Disclosure Report for the first half of 2024

Breaking new ground

LBBW

Disclosure Report H1 2024

1 General provisions (Article 431–434 a CRR)

As a “large institution”, LBBW also discloses information on a quarterly or semi-annual basis, as required, in addition to the annual disclosure report.

LBBW fulfills its obligation to prepare the disclosure report in aggregate form at group level in its function as a parent company. The basis for the figures given in this report is the regulatory basis of consolidation.

Figures are calculated in accordance with the International Financial Reporting Standards (IFRS).

CRR II (Capital Requirements Regulation – Regulation (EU) No. 2019/876) and CRD V (Capital Requirements Directive V – Directive (EU) 2019/878) took effect in stages from 27 June 2019. Further significant amendments took effect on 28 June 2021, and LBBW implemented them in the disclosure report accordingly. Hereinafter, for the purposes of this report, Regulation (EU) No 575/2013 is supplemented by the revisions of Regulation (EU) No 2019/876 and defined as “CRR”.

Part of the regulatory disclosure of ESG risks in accordance with Article 449a CRR was completed for the first time as at 31 December 2022. As per the law, further disclosures under Article 449a CRR will be made in stages in subsequent years. Accordingly, the report as at 30 June 2024 covers *Scope 3 emissions* and contains full disclosures on the *Indicators of potential climate change transition risk: Alignment metrics* for the first time.

In accordance with Regulation (EU) No. 575/2013 and the Bank Recovery and Resolution Directive (BRRD) 2014/59/EU, the report as at 30 June 2024 also includes the regulatory disclosure of *Minimum requirements for own funds and eligible liabilities (MREL)* for the first time.

This report provides information required as at the end of the reporting period regarding:

- Key metrics and overview of risk-weighted exposure amounts
- Own funds
- Countercyclical capital buffers
- Leverage ratio
- Liquidity requirements
- Credit and dilution risk and credit quality
- Use of credit risk mitigation techniques
- Use of the standardized approach
- Use of the IRB approach to credit risk
- Specialized lending and equity exposure under the simple risk weight approach
- Exposure to counterparty credit risks
- Exposure to securitization positions
- Use of the standardized approach and of the internal models for market risk
- Minimum requirements for own funds and eligible liabilities (MREL)
- Exposures to interest rate risk on positions not held in the trading book
- Regulatory disclosure of ESG risks

The figures published in the disclosure report have been rounded to the next million in accordance with commercial principles. Amounts under EUR 500,000 are therefore shown as “0”. Accordingly, rounding differences may arise through aggregation.

2 Disclosure of key metrics and overview of risk-weighted exposure amounts (Articles 438, 447 CRR)

2.1 Key metrics (Articles 438b, 447 a–g CRR)

Compared to the previous quarter, the Common Equity Tier 1 ratio increased to 14.7% (31 March 2024: 14.4%), the Tier 1 ratio to 15.5% (31 March 2024: 15.2%) and the total capital ratio to 19.8% (31 March 2024: 19.5%). A detailed explanation of the changes can be found in sections *2.2 Overview of risk-weighted exposure amounts (Article 438 d CRR)* and *3.1 Composition of regulatory own funds (Article 437 a, d–f CRR)*.

The leverage ratio on the basis of the CRR transitional provisions (phase-in) came to 4.3% as at 30 June 2024 (as at 31 March 2024: 4.2%). The leverage ratio exposure (phase-in) declined by EUR 11,288m last quarter. The decline in the leverage ratio exposure is particularly attributable to the reduction in transactions with sovereigns and central banks.

In the second quarter of 2024, the LCR ranged between 130% and 141% as at the reporting dates.

As at 30 June 2024, the net stable funding ratio (NSFR) was largely stable compared to the previous quarter.

		a	b	c	d	e
	EUR million	**30/06/2024**	**31/03/2024**	**31/12/2023**	**30/09/2023**	**30/06/2023**
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	13,815	13,834	13,852	13,383	13,496
2	Tier 1 capital	14,559	14,578	14,596	14,127	14,239
3	Total capital	18,584	18,715	18,719	18,414	18,628
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	94,032	95,971	92,480	92,429	93,643
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	14.7	14.4	15.0	14.5	14.4
6	Tier 1 ratio (%)	15.5	15.2	15.8	15.3	15.2
7	Total capital ratio (%)	19.8	19.5	20.2	19.9	19.9
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.87	1.87	1.83	1.83	1.83
EU 7b	of which to be made up of CET1 capital (percentage points)	1.05	1.05	1.03	1.03	1.03
EU 7c	of which to be made up of Tier 1 capital (percentage points)	1.40	1.40	1.37	1.37	1.37
EU 7d	Total SREP own funds requirements (%)	9.87	9.87	9.83	9.83	9.83
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50	2.50	2.50	2.50	2.50
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)					
9	Institution-specific countercyclical capital buffer (%)	0.72	0.66	0.64	0.64	0.63
EU 9a	Systemic risk buffer (%)	0.10	0.10	0.10	0.10	0.10
10	Global systemically important institution buffer (%)					
EU 10a	Other systemically important institution buffer (%)	0.75	0.75	0.75	0.75	0.75
11	Combined buffer requirement (%)	4.07	4.01	3.99	3.99	3.98
EU 11a	Overall capital requirements (%)	13.94	13.88	13.82	13.82	13.81
12	CET1 available after meeting the total SREP own funds requirements (%)	8.08	7.79	8.41	7.91	7.83
	Leverage ratio					
13	Total exposure measure	339,357	350,645	308,740	347,348	342,130
14	Leverage ratio (%)	4.3	4.2	4.7	4.1	4.2
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)					
EU 14b	of which to be made up of CET1 capital (percentage points)					
EU 14c	Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)					
EU 14e	Overall leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
	Liquidity coverage ratio					
15	Total high-quality liquid assets (HQLA) (weighted value – average)	100,422	101,801	106,635	106,915	105,436
EU 16a	Cash outflows – total weighted value	99,402	99,328	101,012	101,597	100,221
EU 16b	Cash inflows – total weighted value	23,868	22,611	21,704	21,039	20,514
16	Total net cash outflows (adjusted value)	75,532	76,718	79,308	80,557	79,708
17	Liquidity coverage ratio (%)	133.7	133.4	134.9	133.1	132.5
	Net stable funding ratio					
18	Total available stable funding	171,767	172,488	162,272	163,120	166,648
19	Total required stable funding	153,699	156,045	147,788	147,251	145,987
20	NSFR ratio (%)	111.8	110.5	109.8	110.8	114.2

Figure 1: EU KM1 – Key metrics template

2.2 Overview of risk-weighted exposure amounts (Article 438 d CRR)

LBBW uses the internal ratings-based approach (foundation IRB approach) approved by the Federal Financial Supervisory Authority (BaFin) for calculating the own funds requirements for counterparty risks arising from the main exposure classes.

Equity exposures are reported exclusively using the simple risk weight method under the IRB approach. Significant investments in financial sector entities must be risk-weighted at 250%.

The own funds requirements for securitization transactions take place in accordance with the securitization regulations. A distinction is made between SEC-ERBA (Securitization – External Ratings-Based Approach), SEC-IAA (Securitization – Internal Assessment Approach), SEC-IRBA (Securitization – Internal Ratings-Based Approach), 1,250% deduction, and SEC-SA (Securitization – Standardized Approach).

The own funds requirements for market price risks for the general interest rate risk, general share price risk and associated option price risks of LBBW (Bank) are calculated based on an internal market price risk model also approved by the regulatory authority. This also includes the own funds requirements for the stressed VaR. The other market price risks are calculated using the standardized approach.

Own funds requirements for operational risks are calculated using the standardized approach.

The following table sets out the total risk exposure amounts and own funds requirements for risk types that are relevant from a prudential point of view.

Significant investments in financial sector entities to which a 250% risk weight must be applied along with deferred taxes resulting from temporary differences are reported in the row “Amounts below the thresholds for deductions“.

A breakdown by exposure class is provided as follows:

- Disclosure of the use of the standardized approach, section 9
- Disclosure of the use of the IRB approach to credit risk, section 10
- Disclosure of exposures to counterparty credit risk, section 12

		a	b	c
		Total risk exposure amounts (TREA)		Total own funds requirements
	EUR million	**30/06/2024**	**31/03/2024**	**30/06/2024**
1	*Credit risk (excluding CCR)*	*73,346*	*74,825*	*5,868*
2	of which standardized approach	11,690	12,340	935
3	of which foundation IRB (FIRB) approach	59,478	60,369	4,758
4	of which slotting approach	98	100	8
EU 4a	of which equity exposures under the simple risk weight approach	1,366	1,360	109
5	of which advanced IRB (AIRB) approach			
6	*Counterparty credit risk – CCR*	*5,684*	*5,564*	*455*
7	of which standardized approach	2,819	2,804	226
8	of which internal model method (IMM)			
EU 8a	of which exposures to a CCP	412	218	33
EU 8b	of which credit valuation adjustment (CVA)	1,303	1,242	104
9	of which other CCR	1,149	1,299	92
10	Set not applicable in the EU			
11	Set not applicable in the EU			
12	Set not applicable in the EU			
13	Set not applicable in the EU			
14	Set not applicable in the EU			
15	*Settlement risk*	*25*	*22*	*2*
16	*Securitization exposures in the non-trading book (after the cap)*	*3,749*	*3,380*	*300*
17	of which SEC-IRBA approach	1,008	825	81
18	of which SEC-ERBA (including IAA)	1,069	1,029	85
19	of which SEC-SA approach	152	109	12
EU 19a	of which 1,250%/deduction	1,520	1,417	122
20	*Position, foreign exchange and commodities risks (market risk)*	*5,737*	*6,585*	*459*
21	of which standardized approach	3,237	4,292	259
22	of which IMA	2,500	2,293	200
EU 22a	*Large exposures*			
23	*Operational risk*	*7,012*	*7,012*	*561*
EU 23a	of which basic indicator approach			
EU 23b	of which standardized approach	7,012	7,012	561
EU 23c	of which advanced measurement approach			0
24	*Amounts below the thresholds for deduction (subject to 250% risk weight – for informational purposes)*	*2,609*	*2,716*	*209*
25	Set not applicable in the EU			
26	Set not applicable in the EU			
27	Set not applicable in the EU			
28	Set not applicable in the EU			
29	*Total*	*95,552*	*97,388*	*7,644*

Figure 2: EU OV1 – Overview of risk-weighted exposure amounts

The total risk-weighted exposure amount declined as against the previous quarter. This was mainly due to reductions in credit and market price risk.

In the presentation of securitization exposures, exposures subject to capital deduction and thus not backed with RWAs must also be reported in this template. The total RWAs shown in the template are therefore EUR 1,520m higher than the total RWAs actually reported.

3 Disclosure of own funds (Article 437 CRR and EBA/GL/2018/01)

3.1 Composition of regulatory own funds (Article 437a, d-f CRR)

The following table shows the composition of regulatory own funds. The table also includes regulatory adjustments, regulatory ratios and relevant capital buffers.

The “Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation“ column in the *EU CC1 table* reconciles the components of the bank’s own funds under CRR with the balance sheet. The *EU CC2 table* shows the relevant items of the balance sheet with figures according to IFRS and FINREP (Financial Reporting).

The Common Equity Tier 1 (CET1) of the LBBW Group remained almost unchanged as against the end of the previous year. The revaluation reserve for securities developed positively. This was offset by the change in transitional provisions for IFRS 9 issues. The deduction for securitization exposures increased due to an additional synthetic securitization transaction.

Additional Tier 1 (AT1) capital still consists of the AT1 bond issued in 2019.

Tier 2 (T2) capital declined, particularly as a result of same-day amortization of Tier 2 capital components. This was offset by a decrease in the effects of first-time adoption to be deducted from Tier 2 capital as per IFRS 9 compared with the end of the previous year.

The changes impacting on CET1 capital have an effect on all capital ratios. An increase in AT1 capital influences the Tier 1 ratio and the total capital ratio. Changes in T2 capital affect only the total capital ratio.

No restrictions are applied to the calculation of own funds in accordance with CRR (point (e) of Article 437 CRR). The calculation of capital ratios does not include any elements of own funds calculated on a basis other than that stipulated in the CRR (point (f) of Article 437 CRR).

