0.25% / 0.875% / 1.5%
08/2021 / 04/2024 / 02/2027
Joint Lead Arranger



May 2018

innogy Finance
EUR 500m / 500m
0.750% / 1.625%
Nov 2022 / May 2026
Joint Lead Arranger



June 2018

JAB Holdings
EUR 750m / 750m
1.75% / 2.50%
Jun 2026 / June 2029
Joint Lead Arranger



June 2018

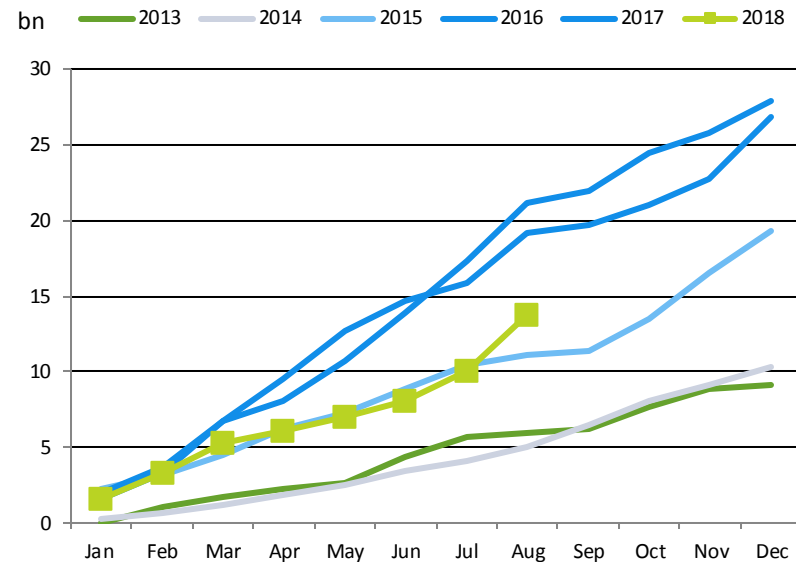
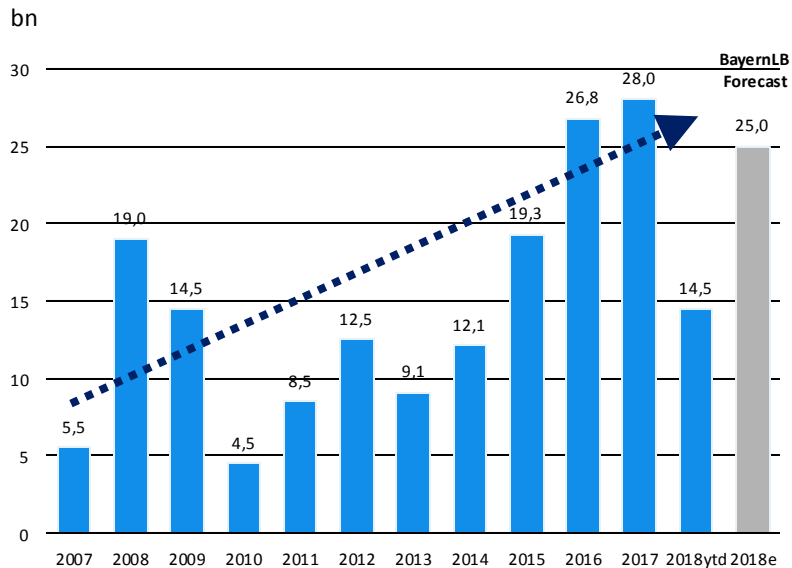
Knorr-Bremse AG
EUR 750m
1.125% / Jun 2025
Joint Lead Arranger

