

Minimum standards for use of the wordmarks

“Green Pfandbrief” / “Grüner Pfandbrief”

(for Public Pfandbriefe)

Valid from January 1, 2025

Under a trademark licence agreement to be concluded separately with the Association of German Pfandbrief Banks (vdp), the Licensee undertakes to comply with the following minimum standards when using the said wordmarks:

- a) A “Green Pfandbrief” / “Grüner Pfandbrief” is issued on the basis of the applicable provisions of the Pfandbrief Act together with relevant regulations and the Green Bond Principles (“GBP”) in force at the time of issue. The issuer shall establish a Green Bond Framework (“GBF”), which is also based on the GBP, and publish it prior to issue.
- b) The proceeds of the issuance shall be used exclusively to finance/refinance “Eligible Assets”. Eligible Assets within the meaning of these minimum standards are public-sector financing operations that serve an environmentally sustainable goal. Categories determining such Eligible Assets may include, for example:
 - i. Renewable energy (e.g., acquisition; production; transmission; applications and products)
 - ii. Energy efficiency (e.g., in energy storage; district heating systems; smart grids; applications and products)
 - iii. Pollution prevention and control (e.g., air pollution reduction; greenhouse gas control; soil treatment; waste prevention and reduction; and energy- and emission-efficient waste incinerators)
 - iv. Ecologically sustainable management of living natural resources and land use (e.g., ecologically sustainable agriculture and forestry; ecologically sustainable and species-appropriate animal husbandry, fisheries, and aquaculture; smart agricultural tools such as biological crop protection or water-saving drip irrigation)
 - v. Conservation of terrestrial and marine biodiversity (e.g. coastal, marine and watershed protection)
 - vi. Clean transportation/mobility (e.g., electric and hybrid transportation; mass transit, intercity, and rail; clean energy vehicle infrastructure and pollution reduction; low-carbon mobility)
 - vii. Sustainable (waste) water management (e.g., sustainable clean water and/or drinking water infrastructure, wastewater treatment, sustainable urban drainage and river regulation, and other flood control measures)
 - viii. Adaptation to climate change (e.g., supporting information systems such as climate monitoring and early warning systems)
 - ix. Environmentally efficient products and/or products, product technologies and processes suitable for the circular economy

In case of public financing of buildings, the criteria for Eligible Assets in accordance with minimum standards for use of the wordmarks “Green Pfandbrief” / “Grüner Pfandbrief” (for Mortgage Pfandbriefe) apply.

- c) When a Public “Green Pfandbrief” is issued, the cover pool contains a nominal volume of Eligible Assets that corresponds to at least the total nominal value of the Public “Green Pfandbrief” to be issued. Multiple use of the Assets for funding purposes is to be avoided.
- d) The Licensee ensures that Eligible Assets – as defined at the relevant issuance date – corresponding to at least the total nominal value of a Public “Green Pfandbrief” are held in the cover pool at all times until the Public “Green Pfandbrief” matures. In exceptional cases, for example in the event of unexpectedly large early repayments, freed financial resources can be invested temporarily with a credit institution that has a good sustainability rating from a recognised sustainability rating agency.
- e) Eligible Assets are flagged in the Licensee’s loan records.
- f) The Licensee ensures that an external opinion, prepared by an appropriate provider, confirms compliance with the GBP and the adequacy of the GBF from a green finance perspective.
- g) The Licensee appoints a suitable external provider to carry out regular verification to review the sustainable quality of the cover for the issues concerned and compliance with the selection criteria.
- h) The annual reporting to be prepared and published by the Licensee shall also include an impact report.
- i) The Licensee undertakes to make the following data available for publication on the vdp website, if necessary via a link to its own website:
- Information on the Eligible Assets in the cover pool
 - External review
 - Impact report
 - GBF
 - Investor presentation if applicable
 - List of outstanding Green Pfandbriefe

The minimum standards are regularly reviewed in order to adapt them to current market developments and help achieve the climate targets.