The development of total risk is shown in more detail in *section 2.2 Overview of risk-weighted exposure amounts (Article 438 d CRR)*.

		a	b
	EUR million **Capital instruments**	**Amounts**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	11,724	
	of which paid-in capital	3,484	j
	of which capital reserves	8,240	k
	of which other		
2	Retained earnings	3,203	l
3	Accumulated other comprehensive income (and other reserves)	-135	m + n + o
EU-3a	Funds for general banking risk		
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase-out from CET1		
5	Minority interests (amount allowed in consolidated CET1)		
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend		
6	*Common Equity Tier 1 (CET1) capital before regulatory adjustments*	*14,793*	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	-195	
8	Intangible assets (net of related tax liability) (negative amount)	-226	a + b
9	Not applicable		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-127	c
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value		
12	Negative amounts resulting from the calculation of expected loss amounts	-6	
13	Any increase in equity that results from securitized assets (negative amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-22	
15	Defined-benefit pension fund assets (negative amount)	-18	
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross-holdings with the institution designed to artificially inflate the own funds of the institution (negative amount)		
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a RW of 1,250%, where the institution opts for the deduction alternative	-122	
EU-20b	of which qualifying holdings outside the financial sector (negative amount)		
EU-20c	of which securitization positions (negative amount)	-122	
EU-20d	of which free deliveries (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		
22	Amount exceeding the 17,65% threshold (negative amount)		
23	of which direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		
24	Not applicable		
25	of which deferred tax assets arising from temporary differences		
EU-25a	Losses for the current financial year (negative amount)		
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)		
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)		
27a	Other regulatory adjustments	-263	

	EUR million Capital instruments	a Amounts	b Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-978	
29	Common Equity Tier 1 (CET1) capital	13,815	
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	744	
31	of which classified as equity under applicable accounting standards	744	
32	of which classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase-out from AT1		
EU-33a	Amount of qualifying items referred to in Article 494a(1) subject to phase-out from AT1		
EU-33b	Amount of qualifying items referred to in Article 494b(1) subject to phase-out from AT1		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		
35	of which instruments issued by subsidiaries subject to phase-out		
36	Additional Tier 1 (AT1) capital before regulatory adjustments	744	p
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)		
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross-holdings with the institution designed to artificially inflate the own funds of the institution (negative amount)		
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)		
42a	Other regulatory adjustments to AT1 capital		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital		
44	Additional Tier 1 (AT1) capital	744	
45	Tier 1 capital (T1 = CET1 + AT1)	14,559	
	Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	3,753	e + f + g + h + i
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase-out from T2 as described in Article 486 (4) CRR		
EU-47a	Amount of qualifying items referred to in Article 494a (2) subject to phase-out from T2		
EU-47b	Amount of qualifying items referred to in Article 494b (2) subject to phase-out from T2		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		
49	of which instruments issued by subsidiaries subject to phase-out		
50	Credit risk adjustments	393	
51	Tier 2 (T2) capital before regulatory adjustments	4,147	
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-25	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross-holdings with the institution designed to artificially inflate the own funds of the institution (negative amount)		
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
54a	Not applicable		

		a	b
	EUR million **Capital instruments**	**Amounts**	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)		
56b	Other regulatory adjustments to T2 capital	-96	
57	*Total regulatory adjustments to Tier 2 (T2) capital*	*-121*	
58	*Tier 2 (T2) capital*	*4,025*	
59	*Total capital (TC = T1 + T2)*	*18,584*	
60	Total risk-weighted exposure amount	94,032	
	Capital ratios and requirements including buffers		
61	Common Equity Tier 1	14.7	
62	Tier 1	15.5	
63	Total capital	19.8	
64	Institution CET1 overall capital requirements	9.62	
65	of which capital conservation buffer requirement	2.50	
66	of which countercyclical capital buffer requirement	0.72	
67	of which systemic risk buffer requirement	0.10	
EU-67a	of which global systemically important institution (G-SII) or other systemically important institution (O-SII) buffer requirement	0.75	
EU-67b	of which additional own funds requirements to address the risks other than the risk of excessive leverage	1.05	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	8.08	
	National minimum requirements (if different from Basel III)		
69	Not applicable		
70	Not applicable		
71	Not applicable		
	Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	547	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	249	
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	795	d
	Applicable caps on the inclusion of provisions in Tier 2		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach	148	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	581	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	393	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase-out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase-out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase-out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Figure 3: EU CC1 – Composition of regulatory own funds

3.2 Reconciliation of regulatory own funds to balance sheet in the audited financial statements (Article 437a CRR)

The following table compares the components of the bank's own funds relevant for the CRR report on the basis of the accounting and regulatory scopes of consolidation. It includes only those items of the balance sheet which are relevant for the calculation of the bank's own funds in accordance with CRR. Accordingly, it does not show all the components reported on the face of the balance sheet.

The disclosure of the shareholders' equity rows in the following templates EU CC2 Reconciliation of regulatory own funds to balance sheet in the audited financial statements is not relevant for LBBW, as LBBW has no shareholders' equity.

		a	b	c
		Balance sheet as in published financial statements (IFRS)	**Under regulatory scope of consolidation (FINREP)**	
	EUR million	**As at period end**		**Reference**
	Assets – breakdown by asset classes according to the balance sheet in the published financial statements			
1	*Intangible assets*	*210*	*200*	
2	of which goodwill			a
3	of which other intangible assets	210	200	b
4	*Deferred income tax assets*	*963*	*1,007*	
5	of which from unused tax losses	127	122	c
6	of which from temporary differences	836	885	d
	Equity and liabilities – breakdown by equity and liability classes according to the balance sheet in the published financial statements			
1	*Financial liabilities designated at fair value*	*3,161*	*3,161*	
2	of which subordinated liabilities	382	382	e
3	of which capital generated from profit-participation rights			f
4	*Subordinated capital*	*4,468*	*4,468*	
5	of which subordinated liabilities	3,605	3,605	g
6	of which typical silent partners' contributions	863	863	h
7	of which capital generated from profit-participation rights			i
8	*Equity*	*16,199*	*16,101*	
9	of which share capital	3,484	3,484	j
10	of which capital reserve	8,240	8,240	k
11	of which retained earnings	3,422	3,203	l
12	of which other income	-223	-95	
13	of which revaluation reserve	-284	-147	
14	of which revaluation reserve for equity investments	-42	95	m
15	of which revaluation reserve for debt instruments	-243	-243	n
16	of which currency translation reserve	22	13	o
17	of which additional equity components (Additional Tier 1)	745	745	p

Figure 4: EU CC2 – Reconciliation of regulatory own funds to balance sheet in the audited financial statemen

3.3 Comparison of own funds and capital and leverage ratio applying and not applying transitional provisions for IFRS 9 in conjunction with Article 473a CRR II (EBA/GL/2018/01)

The calculation of capital ratios does not include any elements of own funds calculated on a basis other than that stipulated in the CRR (point (f) of Article 437 CRR).

LBBW has been phasing in IFRS 9 since March 2020, which is causing a temporary increase in Common Equity Tier 1 capital. LBBW is therefore required to disclose the following values both applying and not applying the transitional provisions.

		a	b	c	d	e
	Ratios in %	**30/06/2024**	**31/03/2024**	**31/12/2023**	**30/09/2023**	**30/06/2023**
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1) capital	13,815	13,834	13,852	13,383	13,496
2	Common Equity Tier 1 (CET1) capital not applying transitional provisions for IFRS 9 or similar expected credit losses	13,719	13,744	13,639	13,215	13,324
3	Tier 1 capital	14,559	14,578	14,596	14,127	14,239
4	Tier 1 capital not applying transitional provisions for IFRS 9 or similar expected credit losses	14,462	14,487	14,382	13,959	14,068
5	Total capital	18,584	18,715	18,719	18,414	18,628
6	Total capital not applying transitional provisions for IFRS 9 or similar expected credit losses	18,584	18,714	18,716	18,413	18,626
	Risk-weighted assets					
7	Total amount of risk-weighted assets	94,032	95,971	92,480	92,429	93,643
8	Total amount of risk-weighted assets not applying transitional provisions for IFRS 9 or similar expected credit losses	94,135	96,067	92,706	92,608	93,826
	Capital ratios					
9	CET1 capital (as a percentage of the total risk exposure amount)	14.7	14.4	15.0	14.5	14.4
10	Common Equity Tier 1 capital (as a percentage of the total risk exposure amount) not applying transitional provisions for IFRS 9 or similar expected credit losses	14.6	14.3	14.7	14.3	14.2
11	Tier 1 capital (as a percentage of the total risk exposure amount)	15.5	15.2	15.8	15.3	15.2
12	Tier 1 capital (as a percentage of the total risk exposure amount) not applying transitional provisions for IFRS 9 or similar expected credit losses	15.4	15.1	15.5	15.1	15.0
13	Total capital (as a percentage of the total risk exposure amount)	19.8	19.5	20.2	19.9	19.9
14	Total capital (as a percentage of the total risk exposure amount) not applying transitional provisions for IFRS 9 or similar expected credit losses	19.7	19.5	20.2	19.9	19.9
	Leverage ratio					
15	Leverage ratio total exposure measure	339,357	350,645	308,740	347,348	342,130
16	Leverage ratio	4.3	4.2	4.7	4.1	4.2
17	Leverage ratio not applying transitional provisions for IFRS 9 or similar expected capital losses	4.3	4.1	4.7	4.0	4.1

Figure 5: Comparison of own funds and capital and leverage ratio applying and not applying

4 Disclosure of countercyclical capital buffers (Article 440 CRR)

4.1 Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer (Article 440 (a) CRR)

The composition of the institution-specific countercyclical capital buffer must be disclosed on a semi-annual basis. The CET1 capital cover of the total countercyclical capital buffer of all relevant countries is capped at 2.5%.

The countries with the greatest risk exposure in accordance with the guidelines for the countercyclical buffer and those that imposed a countercyclical capital buffer in 2024 are shown in the following table.

The "Other countries“ item groups countries whose share in the weighted own funds requirements is only 6.0%. These are therefore regarded as non-material and not listed individually in accordance with Article 432 (1) CRR.

EUR million Breakdown by country	Exposure value KSA	Exposure value IRB	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models	Securitization exposures – exposure value for non-trading book	Total exposure value	Relevant credit risk exposures – credit risk	Relevant credit exposures – market risk	Relevant credit exposures – securitization positions in the non-trading book	Total	Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures – market risk				Own funds requirements						
Armenia	0	0				0	0			0	0	0.00	1.50
Australia	2	200	5			207	4	0		4	46	0.06	1.00
Belgium	10	417	134			561	11	3		14	174	0.24	0.50
Bulgaria	0	1				1	0			0	1	0.00	2.00
Chile	0	80	7			87	4	0		4	50	0.07	0.50
Denmark	6	383	8			397	13	0		13	160	0.22	2.50
Germany	21,162	91,846	5,415		9,252	127,674	3,652	44	87	3,783	47,292	66.16	0.75
Estonia	0					0	0			0	0	0.00	1.50
France	19	3,655	481			4,154	124	11		135	1,684	2.36	1.00
United Kingdom	142	2,334	866			3,342	96	15		111	1,382	1.93	2.00
Hong Kong	59	296				354	18			18	220	0.31	1.00
Ireland	62	647	2		4,306	5,017	26	0	77	103	1,286	1.80	1.50
Iceland	0	0				0	0			0	0	0.00	2.50
Croatia	0		0			0	0	0		0	0	0.00	1.50
Lithuania	0	97				97	1			1	8	0.01	1.00
Luxembourg	51	5,263	92		1,274	6,679	163	3	11	177	2,208	3.09	0.50
Netherlands	132	8,026	306			8,464	252	6		258	3,222	4.51	2.00
Norway	2	1,424	54			1,480	20	0		20	255	0.36	2.50
Austria	83	2,935	177			3,195	128	1		129	1,609	2.25	
Poland	191	1,946	5			2,143	62	0		62	775	1.08	
Republic of Korea	46	282	561		270	1,158	16	3	3	23	285	0.40	1.00
Romania	2	6				8	0			0	3	0.00	1.00
Sweden	3	436	48			486	20	1		21	257	0.36	2.00
Switzerland	113	2,321	162			2,595	76	2		78	979	1.37	
Slovakia	1		2			3	0	0		0	1	0.00	1.50
Slovenia	0	2				3	0			0	1	0.00	0.50
Czech Republic	5	200	2			207	5	0		5	65	0.09	1.75
USA	390	21,935	385			22,709	412	7		419	5,242	7.33	
Cyprus	0					0	0			0	0	0.00	1.00
Other countries	1,335	8,993	4,160	0	0	14,489	280	62	0	342	4,273	5.98	
Total	*23,817*	*153,724*	*12,868*		*15,101*	*205,510*	*5,382*	*158*	*178*	*5,718*	*71,477*	*100*	

Figure 6: EU CCyB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

4.2 Amount of institution-specific countercyclical capital buffer (Article 440(b) CRR)

The amount of LBBW's institution-specific countercyclical capital buffer is shown in the following figure.

		a
	Amount of institution-specific countercyclical capital buffer	**Amount**
1	Total risk exposure amount (EUR million)	94,032
2	Institution-specific countercyclical capital buffer rate (%)	0.72
3	Institution-specific countercyclical capital buffer requirements (EUR million)	681

Figure 7: EU CCyB2 – Amount of institution-specific countercyclical capital buffer

5 Disclosure of the leverage ratio (Article 451 CRR)

5.1 Summary reconciliation of accounting assets and leverage ratio exposures (Article 451(1) b CRR)

		a
		Applicable amount EUR million
1	*Total assets as per published financial statements*	*355,216*
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-2,500
3	(Adjustment for securitized exposures that meet the operational requirements for the recognition of risk transference)	
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	
5	(Adjustment for fiduciary assets recognized on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	
6	Adjustment for regular purchases and sales of financial assets subject to trade date accounting	
7	Adjustment for eligible cash pooling transactions	
8	Adjustments for derivative financial instruments	11
9	Adjustment for securities financing transactions (SFTs)	7,473
10	Adjustment for off-balance-sheet items (i.e. conversion to credit equivalent amounts of off-balance-sheet exposures)	40,066
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	
EU-11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)	
12	Other adjustments	-60,909
13	*Total exposure measure*	*339,357*

Figure 8: EU LR1 – LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

5.2 Leverage ratio common disclosure (Article 451(1) a-b, c, (2), (3) CRR)

Row *EU-22e* entirely comprises exposures arising from passing-through of promotional loans to other credit institutions if the promotional loans were granted by an entity set up by the central government, regional government or local authority of a Member State through an intermediate credit institution.

EUR million		a	b
		CRR leverage ratio exposures	
		30/06/2024	31/12/2023
On-balance-sheet exposures (excluding derivatives and SFTs)			
1	On-balance-sheet items (excluding derivatives, SFTs, but including collateral)	299,015	287,932
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework		
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-5,581	-5,606
4	(Adjustment for securities received under securities financing transactions that are recognized as an asset)		
5	(General credit risk adjustments to on-balance-sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	-546	-254
7	Total on-balance-sheet exposures (excluding derivatives and SFTs)	292,888	282,073
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	10,654	9,534
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardized approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	11,717	10,794
EU-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardized approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-8,101	-7,021
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardized approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)		
11	Adjusted effective nominal amount of written credit derivatives	5,554	5,578
12	(Adjusted effective nominal offsets and add-on deductions for written credit derivatives)	-4,031	-4,122
13	Total derivatives exposures	15,793	14,763
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting) after adjustment for sales accounting transactions	35,226	31,276
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	2	-6,723
16	Counterparty credit risk exposure for SFT assets	2,244	2,462
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)		
18	Total securities financing transaction exposures	37,472	27,014
Other off-balance-sheet exposures			
19	Off-balance-sheet exposures at gross nominal amount	88,060	77,761
20	(Adjustments for conversion to credit equivalent amounts)	-47,995	-47,571
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance-sheet exposures)		
22	Off-balance-sheet exposure	40,066	30,190
Excluded exposures			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	-17,324	-15,963
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))		
EU-22c	(Excluded exposures of public development banks (or units) – public sector investments)		
EU-22d	(Excluded exposures of public development banks (or units) – promotional loans)		
EU-22e	(Excluded passing-through of promotional loan exposures by non-public development banks (or units))	-26,253	-26,097
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-3,383	-3,240
EU-22g	(Excluded excess collateral deposited at triparty agents)		
EU-22h	(Excluded CSD-related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)		
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)		
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)		
EU-22k	(Total exempted exposures)	-46,959	-45,300
Capital and total exposure measure			
23	Tier 1 capital	14,462	14,596
24	Total exposure measure	339,260	308,740
Leverage ratio			

EUR million		a	b
		CRR leverage ratio exposures	
		30/06/2024	31/12/2023
25	Leverage ratio (%)	4.26	4.73
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	4.26	4.73
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	4.26	4.73
26	Regulatory minimum leverage ratio requirement (%)	3.00	3.00
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)		
EU-26b	of which to be made up of CET1 capital		
27	Leverage ratio buffer requirement (%)		
EU-27a	Overall leverage ratio requirement (%)	3.00	3.00
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure		

Figure 9: EU LR2 – LRCom: Leverage ratio common disclosure

The promotional loans are granted in order to promote the public policy objectives of the central government, regional government or local authority in a Member State. These are stipulated in the respective articles of association of the promotional institutions. At LBBW, promotional loans are passed through both to other credit institutions and to customers.