Bonds - Selected Lead Mandates of BayernLB

 <p>September 2018</p> <p>Telefonica Emisiones S.A.U.</p> <p>EUR 1bn 1,495% Sep 2025 Joint Lead Arranger</p>	 <p>July 2018</p> <p>Daimler International Finance BV</p> <p>EUR 1,5bn / 1bn / 500m 0,25% / 0,875% / 1,5% 08/2021 / 04/2024 / 02/2027 Joint Lead Arranger</p>	 <p>June 2018</p> <p>JAB Holdings B.V.</p> <p>EUR 750m / 750m 1,75% / 2,50% Jun 2026 / June 2029 Joint Lead Arranger</p>	 <p>June 2018</p> <p>Knorr-Bremse AG</p> <p>EUR 750m 1,125% Jun 2025 Joint Lead Arranger</p>	 <p>May 2018</p> <p>innogy Finance B.V</p> <p>EUR 500m / 500m 0,750% / 1,625% Nov 2022 / May 2026 Joint Lead Arranger</p>	 <p>April 2018</p> <p>HeidelbergCement AG</p> <p>EUR 750m 1,75% April 2028 Joint Lead Arranger</p>
 <p>March 2018</p> <p>Grenke Finance Plc</p> <p>EUR 200m 1,00% April 2023 Joint Lead Arranger</p>	 <p>February 2018</p> <p>Sixt SE</p> <p>EUR 250m 1,50% / Feb 2024 Joint Lead Arranger</p>	 <p>January 2018</p> <p>BMW Finance N.V.</p> <p>EUR 1,25bn / 750m 0,375% / 1,125% Jul 2023 / Jan 2028 Joint Lead Arranger</p>	 <p>November 2017</p> <p>Eurofins Scientific S.E.</p> <p>EUR 400m 3,25% Nov 2025 Joint Lead Arranger</p>	 <p>September 2017</p> <p>voestalpine AG</p> <p>EUR 500m 1,375% Sep 2024 Joint Lead Arranger</p>	 <p>May 2017</p> <p>Akelius Residential Property AB</p> <p>EUR 600m 1,75% Feb 2025 Joint Lead Arranger</p>
 <p>April 2017</p> <p>RCI Bank and Services</p> <p>EUR 750m / 600m FRN April 2021 1,625% Apr 2025 Joint Lead Arranger</p>	 <p>January 2017</p> <p>Telefonica Emisiones S.A.U.</p> <p>EUR 1,25bn / 500m 1,528% / 2,318% Jan 2025 / Oct 2028 Joint Lead Arranger</p>	 <p>January 2017</p> <p>HeidelbergCement AG</p> <p>EUR 750m 0,5% Jan 2021 Joint Lead Arranger</p>	 <p>December 2016</p> <p>Knorr-Bremse AG</p> <p>EUR 500m 0,5% Dec 2021 Joint Lead Arranger</p>	 <p>December 2016</p> <p>Uniper SE</p> <p>EUR 500m 0,125% Aug 2018 1,5% Jan 2022 Joint Lead Arranger</p>	 <p>November 2016</p> <p>Akelius Residential Property AB</p> <p>EUR 600m 1,5% Jan 2022 Joint Lead Arranger</p>

There is a positive sentiment and constant high interest in the Schuldschein Market

Number of transactions and new issuance dynamics



- 2017 topped the record year of 2016 in terms of volume as the final volume
- 2017 there was a high frequency also of smaller Schuldschein transactions. 146 transactions entered the market (40 of them together with BayernLB)
- We estimate the annual new issue volume for 2018 will reach approx. EUR 25 bn, based on the liquid market situation and deals which are already in the pipeline
- The demand from investors especially in rare sectors is still enormous



Expectations for 2018



Internationalization

The internationalization of the Schuldschein market will continue. We expect the first Schuldschein from an Asian company.



Volume

Due to the well-filled pipelines and the liquid market environment, we expect a new issue volume of EUR 20-25 billion.



Issuers

The average rating of the issuers continues to be implicitly within IG, concrete a BBB/BBB-.