The leverage ratio on the basis of the CRR transitional provisions (phase-in) came to 4.3% as at 30 June 2024 (as at 31 December 2023: 4.7%). The leverage ratio exposure (phase-in) was EUR 339.3bn as at 30 June 2024 (EUR 308.7bn as at 31 December 2023).

The change in the leverage ratio exposure compared to the prior period (31 December 2023) is mainly due to the increase in risk exposures to sovereigns (EUR +17.4bn) and SFTs (EUR +10.4bn).

5.3 Breakdown of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures) (Article 451 (1) b CRR)

		a
		CRR leverage ratio exposures EUR million
EU-1	Total on-balance-sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	251,956
EU-2	Trading book exposures	14,570
EU-3	Banking book exposures, of which:	237,386
EU-4	Covered bonds	14,750
EU-5	Exposures treated as sovereigns	78,868
EU-6	Exposures to regional governments, MDB, international organizations and PSE not treated as sovereigns	319
EU-7	Institutions	13,881
EU-8	Secured by mortgages of immovable properties	46,759
EU-9	Retail exposures	5,297
EU-10	Corporates	71,396
EU-11	Exposures in default	1,382
EU-12	Other exposures (e.g. equity, securitizations, and other non-credit-obligation assets)	4,734

Figure 10: EU LR3 – LRSpl: Split up of on-balance-sheet exposures (excluding derivatives, SFTs and exempted exposures)

The “Exposures treated as sovereigns“ item mainly includes exposures to central banks.

6 Disclosure of liquidity requirements (Article 451a CRR)

With Commission Implementing Regulation (EU) 2021/637 of 15 March 2021, the European Commission laid down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council with respect to liquidity risk. In addition, the regulation includes specifications and requirements as to which information institutions must disclose with regard to the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR).

The LCR shows the short-term resilience of the liquidity profile and is thereby defined as the ratio of liquid assets (liquidity buffer) to total net cash outflows over the next 30 days.

The NSFR ensures that institutions have an adequate ratio of stable funding by requiring the available stable funding – the liabilities side of the balance sheet – to at least equal the required stable funding – the assets side of the balance sheet.

6.1 Quantitative information of LCR (Article 451a (2) CRR)

LCR disclosure

Levels and components of LCR

In line with Annex XIII of Commission Implementing Regulation (EU) 2021/637, LBBW is required to disclose quantitative information on the components of LCR. The average liquidity coverage ratio is calculated by taking the average liquidity coverage ratios of the last twelve months before the end of each quarter. Based on LCR data collated as the end of each month, the unweighted and weighted values (simple average values over twelve-month values before the end of each quarter) look as follows.

The LCR over the entire disclosure period was consistently above the minimum ratio of 100% required for 2024.

		a	b	c	d	e	f	g	h
	EUR million	**Total unweighted value**				**Total weighted value**			
EU 1a	**Quarter ending on**	**30/06/24**	**31/03/24**	**31/12/23**	**30/09/23**	**30/06/24**	**31/03/24**	**31/12/23**	**30/09/23**
EU 1b	**Number of data points used in the calculation of averages**	**12**	**12**	**12**	**12**	**12**	**12**	**12**	**12**
	High-quality liquid assets								
1	Total high-quality liquid assets (HQLA)					100,422	101,801	106,635	106,915
	Cash outflows								
2	Retail deposits and deposits from small business customers, of which:	22,761	22,900	22,810	22,806	1,368	1,420	1,470	1,531
3	Stable deposits	8,513	8,879	9,163	9,486	426	444	458	474
4	Less stable deposits	7,049	7,313	7,550	7,895	941	974	1,010	1,055
5	Unsecured wholesale funding	113,308	114,406	117,666	118,228	73,356	73,570	75,262	75,544
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	19,509	20,071	21,795	23,298	4,943	5,086	5,517	5,890
7	Non-operational deposits (all counterparties)	72,982	73,993	75,447	74,649	47,596	48,142	49,321	49,373
8	Unsecured debt	20,817	20,342	20,424	20,281	20,817	20,342	20,424	20,281
9	Secured wholesale funding					1,220	1,553	1,856	2,222
10	Additional requirements	42,694	42,277	42,123	41,690	13,108	13,087	13,142	12,944
11	Outflows related to derivative exposures and other collateral requirements	6,449	6,316	6,108	5,984	4,657	4,612	4,525	4,474
12	Outflows related to loss of funding on debt products	216	326	376	284	216	326	376	284
13	Credit and liquidity facilities	36,029	35,635	35,639	35,422	8,235	8,149	8,241	8,186
14	Other contractual funding obligations	8,094	7,443	6,870	6,745	7,875	7,232	6,665	6,555
15	Other contingent funding obligations	38,745	38,684	38,603	38,458	2,475	2,466	2,617	2,801
16	*TOTAL CASH OUTFLOWS*					*99,402*	*99,328*	*101,012*	*101,597*
	Cash inflows								
17	Secured lending (e.g. reverse repos)	17,582	16,553	15,554	15,203	2,940	2,481	2,089	1,834
18	Inflows from fully performing exposures	16,599	16,553	16,311	16,099	10,332	10,300	10,130	9,917
19	Other cash inflows	12,509	11,829	11,553	11,370	10,596	9,830	9,486	9,288
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
EU-19b	(Excess inflows from a related specialized credit institution)								
20	*TOTAL CASH INFLOWS*	*46,690*	*44,935*	*43,418*	*42,672*	*23,868*	*22,611*	*21,704*	*21,039*
EU-20a	Fully exempt inflows								
EU-20b	Inflows subject to 90% cap								
EU-20c	Inflows subject to 75% cap	41,899	40,088	38,389	37,629	23,868	22,611	21,704	21,039
	Total adjusted value								
EU-21	LIQUIDITY BUFFER					100,422	101,801	106,635	106,915
22	TOTAL NET CASH OUTFLOWS					75,532	76,718	79,308	80,557
23	LIQUIDITY COVERAGE RATIO					133.7%	133.4%	134.9%	133.1%

Figure 11: EU LIQ1 – quantitative information on LCR

6.2 Qualitative information on LCR, which complements template EU LIQ1 (Article 451a (2) CRR)

The LCR is shaped by a diversified funding mix across various maturities (short and long), product groups (secured and unsecured) and investor groups (private customers, corporate customers, public sector, and financial customers). It offers all the usual liability products on a secured and unsecured basis in various maturity segments. In addition, the open-market transactions offered by central banks can be used if necessary.

The short-term maturities from the funding mix and potential additional liquidity outflows are countered by an adequate buffer of highly liquid assets and expected incoming payments from maturing exposures. The structural funding requirements are derived from the expected business performance (funding planning) on the basis of economic planning and complemented by short-term fine-tuning measures for the purposes of LCR management.

In the second quarter of 2024, the LCR ranged between 130% and 141% as at the reporting dates.

Liquidity in the market remains high but has declined on account of current central bank monetary policy. LBBW still has a high liquidity buffer, significant parts of which are held as cash balances at central banks. Thanks to its good standing in the market, it can obtain the necessary amount of unsecured funding.

The main sources of funding are currently deposits from private and corporate customers and investments by affiliated savings banks and German institutional investors. Potential concentrations are monitored by way of investor lists.

The long-term funding requirement is covered by Pfandbriefe and unsecured issues, which are highly attractive to investors due to the bank’s good market standing and the fact that some of them are configured as green or social bonds.

The bank’s liquidity buffer comprises a strategic buffer aligned to the requirements of the business model (e.g. call risks from non-maturity deposits, loan commitments, intended maturity transformation), supplemented by buffer stocks that can be adjusted at short notice.

For the strategic buffer, the bank manages a stock of highly liquid securities that are funded structurally. In addition, short-term liquidity buffers are held in the form of cash balances at central banks or in connection with securities received via repurchase agreements and lending transactions.

LBBW enters into derivative exposures at customer request and into hedge risks from its own business portfolio (e.g. interest rate risks). In the event of adverse market conditions, a portion of these derivative exposures has to be secured with cash on the basis of collateralization agreements. LBBW calculates these outflows using the “historical look-back approach“ (HLBA) as defined in Commission Delegated Regulation (EU) 2017/208. As at 30 June 2024, the average share of outflows calculated based on the HLBA amounted to around 5% of total net outflows.

LBBW manages compliance with the LCR across all currencies. At the moment, the US dollar is a significant currency in the sense of Article 415 (2) CRR.

All LBBW Group liquidity risks classified as material, including subsidiaries which are material for the liquidity risk, are managed centrally or in close collaboration with LBBW Treasury. With the exception of Berlin Hyp, the impact of the other subsidiaries on the LCR was generally marginal during the disclosure period.

LBBW sees no further positions that might be relevant for its liquidity profile which are not included in the figures or in the text of the present disclosure report.

6.3 Disclosure of net stable funding ratio (NSFR) (Article 451a (3) CRR)

The net stable funding ratio (NSFR) as defined by Regulation (EU) No. 575/2013) in conjunction with Regulation (EU) 2019/876 is a structural liquidity ratio that took effect as at 28 June 2021 to ensure that the institution has a stable funding structure. Compliance with the ratio requires that the amount of permanently available weighted liabilities and own funds – available stable funding (ASF) – at least matches the amount of the permanent funding requirement from weighted assets and off-balance-sheet exposures – required stable funding (RSF).

The regulatory requirement of a minimum requirement is binding for LBBW, including the subsidiaries within the Group, from 28 June 2021.

At LBBW, disclosures on the NSFR are based on the regulatory scope of consolidation within the meaning of CRR.

The disclosure presents the figures as at the end of each quarter of the relevant disclosure period. The annual and semi-annual disclosures therefore present two quarters – the quarter as at the reference date of disclosure and the preceding quarter.

The management of the NSFR is embedded into the management of LBBW balance-sheet structure. Permanent fulfillment of the NSFR requirement is a core requirement in economic and funding planning (five-year perspective). The ratio is therefore a key factor in determining the funding requirement on the liabilities side. The aim of the funding mix strategy is to achieve balanced diversification in relation to product and investor groups. To this end, all the usual liability products are offered on a secured and unsecured basis in various maturity segments.

As well as long-term capital market issues, NSFR management is supplemented by the active daily management of short-term deposits and loans of non-finance customers. When necessary or in the case of favorable opportunities, open-market transactions offered by central banks can also be used.

The NSFR was largely stable in the first half of 2024. A surplus of funding volumes compared to new lending business pushed up the ratio slightly compared with the end of the previous year (111.8% as at 30 June 2024).

The interdependent assets and liabilities included in the NSFR currently comprise promotional business in the form of pass-through and transmitted loans and derivative clearing activities for customers. For the transmitted promotional loans, LBBW recognizes both a liability to the development bank and a receivable in the same amount from the final borrower, public savings banks. Derivative clearing activities for customers are also recognized as interdependent. In total, the volume of interdependent assets and liabilities was EUR 39,706m each as at 30 June 2024 (31 December 2023: EUR 39,853m), of which EUR 35,849m (31 December 2023: EUR 36,138m) related to promotional business and EUR 3,828m (31 December 2023: EUR 3,715m) to derivative clearing activities.

	30/06/2024 EUR million	a Unweighted value by residual maturity No maturity	b < 6 months	c 6 months to < 1yr	d ≥ 1yr	e Weighted value
	Available stable funding (ASF) Items					
1	Capital items and instruments	15,121			4,807	19,928
2	Own funds	15,121			4,807	19,928
3	Other capital instruments					
4	Retail deposits		18,998	2,556	559	20,546
5	Stable deposits		10,381	1,394	351	11,537
6	Less stable deposits		8,617	1,163	208	9,009
7	Wholesale funding:		170,114	19,616	78,629	129,660
8	Operational deposits		18,980	0	0	4,759
9	Other wholesale funding		151,134	19,616	78,629	124,901
10	Interdependent liabilities		3,365	2,219	34,122	0
11	Other liabilities:		5,966	1	1,632	1,632
12	NSFR derivative liabilities					
13	All other liabilities and capital instruments not included in the above categories		5,966	1	1,632	1,632
14	*Total available stable funding (ASF)*					*171,767*
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					3,717
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		1,151	1,514	32,280	29,703
16	Deposits held at other financial institutions for operational purposes		1	0	0	1
17	Performing loans and securities:		72,947	16,555	95,753	108,325
18	Performing securities financing transactions with financial customers collateralized by Level 1 HQLA subject to 0% haircut		12,104	215	26	1,106
19	Performing securities financing transactions with financial customer collateralized by other assets and loans and advances to financial institutions		33,180	9,000	19,800	26,762
20	Performing loans to non-financial corporate clients, loans to retail and small business customers and loans to sovereigns and PSEs, of which:		17,986	4,585	33,082	48,751
21	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk		1,639	95	1,247	7,288
22	Performing residential mortgages, of which:		581	452	8,226	
23	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk		458	281	7,828	
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance-sheet products		4,902	1,549	16,470	17,130
25	Interdependent assets		3,365	2,219	34,122	0
26	Other assets		22,300	205	4,941	9,110
27	Physical traded commodities				584	496
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		1,206	160	685	1,742
29	NSFR derivative assets		0			0
30	NSFR derivative liabilities before deduction of variation margin posted		12,054			603
31	All other assets not included in the above categories		9,040	46	3,672	6,268
32	Off-balance-sheet items		33,899	4,947	35,190	2,843
33	*Total RSF*					*153,699*
34	Net stable funding ratio (%)					111.8%

Figure 12: EU LIQ2 – Disclosure of net stable funding ratio (NSFR) 30/06/2024

The disclosure of the net stable funding ratio for the previous period as of 31 March 2024 is presented below.

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
	31/03/2024 EUR million	**No maturity**	**< 6 months**	**6 months to < 1yr**	**≥ 1yr**	
	Available stable funding (ASF) Items					
1	Capital items and instruments	15,345			5,071	20,417
2	Own funds	15,345			5,071	20,417
3	Other capital instruments					
4	Retail deposits		20,426	2,724	520	21,989
5	Stable deposits		11,169	1,496	300	12,331
6	Less stable deposits		9,257	1,228	221	9,657
7	Wholesale funding:		175,887	23,843	73,439	128,130
8	Operational deposits		18,406	0	0	4,288
9	Other wholesale funding		157,481	23,843	73,439	123,842
10	Interdependent liabilities		3,547	2,113	34,392	0
11	Other liabilities:		6,165	2	1,952	1,952
12	NSFR derivative liabilities					
13	All other liabilities and capital instruments not included in the above categories		6,165	2	1,952	1,952
14	*Total available stable funding (ASF)*					*172,488*
	Required stable funding (RSF) Items					
15	Total high-quality liquid assets (HQLA)					4,413
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		926	1,393	30,985	28,308
16	Deposits held at other financial institutions for operational purposes		2	0	0	1
17	Performing loans and securities:		70,588	19,294	96,547	110,231
18	Performing securities financing transactions with financial customers collateralized by Level 1 HQLA subject to 0% haircut		11,147	495	7	1,159
19	Performing securities financing transactions with financial customer collateralized by other assets and loans and advances to financial institutions		30,439	9,984	18,822	25,923
20	Performing loans to non-financial corporate clients, loans to retail and small business customers and loans to sovereigns and PSEs, of which:		22,269	6,359	33,711	52,989
21	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk		425	169	1,848	7,613
22	Performing residential mortgages, of which:		416	328	8,667	
23	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk		416	328	8,667	
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance-sheet products		4,636	1,135	14,311	14,934
25	Interdependent assets		3,547	2,113	34,392	0
26	Other assets		66,843	343	6,337	10,219
27	Physical traded commodities				598	509
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		811	256	768	1,559
29	NSFR derivative assets		0			0
30	NSFR derivative liabilities before deduction of variation margin posted		11,028			551
31	All other assets not included in the above categories		55,005	87	4,971	7,600
32	Off-balance-sheet items		34,490	4,890	35,165	2,873
33	*Total RSF*					*156,045*
34	Net stable funding ratio (%)					110.5%

Figure 13: EU LIQ2 – Disclosure of net stable funding ratio (NSFR) 31/03/2024

7 Disclosure of exposures to credit risk and dilution risk and of credit quality (Article 442 CRR)

The following figure shows the credit quality of performing and non-performing exposures and related provisions. Further on, there is a breakdown by maturity, sector and country. The disclosure is based on the values of the FINREP report.

7.1 Performing and non-performing exposures and related provisions (Article 442c, e CRR)

Performing and non-performing exposures and related provisions are shown on the following page.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount / nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collaterals and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
	EUR million		of which stage 1	of which stage 2		of which stage 2	of which stage 3		of which stage 1	of which stage 2		of which stage 2	of which stage 3			
005	Cash balances at central banks and other demand deposits	58,805	58,804	1	0		0	-0	-0	-0	-0		-0			
010	*Loans and advances*	*211,686*	*177,498*	*33,036*	*2,331*	*1*	*2,260*	*-1,028*	*-488*	*-540*	*-784*	*-0*	*-783*	*-187*	*83,226*	*1,135*
020	Central banks	15	15													
030	General governments	9,157	8,374	27	0		0	-12	-12	-0	-0		-0	-1	2,660	0
040	Credit institutions	55,023	54,860	115	23		23	-12	-12	-1	-21		-21		162	
050	Other financial corporations	28,635	24,251	4,098	121		64	-100	-49	-52	-18		-18	-4	14,511	80
060	Non-financial corporations	107,291	80,244	26,993	2,113	0	2,099	-833	-375	-458	-715		-714	-165	58,473	1,030
070	of which KMU	36,757	23,954	12,803	774		769	-323	-135	-187	-136		-136	-0	28,252	453
080	Households	11,566	9,754	1,803	75	1	74	-70	-41	-29	-30	-0	-30	-17	7,419	25
090	*Debt securities*	*38,429*	*37,844*	*6*	*6*		*6*	*-6*	*-6*	*-0*	*-6*		*-6*			
100	Central banks	419	419					-0	-0							
110	General governments	7,387	7,369					-1	-1							
120	Credit institutions	25,603	25,603					-4	-4							
130	Other financial corporations	4,712	4,152					-1	-1							
140	Non-financial corporations	308	301	6	6		6	-0	-0	-0	-6		-6			
150	*Off-balance-sheet exposure*	*78,112*	*62,843*	*5,801*	*121*	*0*	*72*	*-220*	*-118*	*-102*	*-47*	*-0*	*-32*		*3,060*	*5*
160	Central banks	0														
170	General governments	2,947	2,818	1				-0	-0	-0					312	
180	Credit institutions	4,650	4,202	12				-2	-2	-0					18	
190	Other financial corporations	9,676	8,537	195	0		0	-17	-8	-9	-0				413	
200	Non-financial corporations	57,693	44,337	5,410	120	0	71	-198	-107	-91	-47		-32		2,260	5
210	Households	3,145	2,949	184	1	0	1	-2	-1	-1	-0	-0			56	
220	*Total*	*387,032*	*336,988*	*38,845*	*2,459*	*1*	*2,338*	*-1,254*	*-612*	*-642*	*-838*	*-0*	*-821*	*-187*	*86,286*	*1,139*

Figure 14: EU CR1 – Performing and non-performing exposures and related provisions

7.2 Residual maturity of exposures (Article 442g CRR)

The following table shows net exposure values by maturity. Net value is the gross carrying amount less allowances/impairments.

		a	b	c	d	e	f
		Net exposure value					
	EUR million	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	*Loans and advances*	*6,149*	*51,973*	*69,924*	*84,149*	*10*	*212,205*
2	*Debt securities*		*5,292*	*21,168*	*11,963*		*38,423*
3	*Total*	*6,149*	*57,264*	*91,092*	*96,112*	*10*	*250,628*

Figure 15: EU CR1-A – Maturity of exposures

7.3 Changes in the stock of non-performing loans and advances (Article 442f CRR)

The following table shows the stock of non-performing loans and advances as at 30 June 2024 in accordance with FINREP.

The difference between the disclosed non-performing values and the values as if the definition of defaulted in accordance with Article 178 CRR was applied was immaterial as at 30 June 2024.

		a
	EUR million	Gross carrying amount
010	*Initial stock of non-performing loans and advances*	*1,995*
020	Inflows to non-performing portfolios	693
030	Outflows from non-performing portfolios	-357
040	Outflows due to write-offs	-1
050	Outflow due to other situations	-356
060	*Final stock of non-performing loans and advances*	*2,331*

Figure 16: EU CR2 – Changes in the stock of non-performing loans and advances

Disclosure of template *EU CR2a – Changes in the stock of non-performing loans and advances and related net accumulated recoveries* is not relevant for LBBW, as LBBW’s NPL ratio is currently below 5%.

7.4 Credit quality of forborne exposures (Article 442c CRR)

		a	b	c	d	e	f	g	h
		Gross carrying amount / nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
	EUR million	Performing forborne		Of which defaulted	Of which impaired	On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
005	*Cash balances at central banks and other demand deposits*								
010	*Loans and advances*	*3,522*	*1,175*	*1,174*	*1,168*	*-41*	*-341*	*2,948*	*524*
020	Central banks								
030	General governments								
040	Credit institutions								
050	Other financial corporations	427	12	12	10	-8	-2	272	7
060	Non-financial corporations	3,094	1,157	1,157	1,153	-33	-336	2,674	515
070	Households	1	6	5	5	0	-3	2	2
080	*Debt securities*								
090	*Loan commitments given*	*147*	*10*	*10*	*10*	*-5*	*0*	*2*	
100	*Total*	*3,669*	*1,185*	*1,184*	*1,177*	*-46*	*-341*	*2,950*	*524*

Figure 17: EU CQ1 – Credit quality of forborne exposures

Disclosure of template *EU CQ2 – Quality of forbearance* is not relevant for LBBW, as LBBW’s NPL ratio is currently below 5%.

7.5 Quality of non-performing exposures by geography (Article 442c, e CRR)

The following table breaks down exposure by country. The 15 largest countries in terms of “gross carrying amounts of on-balance-sheet exposures“ and the 10 largest countries in terms of “nominal amounts of off-balance-sheet exposures“ are classified as significant. The countries shown represent more than 90% of the total gross carrying amounts of on-balance-sheet exposures and more than 90% of the nominal amounts of off-balance-sheet exposures. The other countries as well as supranational organizations are shown under “Others/supranational organizations“. These are therefore regarded as non-material and not listed individually in accordance with Article 432 (1) CRR.

Disclosure of columns b (Gross carrying/nominal amount – of which non-performing) and d (Gross carrying/nominal amount – of which subject to impairment) of the following template *EU CQ4 – Quality of non-performing exposures by geography* is not relevant for LBBW, as LBBW’s NPL ratio is currently below 5%.

		a	c	e	f	g
	EUR million	**Gross carrying/nominal amount**	**Of which non-performing and defaulted**	**Accumulated impairment**	**Provisions on off-balance-sheet commitments and financial guarantees given**	**Accumulated negative changes in fair value due to credit risk on non-performing exposures**
010	*On-balance-sheet exposures*	*252,453*	*2,337*	*-1,825*		
020	Germany	136,422	1,342	-1,239		
030	USA	20,351	369	-245		
040	France	15,412	75	-47		
050	United Kingdom	13,911	0	-26		
060	Luxembourg	9,404	88	-53		
070	Netherlands	8,020	3	-55		
080	Canada	6,633	0	-8		
090	Singapore	4,422		0		
100	Austria	3,926	0	-12		
110	Republic of Korea	3,407		-1		
120	Poland	2,508	0	-18		
130	Spain	2,368	0	-3		
140	Australia	1,790		0		
150	Sweden	1,744	0	-5		
160	Belgium	1,693	0	-1		
170	Others / supranational organizations	20,441	458	-112		
180	*Off-balance-sheet exposure*	*78,233*	*121*		*-266*	
190	Germany	57,717	118		-204	
200	Ireland	4,690			-1	
210	Switzerland	2,808			-8	
220	USA	2,506	3		-22	
230	Austria	2,369			-7	
240	France	1,140	0		-1	
250	Netherlands	1,138			-5	
260	Luxembourg	891			-6	
270	Republic of Korea	602			0	
280	United Kingdom	446			0	
290	Others / supranational organizations	3,926	0		-11	
300	*Total*	*330,685*	*2,458*	*-1,825*	*-266*	*0*

Figure 18: EU CQ4 – Quality of non-performing exposures by geography

7.6 Credit quality of loans and advances to non-financial corporations by industry (Article 442c, e CRR)

In the following table, the loans and advances to non-financial corporations are grouped by industry using the NACE code on the basis of the principal activity of the business partner.

Disclosure of columns b (Gross carrying amount – of which non-performing) and d (Gross carrying amount – of which loans and advances subject to impairment) of the following template *EU CQ5 – Credit quality of loans and advances to non-financial corporations by industry* is not relevant for LBBW, as LBBW's NPL ratio is currently below 5%.

		a	c	e	f
	EUR million **Industry sector**	**Gross carrying amount**	**Of which non-performing and defaulted**	**Accumulated impairment**	**Accumulated negative changes in fair value due to credit risk on non-performing exposures**
010	Agriculture, forestry and fishing	122	6	-2	
020	Mining and quarrying	668	7	-3	
030	Manufacturing	17,195	733	-381	
040	Electricity, gas, steam and air conditioning supply	5,320	30	-66	
050	Water supply	2,665	3	-8	
060	Construction	2,669	112	-56	
070	Wholesale and retail trade	6,539	154	-135	
080	Transport and storage	3,445	28	-30	
090	Accommodation and food service activities	123	0	-1	
100	Information and communication	4,524	29	-65	
110	Financial and insurance activities				
120	Real estate activities	50,532	837	-551	
130	Professional, scientific and technical activities	8,180	112	-170	
140	Administrative and support service activities	4,248	33	-53	
150	Public administration and defense, compulsory social security				
160	Education	223	0	-3	
170	Human health services and social work activities	1,209	21	-12	
180	Arts, entertainment and recreation	418	0	-2	
190	Other services	1,324	8	-9	
200	*Total*	*109,404*	*2,113*	*-1,549*	

Figure 19: EU CQ5 – Credit quality of loans and advances to non-financial corporations by industry

Disclosure of template *EU CQ6 – Collateral valuation – loans and advances* is not relevant for LBBW, as LBBW's NPL ratio is currently below 5%. Disclosure of template *EU CQ7 – Collateral obtained by taking possession and execution processes* is not relevant for LBBW, as LBBW currently has no such collateral. Disclosure of template *EU CQ8 – Collateral obtained by taking possession and execution processes – vintage* breakdown is not relevant for LBBW, as LBBW's NPL ratio is currently below 5%.

8 Disclosure of the use of credit risk mitigation techniques (Article 453 a-f CRR)

8.1 CRM techniques overview: Disclosure of the use of credit risk mitigation techniques (Article 453f CRR)

The following table shows secured and unsecured exposures for exposures not including counterparty credit risk, as well as the collateral, financial guarantees and derivatives used for credit risk mitigation.