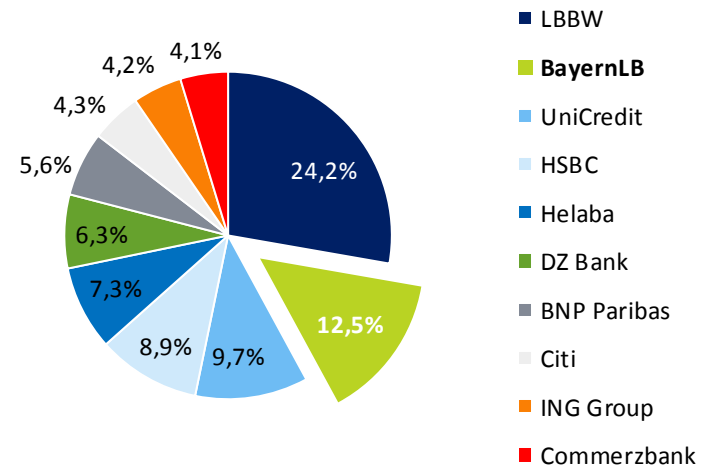


BayernLB is one of the market leader in Schuldschein

Bloomberg 2018 Corp. SSD League Table (01.08.2018)

Rank	Arranger	Pro Rata Volume (Mio. EUR)	Market Share	Deals
1	LBBW	3,333	24.2%	36
2	BayernLB	1,721	12.5%	18
3	UniCredit	1,340	9.7%	14
4	HSBC	1,223	8.9%	9
5	Helaba	1,003	7.3%	13
6	DZ Bank	875	6.3%	10
7	BNP Paribas	766	5.6%	9
8	Citi	600	4.3%	1
9	ING Group	585	4.2%	6
10	Commerzbank	566	4.1%	7

Pro Rata Market Share by Volume 2018 (Top 10)




BEST ARRANGER OF SCHULDSCHNEINE



SCHULDSCHNEINE DEALER OF THE YEAR

- › BayernLB ranked Top 3 for the last 3 years
- › In 2017 BayernLB finished second place by volume and number of transactions
- › Compared to our competitors we are not running an own trading book for SSD's – we were able to outplacng the entire volume, unless the issuer requested final take of us
- › BayernLB has long track record on the Schuldschein market with best connections to international investors (ca. 480 active investors) and we continuously acquire new ones

Schuldschein - Selected Lead Mandates of BayernLB

 <p>August 2018 GBG-Mannheimer Wohnungsbaugesellschaft mbH In marketing process Tenors 3, 7, 10, 15, 20, 30 years Joint Lead Arranger</p>	 <p>August 2018 Siegwerk Druckfarben AG & Co. KGaA In marketing process Tenor 5 years Sole Lead Arranger</p>	 <p>August 2018 BASF SE USD 250m Tenor 7 years Sole Lead Arranger</p>	 <p>August 2018 Amprion GmbH EUR 30m Tenor 20 years Sole Lead Arranger</p>	 <p>June 2018 Meyer Turku Oy EUR 114,5m Tenors 3, 5, 7 years Joint Lead Arranger</p>	 <p>June 2018 AGCO International GmbH EUR 338m Tenors 3, 5, 7, 10 years Joint Lead Arranger</p>
 <p>June 2018 Eurofins Scientific S.E. EUR 550m Tenors 4, 7, 10 years Joint Lead Arranger</p>	 <p>June 2018 Thüga Holding GmbH & Co. KGaA Settlement outstanding Tenors 5, 10 years Sole Lead Arranger</p>	 <p>June 2018 Giesecke+Devrient GmbH EUR 200m Tenors 5, 7, 10 years Joint Lead Arranger</p>	 <p>June 2018 Puma SE EUR 160m Tenors 3, 5 years Sole Lead Arranger</p>	 <p>June 2018 Encevo S.A. Settlement outstanding Tenors 7, 10, 12, 15 years Joint Lead Arranger</p>	 <p>June 2018 AT&S Austria Technologie & Systemtechnik AG Settlement outstanding Tenors 5, 7, 10 years Joint Lead Arranger</p>
 <p>June 2018 Hochwald Foods GmbH EUR 100m Tenors 5, 7, 10 years Joint Lead Arranger</p>	 <p>May 2018 Food retailer (GAS-region) > EUR 500m Joint Lead Arranger</p>	 <p>May 2018 Grillo-Werke AG EUR 65m Tenors 3, 5, 7 years Joint Lead Arranger</p>	 <p>May 2018 Grosskraftwerke Mannheim AG EUR 50 m Tenor 5 years Joint Lead Arranger</p>	 <p>May 2018 ENTEAGA AG EUR 80m Tenors 5, 7, 10 years Joint Lead Arranger</p>	 <p>April 2018 Lantmännen ek EUR / USD 150m Tenors 5, 7 and 10 years Joint Lead Arranger</p>

A person in a blue jacket stands on a rocky mountain peak, looking out over a vast mountain range at sunrise. The sun is low on the horizon, casting a warm glow over the landscape. The mountains are layered, with some peaks shrouded in mist. The sky is a mix of blue and orange.