	EUR million	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
		a	b	c	d	e
1	*Loans and advances*	*186,649*	*84,361*	*72,571*	*11,789*	*0*
2	*Debt securities*	*38,423*	*0*	*0*	*0*	
3	*Total*	*225,072*	*84,361*	*72,571*	*11,789*	*0*
4	Of which non-performing exposures	412	1,135	705	430	0
EU-5	Of which defaulted	411	1,135			

Figure 20: EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

The change in the unsecured carrying amounts in loans and advances as against the previous period is primarily due to the increase in on-demand or current receivables (essentially cash balances at central banks).

9 Disclosure of the use of the standardized approach (Articles 444, 453g-i CRR)

9.1 Standardized approach – Credit risk exposure and CRM effects (Articles 444e, 453g-i CRR)

The following table shows exposures to be reported before and after credit conversion factor and credit risk mitigation as well as RWAs and RWA density. RWA density is the ratio of risk-weighted assets to exposures after taking into account credit conversion factors and credit risk mitigation.

		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWA density	
	EUR million Exposure classes	**On-balance-sheet exposure**	**Off-balance-sheet exposure**	**On-balance-sheet exposure**	**Off-balance-sheet exposure**	**RWAs**	**RWA density (%)**
		a	b	c	d	e	f
1	Central governments or central banks	755		1,199	52	3	0.00
2	Regional government or local authorities	1,891	431	2,394	251	0	0.00
3	Public sector entities	549	904	561	338	77	0.09
4	Multilateral development banks						
5	International organizations	588		588			
6	Institutions	37,558	3,337	39,862	1,713	327	0.01
7	Corporates	10,262	3,068	8,311	326	5,802	0.67
8	Retail	5,297	2,871	5,046	176	3,458	0.66
9	Secured by mortgages on immovable property	5,170	15	5,170	10	1,817	0.35
10	Exposures in default	84	2	76	0	103	1.36
11	Exposures associated with particularly high risk	3	8	3	4	10	1.50
12	Covered bonds	539		539		3	0.01
13	Institutions and corporates with a short-term credit assessment						
14	Collective investment undertakings	20		20		27	1.35
15	Equity						
16	Other items	63		63		63	1.00
17	*Total*	*62,777*	*10,635*	*63,831*	*2,870*	*11,690*	*0.18*

Figure 21: EU CR4 – standardized approach – Credit risk exposure and CRM effects

9.2 Standardized approach (Article 444e CRR)

	EUR million Exposure classes	Risk weight 0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1,250%	Other	Total	Of which unrated
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	1,249									3						1,252	247
2	Regional government or local authorities	2,643				1											2,644	995
3	Public sector entities	512				386					0						898	368
4	Multilateral development banks																	
5	International organizations	588															588	
6	Institutions	39,989				1,557		25			4						41,575	40,147
7	Corporates	547				2,129	4	607	7		5,342	0			0		8,637	4,833
8	Retail exposures									5,222	0						5,222	4,154
9	Secured by mortgages on immovable property						4,825	355									5,180	
10	Exposures in default										21	55					76	62
11	Exposures associated with particularly high risk											7					7	4
12	Covered bonds	511			29												539	58
13	Institutions and corporates with a short-term credit assessment																	
14	Unit or shares in collective investment undertakings	0														20	20	
15	Equity																	
16	Other items	0									63						63	0
17	*Total*	*46,039*			*29*	*4,074*	*4,830*	*986*	*7*	*5,222*	*5,433*	*61*			*0*	*20*	*66,701*	*50,868*

Figure 22: EU CR5 – standardized approach

10 Disclosure of the use of the IRB approach to credit risk (Articles 438, 452, 453g-j CRR)

The following section shows credit risk exposures reported under the IRB approach, excluding counterparty credit risks. The following table shows IRB credit risk exposures by exposure class and PD ranges set by the regulator.

A distinction between F-IRB and A-IRB is not currently relevant for LBBW.

10.1 IRB approach – Credit risk exposures by exposure class and PD range (Article 452g CRR)

The following table shows IRB credit risk exposures by exposure class and PD ranges set by the regulator.

The column “Number of obligors“ shows the number of obligors of individual PDs listed in the table. The column “Density of risk-weighted exposure amount“ refers to the ratio of risk-weighted assets to exposures post credit conversion factors and credit risk mitigation.

F-IRB EUR million PD scale	On-balance-sheet exposure	Off-balance-sheet exposures pre-CCF	Exposure-weighted average CCF	Exposure post-CCF and post-CRM	Exposure-weighted average PD (%)	Number of obligors	Exposure-weighted average LGD (%)	Exposure-weighted average maturity (years)	Risk-weighted exposure amount after SME-supporting factors	Density of risk-weighted exposure amount	Expected loss amount	Value adjustments and provisions
a	b	c	d	e	f	g	h	i	j	k	l	m
Exposure class Central governments and central banks												
0.00 to <0.15	73,580	1,284	0.45	80,003	0.00	1,964	45.03	2	833	0.01	1	0
0.00 to <0.10	73,092	1,284	0.45	79,514	0.00	1,960	45.03	2	654	0.01	1	0
0.10 to <0.15	489			489	0.11	4	45.00	3	179	0.37	0	0
0.15 to <0.25	19			19	0.20	1	45.00	3	9	0.47	0	0
0.25 to <0.50	117	15		78	0.39	2	45.00	3	52	0.66	0	0
0.50 to <0.75												
0.75 to <2.50	0			0	1.21	2	45.00	3	0	1.03	0	0
0.75 to <1.75	0			0	1.06	1	45.00	3	0	1.00	0	0
1.75 to <2.5	0			0	2.39	1	45.00	3	0	1.28	0	0
2.50 to <10.00	133	264	0	7	8.04	2	45.00	3	12	1.89	0	-1
2.5 to <5												
5 to <10	133	264	0	7	8.04	2	45.00	3	12	1.89	0	-1
10.00 to <100.00	13	223	0.75	0	15.27	3	45.00	3	0	2.36	0	0
10 to <20	13	223	0.75	0	15.27	3	45.00	3	0	2.36	0	0
20 to <30												
30.00 to <100.00												
100.00 (default)												
Subtotal	*73,863*	*1,786*	*0.53*	*80,107*	*0.00*	*1,974*	*45.03*	*2*	*906*	*0.01*	*1*	*-1*
Exposure class Institutions												
0.00 to <0.15	27,032	930	0.35	27,401	0.05	315	26.68	2	3,924	0.14	4	-4
0.00 to <0.10	26,247	765	0.30	26,517	0.05	292	26.25	2	3,638	0.14	3	-4
0.10 to <0.15	786	165	0.60	884	0.12	23	39.49	3	286	0.32	0	0
0.15 to <0.25	269	48	0.29	292	0.21	30	38.57	2	129	0.44	0	0
0.25 to <0.50	146	93	0.14	158	0.33	20	33.02	3	87	0.55	0	0
0.50 to <0.75	314	70	0.48	281	0.72	7	45.00	3	298	1.06	1	0
0.75 to <2.50	5	29	0.64	24	1.22	14	44.33	2	25	1.02	0	0
0.75 to <1.75	2	29	0.64	21	1.09	13	44.22	2	20	0.99	0	0
1.75 to <2.5	3			3	2.00	1	45.00	3	4	1.22	0	
2.50 to <10.00												
2.5 to <5												
5 to <10												
10.00 to <100.00	103			4	18.32	5	45.00	3	11	2.59	0	0
10 to <20	103			4	18.32	5	45.00	3	11	2.59	0	0
20 to <30												
30.00 to <100.00												
100.00 (default)	0			0	100.00	1	45.00				0	0
Subtotal	*27,870*	*1,170*	*0.35*	*28,160*	*0.06*	*392*	27.03	2	4,473	0.16	5	-5
Exposure class Corporates – SMEs												
0.00 to <0.15	6,328	2,611	0.23	6,881	0.07	2,021	38.47	3	975	0.14	2	-5
0.00 to <0.10	4,736	2,087	0.19	5,106	0.05	1,534	38.58	3	615	0.12	1	-2
0.10 to <0.15	1,591	524	0.37	1,776	0.12	487	38.15	3	360	0.20	1	-3
0.15 to <0.25	1,650	398	0.24	1,672	0.18	523	38.69	3	431	0.26	1	-3
0.25 to <0.50	2,291	869	0.37	2,650	0.32	1,053	39.64	3	951	0.36	3	-11
0.50 to <0.75	636	273	0.32	689	0.59	429	40.64	3	327	0.47	2	-2
0.75 to <2.50	990	479	0.29	950	1.36	865	42.98	3	702	0.74	6	-7
0.75 to <1.75	660	374	0.28	678	1.09	631	42.56	3	473	0.70	3	-5
1.75 to <2.5	330	104	0.32	272	2.02	234	44.02	3	229	0.84	2	-2
2.50 to <10.00	438	150	0.22	298	4.37	344	41.84	3	296	0.99	6	-8
2.5 to <5	280	92	0.16	198	3.34	258	40.38	3	173	0.87	3	-4

F-IRB EUR million PD scale	On-balance-sheet exposure	Off-balance-sheet exposures pre-CCF	Exposure-weighted average CCF	Exposure post-CCF and post-CRM	Exposure-weighted average PD (%)	Number of obligors	Exposure-weighted average LGD (%)	Exposure-weighted average maturity (years)	Risk-weighted exposure amount after SME-supporting factors	Density of risk-weighted exposure amount	Expected loss amount	Value adjustments and provisions
a	b	c	d	e	f	g	h	i	j	k	l	m
5 to <10	158	58	0.30	100	6.40	86	44.73	3	124	1.23	3	-4
10.00 to <100.00	286	47	0.29	64	16.08	160	43.92	3	96	1.51	5	-3
10 to <20	232	42	0.31	47	12.19	74	43.95	3	70	1.47	3	-2
20 to <30	48	2	0.16	10	20.07	43	43.75	3	17	1.63	1	-1
30.00 to <100.00	7	3	0.18	6	40.00	43	43.89	3	9	1.56	1	-1
100.00 (default)	110	8	0.41	82	100.00	63	45.15				37	-25
Subtotal	*12,729*	*4,834*	*0.27*	*13,287*	*1.04*	*5,458*	*39.31*	*2*	*3,778*	*0.28*	*61*	*-64*
Exposure class Corporates – Specialized lending												
0.00 to <0.15	14,721	797	0.74	14,711	0.09	57	39.24	3	3,049	0.21	5	-18
0.00 to <0.10	8,853	540	0.74	8,728	0.07	42	39.75	3	1,582	0.18	2	-6
0.10 to <0.15	5,868	257	0.74	5,983	0.13	15	38.49	3	1,467	0.25	3	-12
0.15 to <0.25	4,831	774	0.73	5,400	0.18	10	37.82	3	1,548	0.29	4	-10
0.25 to <0.50	10,425	1,403	0.71	11,106	0.34	41	39.81	3	4,827	0.43	15	-40
0.50 to <0.75	1,494	225	0.73	1,654	0.63	11	40.79	3	995	0.60	4	-17
0.75 to <2.50	2,928	663	0.70	3,208	1.32	25	40.45	3	2,471	0.77	18	-38
0.75 to <1.75	2,534	369	0.77	2,635	1.15	19	39.56	3	1,962	0.74	12	-32
1.75 to <2.5	395	294	0.61	573	2.11	6	44.49	3	509	0.89	5	-6
2.50 to <10.00	942	103	0.74	1,017	4.72	6	41.70	3	1,298	1.28	21	-29
2.5 to <5	660	79	0.73	717	3.48	4	42.99	3	836	1.16	11	-21
5 to <10	282	24	0.75	300	7.68	2	38.61	3	462	1.54	10	-8
10.00 to <100.00	608	62	0.70	643	16.30	9	41.70	3	1,183	1.84	44	-10
10 to <20	359	60	0.70	393	12.69	4	40.59	3	619	1.57	20	-4
20 to <30	250	1	0.75	251	21.96	5	43.44	3	565	2.25	24	-6
30.00 to <100.00												
100.00 (default)	993	10	0.81	1,001	100.00	6	42.01				421	-146
Subtotal	*36,942*	*4,036*	*0.72*	*38,740*	*3.27*	*165*	*39.55*	*2*	*15,370*	*0.40*	*532*	*-309*
Exposure class Corporates – Other												
0.00 to <0.15	26,274	30,424	0.45	39,903	0.07	2,594	41.87	3	9,315	0.23	12	-11
0.00 to <0.10	22,138	23,251	0.44	32,205	0.06	1,820	41.52	3	6,648	0.21	8	-9
0.10 to <0.15	4,136	7,173	0.48	7,698	0.13	774	43.33	3	2,667	0.35	4	-2
0.15 to <0.25	7,120	7,062	0.49	10,583	0.18	933	43.62	3	4,574	0.43	8	-9
0.25 to <0.50	8,014	6,863	0.47	10,765	0.32	1,342	44.18	3	6,217	0.58	15	-10
0.50 to <0.75	1,996	1,500	0.40	1,994	0.64	425	45.02	3	1,629	0.82	6	-6
0.75 to <2.50	3,634	3,574	0.36	3,497	1.44	828	44.67	3	3,783	1.08	23	-32
0.75 to <1.75	2,524	2,215	0.37	2,384	1.11	620	44.68	3	2,395	1.00	12	-22
1.75 to <2.5	1,110	1,359	0.34	1,113	2.16	208	44.66	3	1,388	1.25	11	-11
2.50 to <10.00	1,891	1,300	0.53	1,415	4.76	424	44.36	3	2,200	1.56	30	-34
2.5 to <5	1,032	597	0.45	907	3.75	299	44.77	3	1,315	1.45	15	-17
5 to <10	859	703	0.59	507	6.56	125	43.63	3	885	1.74	15	-17
10.00 to <100.00	1,259	311	0.39	537	15.03	208	44.38	3	1,231	2.29	36	-25
10 to <20	937	209	0.46	432	13.22	126	44.48	3	967	2.24	26	-20
20 to <30	311	96	0.23	91	20.58	60	44.41	3	230	2.52	8	-4
30.00 to <100.00	11	6	0.58	14	34.09	22	40.96	3	34	2.39	2	0
100.00 (default)	1,043	109	0.51	724	100.00	255	44.55				322	-338
Subtotal	*51,231*	*51,142*	*0.45*	*69,418*	*1.47*	*7,009*	*42.82*	*2*	*28,949*	*0.42*	*452*	*-465*
Total (all exposure classes)	*202,635*	*62,969*	*0.45*	*229,712*	*1.04*	*14,998*	*40.63*	*2*	*53,475*	*0.23*	*1,052*	*-845*

Figure 23: EU CR6-B – IRB approach – Credit risk exposures by exposure class and PD range

10.2 IRB approach – effect on the risk-weighted exposure amounts of credit derivatives used as CRM techniques (Article 453 g, j CRR)

The following section shows credit risk exposures reported under the IRB approach, excluding counterparty credit risks.