Schuldschein in a nutshell

Schuldschein as a unique financing element



Categorisation

- › Developed by Landesbanks to syndicate risks with savings banks
- › The special feature of a Schuldschein is the positioning between traditional bank loans and bonds

- › Schuldschein is subjected to German law with entry in the BGB (German Civil Code)
- › Bilateral agreement between issuer and investor
- › No security character like bonds

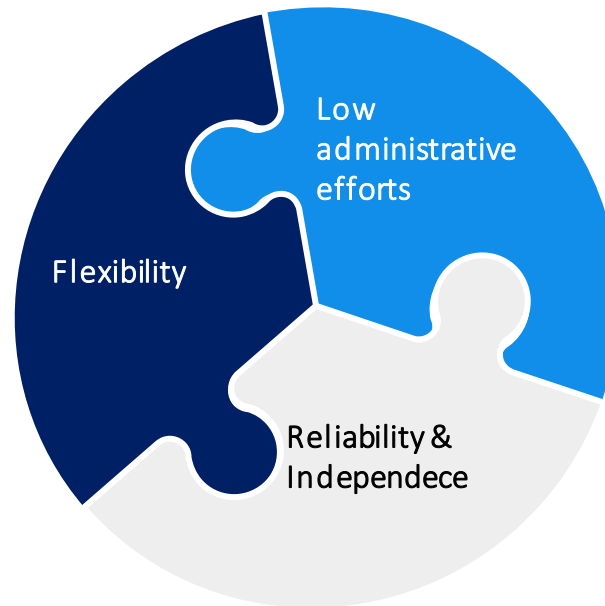


Legal basis

Flexibility, low administrative efforts and reliability & independence as a success factor

Flexibility

- *Scope for high or low volumes*
- *Opportunity for the issuer to take advantage of attractive market environment and secure attractive conditions for the long term*
- *Flexible with regard to tenors, volume, investors and currency*
- *Possibility of fixed and floating tranches in 2-5 different maturities and different currencies*



Low administrative effort

- *Lean documentation and low costs as a competitive advantage over other financing options for issuers*

Reliability & Independence

- *No investor right to terminate until maturity*
- *No relationship product*

An attractive instrument for both issuers and investors

Benefits for issuers

- › Extension and diversification of the existing investor base
- › Discharge of existing credit lines
- › Lean and standardized documentation based on German law (no MTN program, no prospectus → lower costs, significantly less time-consuming)
- › Reporting on a bilateral basis only in accordance with the German Banking Act (KWG) (no public reporting, no filing of reports)
- › No external rating necessary
- › Standard Covenants, usually based on existing syndicated loans or bonds of the issuer and adapted to the German Schuldschein Market
- › Security structure: unsecured, normally no collateral
- › Pricing is usually between a syndicated loan and a corporate bond and is geared to similar Schuldschein issues



Benefits for investors









- › Extension and diversification of the borrower base due to investments in issuers investors would not have access to
- › Additional potential yield
- › No depreciation due to changed market valuation (compared to listed bonds)
- › Standardized product (following the German BGB), low liquidity compared to publicly traded bonds due to a rather inactive secondary market
- › Buy-and-hold investors
- › Issuers are often not rated by rating agencies, standard credit analysis is sufficient
- › Banks, saving banks and cooperative banks are obliged to adhere to §18 KWG and receive the relevant information



Attractive financing and investment instrument which supports the optimization of financing costs and structure of issuers as well as the optimization of borrower base of investors