The following table shows the effect on RWAs of credit derivatives used for credit risk mitigation. Credit derivatives are used as a credit risk mitigation technique to a limited extent, meaning that their impact on the risk-weighted exposure amounts is limited.

	EUR million Exposure class	Pre-credit derivatives risk-weighted exposure amount	Actual risk-weighted exposure amount
		a	b
1	*Exposures under F-IRB*	*57,981*	*57,982*
2	Central governments and central banks	2,893	2,893
3	Institutions	4,473	4,473
4	Corporates	50,615	50,616
4.1	of which corporates – SMEs	4,080	4,080
4.2	of which corporates – specialized lending	17,016	17,016
5	*Exposures under A-IRB*		
6	Central governments and central banks		
7	Institutions		
8	Corporates		
8.1	of which corporates – SMEs		
8.2	of which corporates – specialized lending		
9	Retail		
9.1	of which retail – SMEs – secured by immovable property collateral		
9.2	of which retail – non-SMEs – secured by immovable property collateral		
9.3	of which retail – qualifying revolving		
9.4	of which retail – SMEs – other		
9.5	of which retail – non-SMEs – other		
10	*Total (including F-IRB exposures and A-IRB exposures)*	*57,981*	*57,982*

Figure 24: EU CR7: IRB approach – Effect on the risk-weighted exposure amounts of credit derivatives used as CRM techniques

10.3 IRB approach – Disclosure of the extent of the use of CRM techniques (Article 453g, j CRR)

Disclosure of the following template *EU CR7-A – Changes in the stock of non-performing loans and advances and related net accumulated recoveries for A-IRB* is not relevant for LBBW, as LBBW is not an A-IRB institution.

			Credit risk mitigation techniques											Credit risk mitigation methods in the calculation of RWEAs EUR million	
			Funded Credit Protection (FCP)						Funded Credit Protection (FCP)			Unfunded Credit Protection (UFCP)			
	F-IRB	Total exposures EUR million	Part of exposures covered by financial collateral (%)	Part of exposures covered by other eligible collateral (%)	Part of exposures covered by immovable property collateral (%)	Part of exposures covered by receivables (%)	Part of exposures covered by other physical collateral (%)	Part of exposures covered by other funded credit protection (%)	Part of exposures covered by cash on deposit (%)	Part of exposures covered by life insurance policies (%)	Part of exposures covered by instruments held by a third party (%)	Part of exposures covered by guarantees (%)	Part of exposures covered by credit derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks	80,902										2.1			2,893
2	Institutions	28,921	1.15									1.31			4,473
3	Corporates	127,012	1.48	29.57	29.32		0.26	0.03				30.56			50,616
3.1	of which corporates – SMEs	14,027	0.79	49.81	49.59		0.22	0.22				7.86			4,080
3.2	of which corporates – specialized lending	42,181	0.12	48.13	47.59		0.55	0.01				2.62			17,016
3.3	of which corporates – other	70,804	0.57	14.51	14.43		0.09	0.01				20.08			29,520
4	*Total*	*236,835*	*0.38*	*15.86*	*15.73*		*0.14*	*0.02*				*7.81*			*57,982*

Figure 25: EU CR7-A – IRB approach – Disclosure of the extent of the use of credit risk mitigation techniques

10.4 RWEA flow statements of credit risk exposures under the IRB approach (Article 438 h CRR)

The following table shows the development of RWEAs of risk exposures under the IRB approach between 31 March 2024 and 30 June 2024.

	EUR million	Risk-weighted exposure amount
		a
1	*Risk-weighted exposure amount as at the end of the previous reporting period*	*62,485*
2	Asset size (+/-)	-455
3	Asset quality (+/-)	-278
4	Model updates (+/-)	18
5	Methodology and policy (+/-)	
6	Acquisitions and disposals (+/-)	
7	Foreign exchange movements (+/-)	71
8	Other (+/-)	-278
9	*Risk-weighted exposure amount as at the end of the reporting period*	*61,563*

Figure 26: EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

The “Asset size“ item shows the organic change in the journal, including new business and outstanding receivables. The “Asset quality“ item shows the changes in the measured quality of the investments resulting from changes to the obligor risk such as changes to the ratings or similar effects. The “Model updates“ item shows changes resulting from implementing models, changes to the scope of the model and model improvements. The “Methodology and policy“ item shows changes caused by adjustments to calculation methods resulting from changes to regulatory policies. The “Foreign exchange movements“ item shows changes arising from fluctuating exchange rates. The “Other“ item shows all further changes which cannot be explicitly allocated to one of the exposures listed.

11 Disclosure of specialized lending and equity exposure under the simple risk weight approach (Article 438e CRR)

11.1 Specialized lending: Project finance (slotting approach) (Article 438e CRR)

EUR million Regulatory categories	Remaining maturity	Specialized lending: project finance (slotting approach)					
		On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years		3	50%	2	1	
	Equal to or more than 2.5 years		0	70%	0	0	0
Category 2	Less than 2.5 years	0	1	70%	1	0	0
	Equal to or more than 2.5 years	3		90%	3	2	0
Category 3	Less than 2.5 years		0	115%			
	Equal to or more than 2.5 years	0		115%	0	0	0
Category 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years			250%			
Category 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
Total	*Less than 2.5 years*	*0*	*4*		*2*	*1*	*0*
	Equal to or more than 2.5 years	*4*	*0*		*4*	*3*	*0*

Figure 27: EU CR10.1 – Specialized lending: project finance (slotting approach)

11.2 Specialized lending: Income-producing real estate and high volatility commercial real estate (slotting approach) (Article 438e CRR)

EUR million Regulatory categories	Remaining maturity	On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
		Specialized lending: income-producing real estate and high-volatility commercial real estate (slotting approach)					
		a	b	c	d	e	f
Category 1	Less than 2.5 years	0		50%	0	0	
	Equal to or more than 2.5 years	7		70%	7	5	0
Category 2	Less than 2.5 years			70%			
	Equal to or more than 2.5 years			90%			
Category 3	Less than 2.5 years			115%			
	Equal to or more than 2.5 years	7		115%	7	7	0
Category 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years	7		250%	7	17	1
Category 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
Total	*Less than 2.5 years*	*0*			*0*	*0*	
	Equal to or more than 2.5 years	*21*			*21*	*29*	*1*

Figure 28: EU CR10.2 – Specialized lending: Income-producing real estate and high-volatility commercial real estate (slotting approach)

11.3 Specialized lending: Object finance (slotting approach) (Article 438e CRR)

EUR million Regulatory categories	Remaining maturity	Specialized lending : Object finance (slotting approach) On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years			50%			
	Equal to or more than 2.5 years			70%			
Category 2	Less than 2.5 years	7	61	70%	54	37	0
	Equal to or more than 2.5 years	19		90%	19	14	0
Category 3	Less than 2.5 years			115%			
	Equal to or more than 2.5 years	12		115%	12	14	0
Category 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years			250%			
Category 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
Total	*Less than 2.5 years*	*7*	*61*		*54*	*37*	*0*
	Equal to or more than 2.5 years	*31*			*31*	*28*	*0*

Figure 29: EU CR10.3 – Specialized lending: Object finance (slotting approach)

Template *EU CR10.4 – Specialized lending: Commodities finance (slotting approach)* is not presented, as it is a zero report as at 30 June 2024.

11.4 Equity exposures under the simple risk weight approach (Article 438e CRR)

Categories	Equity exposures under the simple risk-weighted approach On-balance-sheet exposure	Off-balance-sheet exposure	Risk weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
	a	b	c	d	e	f
Private equity exposures	659	3	190%	661	1,257	5
Exchange-traded equity exposures	36		290%	36	105	0
Other equity exposures	1	0	370%	1	4	0
Total	*696*	*3*		*699*	*1,366*	*6*

Figure 30: EU CR10.5 – Equity exposures under the simple risk weight approach

12 Disclosure of exposures to counterparty credit risk (Article 438h, 439 CRR)

12.1 Analysis of CCR exposure by approach (Article 439f-g, k, m CRR)

The methods used to calculate the regulatory requirements pursuant to the CRR are shown in the following table. LBBW uses SA-CCR (for derivatives) and the financial collateral comprehensive method (for SFTs) to calculate RWAs.

		a	b	c	d	e	f	g	h
	EUR million	**Replacement cost (RC)**	**Potential future exposure (PFE)**	**EEPE**	**Alpha used for computing regulatory exposure value**	**Exposure value pre-CRM**	**Exposure value post-CRM**	**Exposure value**	**RWEA**
EU-1	EU – Original Exposure Method (for derivatives)								
EU-2	EU – Simplified SA-CCR (for derivatives)								
1	SA-CCR (for derivatives)	2,222	5,294		1.4	24,136	10,522	10,504	2,819
2	IMM (for derivatives and SFTs)								
2a	of which securities financing transaction netting sets								
2b	of which derivatives and long settlement transaction netting sets								
2c	of which from contractual cross-product netting sets								
3	Financial collateral simple method (for SFTs)								
4	Financial collateral comprehensive method (for SFTs)					39,668	37,987	37,987	1,149
5	VaR for SFTs								
6	*Total*					*63,804*	*48,509*	*48,490*	*3,968*

Figure 31: EU CCR1 – Analysis of CCR exposure by approach

The effective expected positive exposure is not shown because it is not relevant for LBBW.

12.2 Transactions subject to own funds requirements for CVA risk (Article 439h CRR)

The following table shows the RWAs for the credit valuation adjustment (CVA) capital charge by approach.

		a	b
	EUR million	**Exposure value**	**RWEA**
1	Total transactions subject to the advanced method		
2	(i) VaR component (including the 3× multiplier)		
3	(ii) stressed VaR component (including the 3× multiplier)		
4	Transactions subject to the standardized method	3,527	1,303
EU-4	Transactions subject to the alternative approach (based on the original exposure method)		
5	*Total transactions subject to own funds requirements for CVA risk*	*3,527*	*1,303*

Figure 32: EU CCR2 – Transactions subject to own funds requirements for CVA risk

12.3 Standardized approach – CCR exposures by regulatory exposure class and risk weights (Article 439l CRR)

The following table shows the counterparty credit risk exposures reported in the CRSA by exposure class and risk weight.

		Risk weight											
		a	b	c	d	e	f	g	h	i	j	k	l
	EUR million Exposure classes	**0%**	**2%**	**4%**	**10%**	**20%**	**50%**	**70%**	**75%**	**100%**	**150%**	**Other**	**Total exposure value**
1	Central governments or central banks												
2	Regional government or local authorities	17				7							24
3	Public sector entities					9							9
4	Multilateral development banks												
5	International organizations												
6	Institutions	1,194				0							1,194
7	Corporates									146			146
8	Retail								17				17
9	Institutions and corporates with a short-term credit assessment												
10	Other items						0					0	0
11	*Total exposure value*	*1,211*				*16*	*0*		*17*	*146*		*0*	*1,389*

Figure 33: EU CCR3 – Standardized approach – CCR exposures by regulatory exposure class and risk weights

12.4 IRB approach – CCR exposures by exposure class and PD scale (Article 439 l CRR)

The following table provides all relevant parameters used for the calculation of counterparty credit risk capital requirements in the IRB approach. The presentation is by exposure class and by fixed PD ranges, as set by the regulator. The column “Number of obligors“ shows the number of obligors of individual PDs listed in the table. The column “Density of risk-weighted exposure amount“ refers to the ratio of risk-weighted assets to exposures post credit conversion factors and credit risk mitigation.

		a	b	c	d	e	f	g
	EUR million / PD scale	Exposure value	Exposure-weighted average PD (%)	Number of obligors	Exposure-weighted average LGD (%)	Exposure-weighted average maturity (years)	RWEA	Density of risk-weighted exposure amount (%)
1	Exposure class Central governments and central banks							
2	0.00 to <0.15	2,586	0.00	111	19.87	1	5	0.19
3	0.15 to <0.25							
4	0.25 to <0.50							
5	0.50 to <0.75							
6	0.75 to <2.50							
7	2.50 to <10.00							
8	10.00 to <100.00							
9	100.00 (default)							
10	*Subtotal*	*2,586*	*0.00*	*111*	*19.87*	*1*	*5*	*0.19*
11	Exposure class Institutions							
12	0.00 to <0.15	27,045	0.06	183	12.57	1	1,313	4.86
13	0.15 to <0.25	8,057	0.16	18	7.66	1	416	5.16
14	0.25 to <0.50	302	0.34	5	8.51	1	22	7.45
15	0.50 to <0.75	4	0.51	2	45.00	3	3	91.75
16	0.75 to <2.50	293	1.08	5	5.67	1	34	11.49
17	2.50 to <10.00							
18	10.00 to <100.00							
19	100.00 (default)							
20	*Subtotal*	*35,701*	*0.10*	*213*	*11.37*	*1*	*1,788*	*5.01*
21	Exposure class Corporates							
22	0.00 to <0.15	6,511	0.07	822	23.72	1	795	12.21
23	0.15 to <0.25	1,382	0.09	291	16.59	1	527	38.14
24	0.25 to <0.50	553	0.33	391	45.01	2	315	56.87
25	0.50 to <0.75	103	0.61	97	44.17	2	80	77.19
26	0.75 to <2.50	195	1.47	206	44.87	2	205	104.87
27	2.50 to <10.00	49	5.48	74	44.89	2	74	150.94
28	10.00 to <100.00	9	17.80	22	44.99	3	21	240.30
29	100.00 (default)	12	100.00	17	45.00		0	0.00
30	*Subtotal*	*8,815*	*0.31*	*1,920*	*24.82*	*1*	*2,017*	*22.88*
31	*Total (all CCR relevant exposure classes)*	*47,101*	*0.13*	*2,244*	*14.36*	*1*	*3,810*	*8.09*

Figure 34: EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale

12.5 Composition of collateral for CCR exposures (Article 439e CRR)

The following table gives a breakdown of all types of collateral posted or received by banks to reduce counterparty credit risk. “Segregated“ means collateral that is held in a bankruptcy-remote manner within the meaning of Article 300 CRR. “Unsegregated“ refers to collateral that is not held in a bankruptcy-remote manner.