Unique selling points: Low effort, flexibility and readiness as of Schuldschein

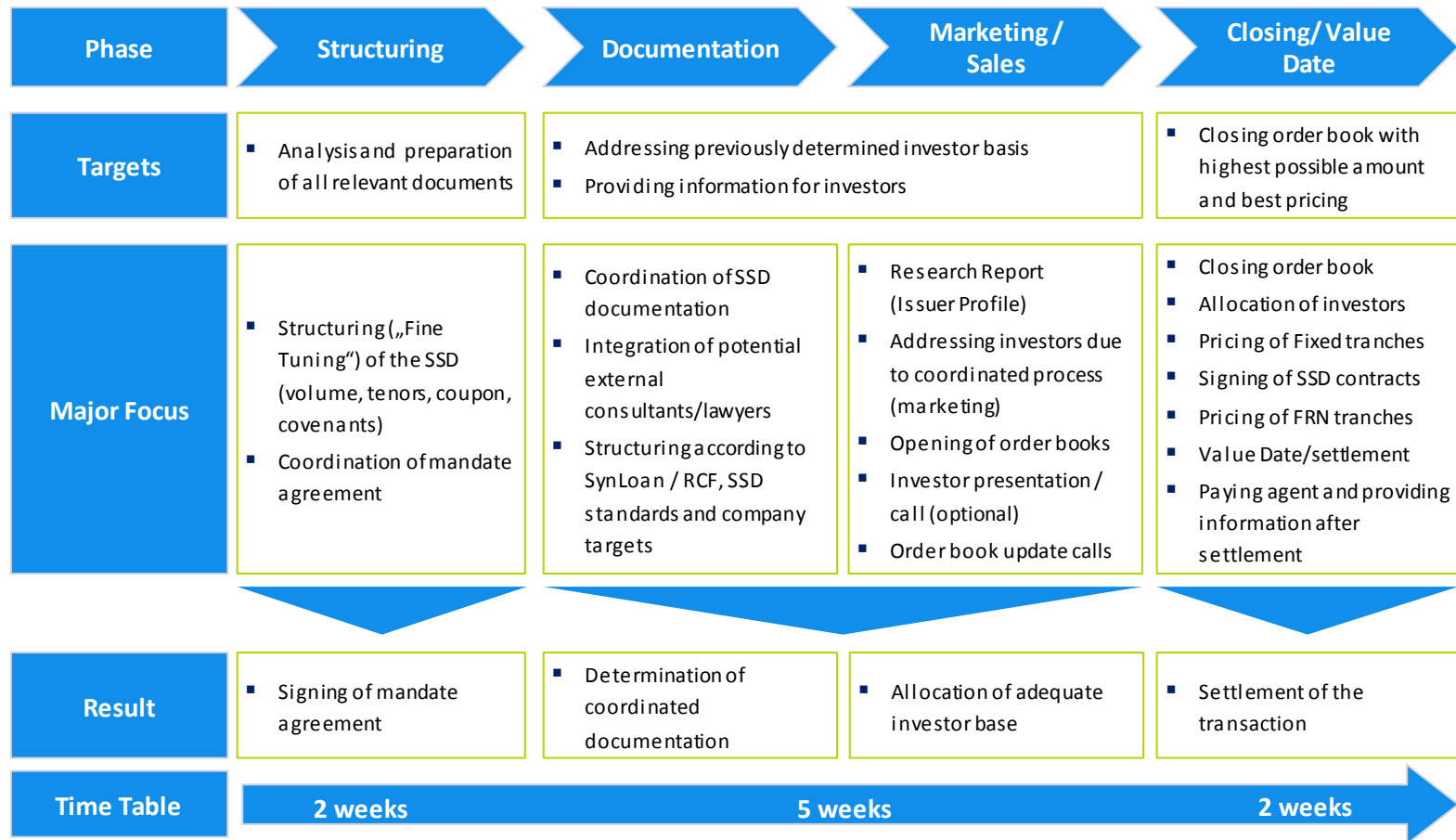
Key facts and benefits of Schuldscheindarlehen

-  **1 Classification**
Schuldscheindarlehen (SSD) positioned between bank loans and corporate bonds
-  **2 Readiness**
Whole Process only takes approx. 8-10 weeks (Standard process to be adapted if needed: Soft Sounding)
-  **3 Flexibility**
High flexibility in terms of volume, tenor, amortization, coupon and currency
-  **4 Stability**
Schuldschein market is very stable and resilient towards external shocks (compared to bond markets)
-  **5 Effort**
Relatively low administrative effort, lean documentation as well as low costs
-  **6 Investor Strategy**
Investors follow a “Take and Hold” strategy
-  **7 Legal**
Schuldschein concluded under German Law ² Bulk of relevant regulation in the German civil code
-  **8 Background**
Developed in Germany by Landesbanks to syndicate corporate risk to the local savings banks

Indicative Term Sheet

Indicative Term Sheet	
Borrower	[•]
Status	Senior unsecured
Rating	[•]
Purpose	General corporate purposes
Maturity	3-10 years, longer possible and depending on profile
Volume / Marketing	Tbd , demand driven increase possible
Currency	EUR, USD, GBP and others
Coupon	Floating (6M EURIBOR + reoffer spread) or Fix (EUR Mid Swap + reoffer spread)
Interest Rate Convention	Floating: act / 360, adj. modified following or Fix: act. / act., unadj. Following
Issue Price	100% (pari)
Repayment	Bullet at par
Denomination	Minimum 500.000 or multiples thereof
Documentation	Standard Documentation normally with Cross Default, Change of Control, Negative Pledge and Pari Passu Clause. Financial Covenants in line with bilateral/syndicated facilities
Law / Jurisdiction	German Law / Munich