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	EUR million	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1	Cash – domestic currency	420	14,932		8,795				
2	Cash – other currencies		1,300		364				
3	Domestic sovereign debt		995				2,757		4,835
4	Other sovereign debt		989		120		14,315		10,195
5	Government agency debt						40		644
6	Corporate bonds			145			6,110		581
7	Equity securities		30				6,877		362
8	Other collateral	164	570	1,454	3		4,157		2,298
9	*Total*	*584*	*18,816*	*1,599*	*9,283*		*34,256*		*18,915*

Figure 35: EU CCR5 – Composition of collateral for CCR exposures

12.6 Credit derivatives exposures (Article 439j CRR)

The following table sets out the nominal amounts and fair values of the credit derivatives bought and sold for the bank’s own credit portfolio and for the trading portfolio by type of credit derivative (based on nominal amount). Credit derivatives from brokering activities were not traded by LBBW in the first half of 2024.

		a	b
	EUR million **Nominal amounts**	**Protection bought**	**Protection sold**
1	Single-name credit default swaps	5,382	4,642
2	Index credit default swaps		
3	Total return swaps	2,115	
4	Credit options		
5	Other credit derivatives	1,910	617
6	*Total nominal amounts*	*9,407*	*5,259*
Fair values			
7	*Positive fair value (asset)*	*17*	*89*
8	*Negative fair value (liability)*	*-158*	*-4*

Figure 36: EU CCR6 – Credit derivatives exposures

The above table (EU CCR6) divides credit derivatives by protection bought and protection sold. Fair values are shown separately as positive and negative values. There is no distinction between types of credit derivative.

Disclosure of table *EU CCR7 – RWEA flow statements of CCR exposures under the IMM is not relevant for LBBW*, as there is no internal model for counterparty credit risks.

12.7 Exposures to CCPs (Article 439i CRR)

The following table shows exposures to central counterparties (CCPs), broken down by qualifying and non-qualifying CCPs and by exposure class.

		a	b
	EUR million	Exposure value	RWEA
1	*Exposures to QCCPs (total)*		*412*
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions) of which:	31,129	190
3	(i) OTC derivatives	597	12
4	(ii) Exchange-traded derivatives		
5	(iii) SFTs	30,532	178
6	(iv) Netting sets where cross-product netting has been approved		
7	Segregated initial margin	145	
8	Non-segregated initial margin		
9	Prefunded default fund contributions	647	222
10	Unfunded default fund contributions		
11	*Exposures to non-QCCPs (total)*		
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions), of which		
13	(i) OTC derivatives		
14	(ii) Exchange-traded derivatives		
15	(iii) SFTs		
16	(iv) Netting sets where cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Prefunded default fund contributions		
20	Unfunded default fund contributions	1,015	

Figure 37: EU CCR8 – Exposures to CCPs

13 Disclosure of exposures to securitization positions (Article 449 CRR)

LBBW concluded one additional synthetic securitization in the 2024 reporting year. This securitization covers loans to companies in LBBW’s non-trading book that remain on the balance sheet of the originator due to the synthetic structure. In this case, the significant risk is transferred to the mezzanine tranche by way of a credit-linked note. The significant risk transfer is based on Article 245 (2)(a) CRR, as the total risk-weighted exposure amount of the mezzanine tranche is placed in the market. LBBW’s RWAs are reduced accordingly. The efficiency of the transaction is substantiated by the new business enabled by the reduced own funds requirements of the securitized portfolio.

In all securitizations that it has concluded, LBBW meets the risk retention obligation by holding an originator share of at least 5% of the nominal value of each securitized exposure in accordance with Article 6 (3) a) of the Securitization Regulation. The remaining exposure after deduction of the risk retention is tranched in line with the securitization structure. The total mezzanine / first loss tranche is placed in the market in each case.

The securitized exposures are at least 95% assigned to the IRB, so the internal ratings-based approach (SEC-IRBA) applies to the calculation of risk-weighted exposure amounts.

13.1 Securitization exposures in the non-trading book (Article 449 j CRR)

The following table (template EU-SEC1) shows LBBW’s non-trading book positions in its role as sponsor, broken down by the underlying exposure class. Total amounts are split into traditional and synthetic securitizations, as well as into STS securitizations and non-STS securitizations. LBBW did not transact any securitization positions without the transfer of receivables in the reporting year.

As part of the traditional securitizations, LBBW acts as sponsor in the Weinberg ABCP program. The volume of the corresponding ABCP transactions is shown in table EU SEC1 under “Institution acts as sponsor“ / “Traditional“.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Subtotal	Traditional			Subtotal	Traditional			Subtotal
		STS		Non-STS												
	EUR million		of which SRT		of which SRT		of which SRT		STS	Non-STS	Synthetic		STS	Non-STS	Synthetic	
1	Total exposures					8,944	8,944	8,944	4,106	215		4,320	1,568	270		1,837
2	*Retail (total)*												*414*	*270*		*684*
3	residential mortgage															
4	credit card															
5	other retail exposures												414	270		684
6	Re-securitization															
7	*Wholesale (total)*					*8,944*	*8,944*	*8,944*	*4,106*	*215*		*4,320*	*1,154*			*1,154*
8	loans to corporates					8,944	8,944	8,944					444			444
9	commercial mortgage															
10	lease and receivables								4,106	215		4,320	710			710
11	other wholesale															
12	Re-securitization															

Figure 38: EU-SEC1 – Securitization exposures in the non-trading book

Disclosure of template *EU SEC2 – Securitization exposures in the trading book* is not relevant for LBBW, as LBBW currently has no trading book exposures in its portfolio.

Furthermore, LBBW does not have any retained or assumed re-securitization positions from this.

13.2 Securitization exposures in the non-trading book and associated regulatory capital requirements – institution acting as originator or as sponsor (Article 449 k CRR)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands / deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	EUR million	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1,250% RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW
1	Total exposures	10,800	2,244	98		122	8,822	3,783	537	122	1,008	963	54		81	77	4	
2	Traditional transactions	1,978	2,244	98				3,783	537			963	54			77	4	
3	Securitization	1,978	2,244	98				3,783	537			963	54			77	4	
4	Retail																	
5	of which STS																	
6	Wholesale	1,978	2,244	98				3,783	537			963	54			77	4	
7	of which STS	1,905	2,201					3,568	537			876	54			70	4	
8	Re-securitization																	
9	Synthetic transactions	8,822				122	8,822			122	1,008				81			
10	Securitization	8,822				122	8,822			122	1,008				81			
11	Retail																	
12	Wholesale	8,822				122	8,822			122	1,008				81			
13	Re-securitization																	

Figure 39: EU-SEC3 – Securitization exposures in the non-trading book and associated regulatory capital requirements – Institution acting as originator or as sponsor

13.3 Securitization exposures in the non-trading book and associated regulatory capital requirements – institution acting as investor (Article 449k CRR)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands / deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	EUR million	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1,250% RW	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1,250% RW
1	Total exposures	1,833	4					1,038	799			105	99			8	8	
2	Traditional transactions	1,833	4					1,038	799			105	99			8	8	
3	Securitization	1,833	4					1,038	799			105	99			8	8	
4	Retail	684						414	270			41	40			3	3	
5	of which STS	414						414				41				3		
6	Wholesale	1,149	4					624	529			64	58			5	5	
7	of which STS	1,149	4					624	529			64	58			5	5	
8	Re-securitization																	
9	Synthetic transactions																	
10	Securitization																	
11	Retail																	
12	Wholesale																	
13	Re-securitization																	

Figure 40: EU-SEC4 – Securitization exposures in the non-trading book and associated regulatory capital requirements – Institution acting as investor

13.4 Exposures securitized by the institution – Exposures in default and specific credit risk adjustments (Article 449 l CRR)

		a	b	c
		Exposures securitized by the institution – Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
	EUR million		Of which exposures in default	
1	Total exposures	13,793	40	0
2	Retail (total)			
3	residential mortgage			
4	credit card			
5	other retail exposures			
6	Re-securitization			
7	Wholesale (total)	13,793	40	0
8	loans to corporates	9,473	25	0
9	commercial mortgage			
10	lease and receivables	4,321	15	0
11	other wholesale			
12	Re-securitization			

Figure 41: EU-SEC5 – Exposures securitized by the institution – Exposures in default and specific credit risk adjustments

14 Disclosure of the use of the standardized approach and of the internal models for market risk (Articles 435, 445 and 455 CRR)

14.1 Market risk under the standardized approach (Article 445 CRR)

LBBW calculates the capital requirements for market price risks for general interest rate and equity risk including option price risks using the Internal Model Method. Specific risks along with currency and commodity risks are calculated using the Standardized Approach.

		a
	EUR million	**RWEAs**
	Outright products	
1	Interest rate risk (general and specific)	1,802
2	Equity risk (general and specific)	313
3	Foreign exchange risk	845
4	Commodity risk	255
	Options	
5	Simplified approach	
6	Delta-plus approach	22
7	Scenario approach	
8	*Securitization (specific risk)*	
9	*Total*	*3,237*

Figure 42: EU MR1 – Market risk under the standardized approach

14.2 Market risk under the internal Model Approach (IMA) (Article 455e CRR)

		a	b
	EUR million	**RWEAs**	**Own funds requirements**
1	*VaR (higher of values a and b)*	*451*	*36*
(a)	Previous day's VaR (VaRt-1)		11
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		36
2	*SVaR (higher of values a and b)*	*2,050*	*164*
(a)	Latest available SVaR (SVaRt-1)		43
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		164
3	*IRC (higher of values a and b)*		
(a)	Most recent IRC measure		
(b)	12 weeks average IRC measure		
4	*Comprehensive risk measure (higher of values a, b and c)*		
(a)	Most recent risk measure of comprehensive risk measure		
(b)	12-week average of comprehensive risk measure		
(c)	Comprehensive risk measure – floor		
5	*Other*		
6	*Total*	*2,500*	*200*

Figure 43: EU MR2-A – Market risk under the Internal Model Approach (IMA)

14.3 RWEA flow statements of market risk exposures under the IMA (Article 438h CRR)

		a	b	c	d	e	f	g
	EUR million	**VaR**	**SVaR**	**IRC**	**Comprehensive risk measure**	**Other**	**Total RWAs**	**Total own funds requirements**
1	*RWAs at previous period end*	*458*	*1,835*				*2,293*	*183*
1a	Regulatory adjustment	288	1,031				1,319	106
1b	*RWAs at the previous quarter end (end of the day)*	*170*	*804*				*974*	*78*
2	Movement in risk levels	-11	-187				-198	-16
3	Model updates/changes	12	-83				-71	-6
4	Methodology and policy							
5	Acquisitions and disposals							
6	Foreign exchange movements							
7	Other	-38					-38	-3
8a	*RWAs at the end of the reporting period (end of the day)*	*133*	*534*				*667*	*53*
8b	Regulatory adjustment	317	1,515				1,832	147
8	*RWAs at the end of the reporting period*	*451*	*2,050*				*2,501*	*200*

Figure 44: EU MR2-B – RWEA flow statements of market risk exposures under the IMA

The value for RWEAs calculated using the internal model increased overall as compared to the previous quarter due to the higher regulatory adjustments in sVaR. By contrast, the exposure before regulatory adjustments as shown in VaR and sVaR decreased due to market data and position changes as well as a methodological change. The reason for the methodological change was an adjustment to risk factors. The USD LIBOR interest rates for different maturities (e.g. 3 months or 6 months) were previously defined as risk factors in the internal market risk model as a spread above the USD basis curve (SOFR). The risk factors were deparameterized following the discontinuation of LIBOR rates in USD, resulting in a decline in the stressed VaR. Due to the method of calculating the regulatory adjustment, a decline with a time delay is expected here.

14.4 IMA values for trading portfolios (Article 455d CRR)

The following table shows the normal VaR and stressed VaR for the trading book (99% / 10 days) at institution level.

	EUR million	a
	VaR (10-day 99%)	
1	Maximum value	17
2	Average value	12
3	Minimum value	9
4	Period end	11
	sVaR (10 day 99%)	
5	Maximum value	64
6	Average value	52
7	Minimum value	43
8	Period end	43
	IRC (99.9%)	
9	Maximum value	
10	Average value	
11	Minimum value	
12	Period end	
	Comprehensive risk measure (99.9%)	
13	Maximum value	
14	Average value	
15	Minimum value	
16	Period end	

Figure 45: EU MR3 – IMA values for trading portfolios

14.5 Comparison of VaR estimates with gains/losses (Article 455g CRR)

Backtesting and validation

LBBW's market risk model is subject to an extensive validation program implemented within Risk Control by the Independent Validation Unit, which is organizationally independent of model development. In this validation program, the potential model risks are identified in the stochastics of the market factors (including distribution model, risk factor model), in the implemented valuation procedures (measurement model) and in the relevant market data (market data model), and are measured in terms of their materiality using tailor-made analyses. These analyses comprise benchmarking and backtesting. Benchmarking compares the productive model against benchmark models that are (objectively) improved in one or more model components in order to quantify incorrect VaR forecasts (from one or more model weakness(es)). In contrast, backtesting constitutes statistical backtesting of risk predictions with hypothetical (clean backtesting) and actual changes in portfolio value (dirty backtesting), which excludes credit, debit and additional valuation adjustments). In this context, the hypothetical changes in portfolio value are so separate that backtesting allows not only a statement on the forecast quality of the model as a whole, but also isolated statements on the quality of the distribution model, the risk factor model and the measurement model. If the validation indicates material model risks, these are made transparent to the model developers and recipients of the reports so that necessary model optimization measures can be initiated promptly.