A Schuldscheindarlehen can be executed within 8-12 weeks



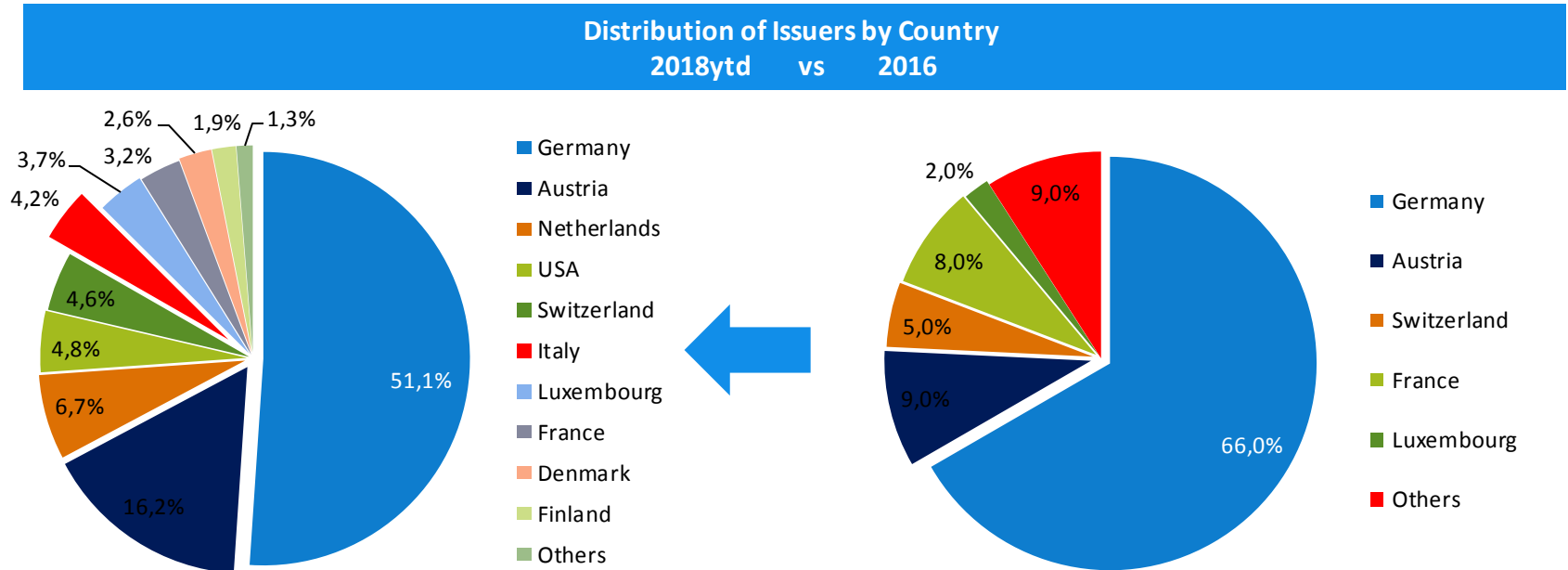


Current trends and developments

Many key factors pushed the market

I Refinance of acquisitions with Schuldschein or Bonds	Recent examples: Swarco, Freenet, Fresenius, Nordex and Surteco
II Refinance of outstanding Schuldschein tranches	<ul style="list-style-type: none">• Repayment of floating tranches before maturity• Outstanding volume of the Schuldschein market is about EUR 100bn
III Internationalization of the Schuldschein	<ul style="list-style-type: none">• Rising number of European investors• Rising number of non-German issuers• Issuance possible in foreign currency, e.g. USD + GBP
IV Schuldschein also become attractive for traditional Bond issuers	<ul style="list-style-type: none">• Attractive Spreads• More flexibility regarding volume, tenor and coupons in fix tranches as well as in floating tranches
V Green Schuldschein	<ul style="list-style-type: none">• Issued volume has to be used for green / sustainable projects• Second party opinion is required to ensure correct application of funds; information requirements are included in the documentation

Internationalization of the Schuldschein



- Regarding the different home countries of Schuldschein issuers, it is dominated by German issuers but market internationalization continuing.
- Share of International issuers (=Non-German) with approx. 49%ytd higher than in 2016 with about 34% and 20% in 2011.
- Apart from the traditional issuers out of France, Austria, Switzerland and others there is an increasing number of issues from companies out of Nordics, the Netherlands/Belgium etc
- For 2018 we expect the share of Non-German issuers to grow steadily.

Internationalization of the Schuldschein

Examples for the internationalization of the Schuldschein



December 2016

Etihad Airways

EUR 174m / USD 110m
Tenors 3, 5 and 7 years
Joint Lead Arranger

- Debut transaction for ETIHAD on the Schuldschein market and the first Schuldschein transaction by an issuer of the UAE as well. This transaction shows the development of the traditional German Schuldschein market into an international market, on the issuer site as well as on the investors site.
- The volume increased from the initial target volume of EUR 150mn to EUR 284mn driven by the strong demand. The Schuldschein was allocated mainly to Banks (91%) from China, Germany, Spain, Korea and India.



September 2016

Acciona S.A.

EUR 150m
Tenors 3, 5 and 7 years
Joint Lead Arranger

- Acciona developed from a construction company to one of the worlds biggest companies that campaigns for sustainability.
- Thus, the Schuldschein was issued as a Green Schuldschein.
- The transaction was well received especially by Spanish and German Banks . The Banks filled 90% of the orderbook together with Chinese investors.
- The successful transaction was the first Spanish Schuldschein ever.



June 2018

AGCO International GmbH

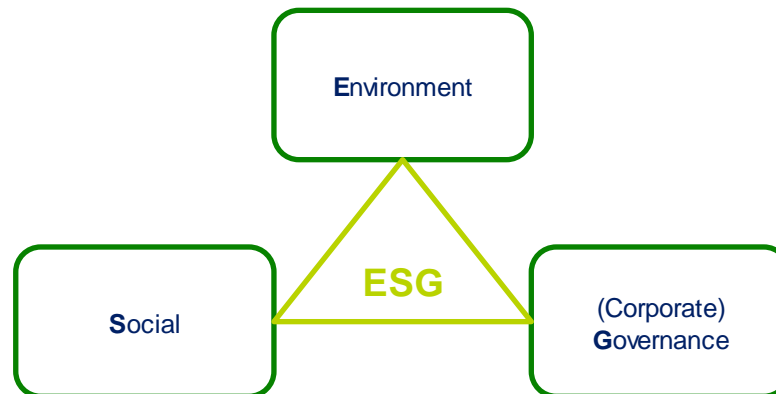
EUR 338m
Tenors 3, 5, 7, 10 years
Joint Lead Arranger

- AGCO is a worldwide leading producer, designer and distributor of agriculture engines and provides particularly high-tech solutions for the agrarian economy.
- At a strived volume of EUR 200mn the SSD met at a high demand in the market. Therefore the issue volume could increase to a final size of EUR 338mn.
- With this transaction AGCO could obtain a vast number of investors and therefore they were able to place the volume with about 50 investors. The investor distribution is very attractive by region and investor type respectively.

Green bonds established as a key investment instrument

Sustainable Capital Investments

- At the Earth Summit in Rio de Janeiro in 1992, sustainability was declared as a guidance for global development.
- In the course of developing the global economy to a "green economy" and especially after the adoption of the Sustainable Development Goals (SDG), sustainability became more and more present in the global capital markets.
- Basic understanding of sustainable investments is the social and environmental performance of the investment assets or of the issuer as well as its management → ESG triangle as the key investment criterion of the investor



The debt capital market started with its first **Green Bond** of the European Investment Bank in 2007 – the first **corporate Green Bond** was issued in 2013.

Green Schuldscheindarlehen issuers can significantly improve investor relations

Sustainable Capital Investments



The first Green Schuldscheindarlehen was issued under lead management of BayernLB (Nordex) in 2016 and so far we have seen eight Green Schuldscheindarlehen, four out of them with BayernLB as lead arranger.






- The requirements for Green debt instruments are usually the so-called “Green Bond Principles” for the use and management of the proceeds of the issue, as well as a corresponding reporting.
- Green Schuldscheindarlehen receive particular attention on the capital market. ESG investors consider ecological and social issues as well as a sustainable management of their investment target.
- The growing number of investors that focus on green investments broadens the investor basis.



Green Schuldscheindarlehen enable companies to **diversify their investor base**, gain access to new investors and widen relationships to investors.

There are 8 key principles for the set-up of Green Schuldscheindarlehen

Green Bond / Schuldscheindarlehen Principles

-  **1 Funding Purpose**
Borrowed funds have to be used for health, environmental and climate related purposes
-  **2 Transparency**
Transparency on the selection process of appropriate projects
-  **3 Funds Management**
Separate management of borrowed green funds
-  **4 Reporting**
Constant reporting on the allocation of green funds and their green impact
-  **5 Financed Sectors / Measures**
Renewable energies, measures increasing energy efficiency, reduction of CO2-emissions, projects for sustainable use of water, more healthy products, measures in the area of air pollution and waste disposal among others

The evaluation by an independent green rating agency is a crucial success factor

Green Bond / Schuldscheindarlehen Principles



6

Independent Party Evaluation

Evaluation with respect to the environmental value and the positive effect e.g. on climate. Second party opinions and sustainable ratings are used in the evaluation process.



7

Independent Evaluation Process

Necessary to ensure the correct use of funds. Especially ESG (Environmental, Social and corporate Governance) investors have clear investment guidelines which require second party opinions and independent ratings.



8

Selection of “Green Rating Agency”

Well-known and broadly accepted agencies for a sustainability rating are Oekom research, Sustainalytics, DNV, VigeoEiris among others.

BayernLB strengthens the Digitalization of the Schuldschein

Cooperation of BayernLB & VC Trade



- › As one of the biggest schuldschein arrangers, BayernLB is a key driver to enhance the schuldschein market.
- › The demand of issuers and investors for innovative solutions to close schuldschein transactions is an important request for us.
- › To push the digitalization of the Schuldschein BayernLB cooperates with VC Trade, an independent issuance platform.
- › Goal is to provide every step of a Schuldschein transaction on a digital basis.
- › BayernLB used the platform already for a first transaction with the utility company Entega AG. Second transaction in cooperation with VC Trade was a Schuldschein for Puma SE.

Advantages of VC Trade

- › Currently there are following advantages for issuers, investors and arrangers:
 - ✎ Marketing for the issuer
 - ✎ Communication between issuer, investors and arrangers through the VC platform
 - ✎ Provide documentation and invitation with the platform
 - ✎ Picture orderbook with the platform and show allocation process
 - ✎ Get experience in working with digital platforms
 - ✎ Pushing the trend for digital debt capital market transactions



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