The CRR portfolio, which comprises trading transactions whose own funds requirements for general equity and general interest rate risks takes place via the internal risk model, shows one outlier in the past 250 trading days for the clean P/L. On the basis of the dirty P/L, there were no outliers for the CRR portfolio. In backtesting, models representing 43.6% of total own funds requirements for market price risks are compared backwards.

The outlier in clean backtesting occurred on 4 December 2023 with an excess amount of EUR 0.3m due to widening credit spreads. This was caused by news on the development of the economy and inflation.

For a better overview, clean backtesting and dirty backtesting are illustrated in two charts (1) and (2).

Clean backtesting CRR portfolio for the period 4 July 2023–28 June 2024 in EUR million

VaR parameters: 99% confidence level, 1-day holding period

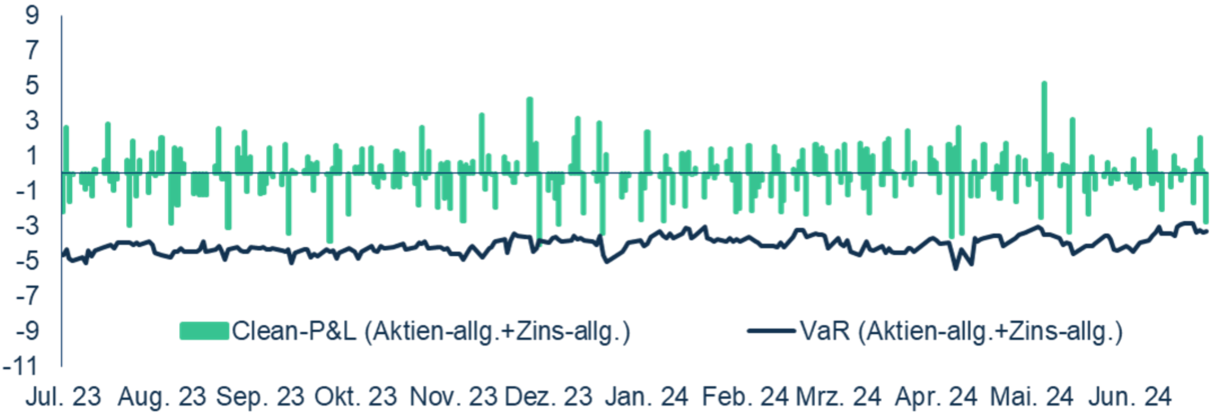


Figure 46: EU MR4 – Comparison of VaR estimates with gains/losses (1)

Dirty backtesting CRR portfolio for the period 4 July 2023–28 June 2024 in EUR million

VaR parameters: 99% confidence level, 1-day holding period

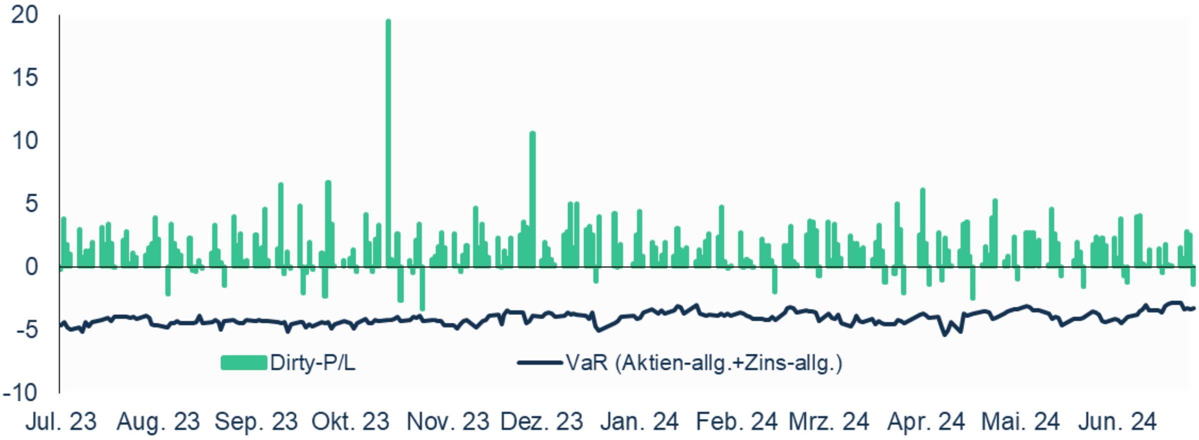


Figure 47: EU MR4 – Comparison of VaR estimates with gains/losses (2)

15 Disclosure of minimum requirement for own funds and eligible liabilities (MREL) (Article 45 i (6) BRRD)

In accordance with Regulation (EU) No. 575/2013 and the Bank Recovery and Resolution Directive (BRRD) 2014/59/EU, the report as at 30 June 2024 includes the regulatory disclosure of minimum requirements for own funds and eligible liabilities (MREL) for the first time.

15.1 Key metrics – MREL

As required by Article 10 (2) of Implementing Regulation (EU) 2021/763, LBBW discloses column a of the EU KM2 template in accordance with Article 45i (3) a and c of Directive 2014/59/EU. Columns b to f of the EU KM2 template are not disclosed as LBBW is neither a G-SII nor part of a G-SII.

		a
		Minimum requirement for own funds and eligible liabilities (MREL)
	EUR million	**30/06/2024**
	Own funds and eligible liabilities, ratios and components	
1	Own funds and eligible liabilities	42,925
EU-1a	Of which own funds and subordinated liabilities	41,320
2	Total risk exposure amount of the resolution group (TREA)	94,032
3	Own funds and eligible liabilities as a percentage of the TREA	45.65%
EU-3a	Of which own funds and subordinated liabilities	43.94%
4	Total exposure measure (TEM) of the resolution group	339,357
5	Own funds and eligible liabilities as percentage of the TEM	12.65%
EU-5a	Of which own funds or subordinated liabilities	12.18%
6a	Does the subordination exemption in Article 72b(4) of Regulation (EU) No 575/2013 apply? (5% exemption)	
6b	Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion in accordance with Article 72b(3) of Regulation (EU) No 575/2013 is applied (max 3.5% exemption)	
6c	If a capped subordination exemption applies in accordance with Article 72b (3) of Regulation (EU) No 575/2013, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognized under row 1, divided by funding issued that ranks pari passu with excluded liabilities and that would be recognized under row 1 if no cap was applied (%)	
	Minimum requirement for own funds and eligible liabilities (MREL)	
EU-7	MREL expressed as a percentage of the TREA	26.42%
EU-8	Of which to be met with own funds or subordinated liabilities	26.42%
EU-9	MREL expressed as a percentage of the TEM	8.76%
EU-10	Of which to be met with own funds or subordinated liabilities	8.26%

Figure 48: EU KM2: Key metrics – MREL and, where applicable, G-SII requirement for own funds and eligible liabilities

In accordance with the transitional provisions in connection with the introduction of IFRS 9 (Art. 473a CRR), which were extended until 31 December 2024 by Regulation (EU) 2020/873 of 24 June 2020, there are differences between the current CoRep reporting values (transitional) and the fully loaded figures not taking into account the transitional provisions. Under these provisions, an additional EUR 96.4m can currently be recognized in Common Equity Tier 1 capital with a corresponding deduction in Tier 2 capital. The transitional provisions currently serve to reduce risk-weighted assets by EUR 103.2m.

As LBBW's resolution group is identical to the regulatory scope of consolidation, this does not give rise to any differences.

16 Disclosure of exposures to interest rate risk on positions not held in the trading book (Article 448 CRR)

16.1 Exposures to interest rate risk on positions not held in the trading book (Article 448 CRR)

As a matter of principle, all new customer exposures are funded on a matching maturities basis with minimum delay, based on their legal maturities. Treasury accepts further strategic positions in a framework established by the Board of Managing Directors as a whole on the basis of LBBW's business strategy. These items include risks in the form of cash flow incongruities (structural risks), risks from leveraging interest rate gaps between individual market segments (basic risk) and options risks from financial transactions entered into.

Quantification

All relevant interest-bearing and/or interest-sensitive positions in the non-trading book are included in measurements of potential changes in economic value in accordance with LBBW's own procedures for measuring interest rate risks. These also include definitions for handling loans that mature early. The daily valuation is on an individual-transaction and portfolio basis, respectively.

For variable-rate transactions with private and corporate customers (particularly deposits), records made on grounds of conditions or conduct are taken into account by using the deposit base theory in conjunction with the concept of moving averages.

Interest rate risks are measured daily using a Monte Carlo simulation. Here, changes in the value of the non-trading book as a whole or even for individual portfolios are specified for each currency using randomly selected interest rate scenarios. Together with the confidence level, the distribution arising from this serves to determine the VaR (confidence level of 99% and holding period of one trading day). The VaR expresses the potential loss which with 99% probability will not be exceeded within a trading day. The calculated risks of the non-trading book are taken into account in risk-bearing capacity on the basis of the relevant parameterization.

In addition to daily reporting, further stress and worst-case scenarios are calculated on a weekly basis. All scenarios help to show the future effects of extreme events on the financial markets which are not sufficiently presented in the VaR normal impact event on the respective book. Extreme historic market fluctuations and self-defined scenarios are used in this respect. Scenarios that specifically quantify the effects of interest rate changes on the economic value of positions in the non-trading book are also included.

In order to measure the influence of interest rate changes on net interest income, projections for interest income and expenses are calculated in various scenarios. The scenarios are divided between scenarios with a constant balance sheet (balance sheet with new business to replace expiring transactions) and scenarios with a dynamic balance sheet. In addition to the interest projections for a constant balance sheet in combination with parallel shifts, interest projections are also calculated for a constant balance sheet in combination with the four other regulatory scenarios.

The quarterly ICAAP looks at multi-period scenarios (5 years) based on a dynamic balance sheet. These scenarios include both cross-risk type and interest-specific scenarios. The interest-specific scenarios comprise a scenario in which interest rates increase and a scenario with constant interest rates.

The interest projections relate to the complete external interest rate. The interest projections require assumptions on the development of market data as well as assumptions on the development of the balance sheet. A distinction is drawn between a constant and a dynamic balance sheet. For a constant balance sheet, expiring transactions are replaced by similar new transactions. This approach is also applied to the hedges. Further assumptions regarding balance sheet development are not required.

For the dynamic balance sheet, assumptions must be made regarding balance sheet development. These assumptions are part of the definition of the respective scenario.

Net interest income is part of monthly reporting. In addition, effects of shock scenarios are calculated and reported on a quarterly basis for the constant balance sheet and the effects of dynamic interest rate developments ascertained in the ICAAP.

Modeling for ancillary agreements and non-maturity deposits is based on specific models.

Ancillary agreements

The scope of the analysis for modeling ancillary agreements includes all fixed-rate euro loans with material ancillary agreements. For materiality reasons, other currencies are not currently in the focus of ancillary agreement modeling. This overall portfolio is divided by type of termination right and into the customer groups retail and non-retail. In the case of termination rights, a distinction is made – as far as possible – between BGB and contractual termination rights.

In the modeling of special repayments, the starting nominal of a transaction is selected as the reference value for the modeled prepayment rate. Special repayment rights are presented using a non-interest, linear prepayment model. The basic assumption of the modeling is that the expected prepayment rate for active special repayment rights (in relation to the starting nominal) is independent of time and interest rates. A standard expected prepayment rate is assumed for all transactions whose special repayment right is active at the time; a prepayment rate of zero is assumed for all other transactions.

In the modeling of Section 489 BGB Special termination rights until the end of margin pegging (margin pegging here is the same as interest rate pegging), only the next possible termination right is relevant for this portfolio segment. The modeling uses a prepayment model, which seems particularly reasonable in light of the special termination character of Section 489 BGB special termination rights. Interest-based models are used, as the interest rate environment has considerable influence on the termination decision. The starting nominal is of subordinate importance for special termination rights. Ignoring partial terminations, the central parameter is the termination rate, i.e. the probability of termination. In a portfolio view, the termination rate corresponds to a prepayment rate in relation to the current outstanding nominal. It therefore stands to reason to select the currently outstanding capital balance $K(t)$ as the reference value for the modeled prepayment rate. The basic assumption of the modeling is that the expected prepayment rate for active special termination rights comprises two components: an interest-based, one-time rate and a non-interest, periodic core deposit rate. Both prepayment rates relate to the outstanding capital balance.

Non-maturity deposits

Non-maturity deposits are presented using a core deposit model in combination with a replication model.

In the quantification of interest rate risk, the stock of non-maturity deposits (NMD stock) is broken down into the stable portion, the core deposits, and a complementary and directly interest-sensitive volatile portion due to transactions in NMD accounts that fluctuate due to regular deposits and withdrawals. The volatile portion is expressed by a fluctuation range. The method selected to obtain a constant, specific behavior-based term for NMDs is the creation of a replication portfolio, which allocates the volume of the core deposits to long-term investments and generates a moving average return. The method of compiling a replication portfolio is intended to create a portfolio of products of differing terms that replicates the cash flows of the NMDs sufficiently closely and has a constant average term, on which the NMDs are based.

The creation of the portfolio does not account for all potentially possible mix ratios, but only those that can practically be used and can meaningfully be used under the given term restrictions.

Interest rate risks in the non-trading book

In accordance with Article 448 (1) a) and b), the result of changes in the net interest income and changes in the value of equity under the shock scenarios in accordance with EBA/GL/2018/02 must be disclosed.

		a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
	EUR million Supervisory shock scenarios	Current period	Last period	Current period	Last period
1	Parallel up	-726	-659	268	271
2	Parallel down	305	212	-283	-282
3	Steepener	45	84		
4	Flattener	-255	-325		
5	Short-term shock up	-422	-464		
6	Short-term shock down	220	220		

Figure 49: EU IRRBB1 – Interest rate risks of non-trading-book activities

Present value perspective

Under regulatory requirements, the effect of an interest-rate shock on the economic value must be disclosed in the non-trading book. This involves a shift in the yield curve in accordance with EBA/GL/2022/14.

The change in customer behavior was also simulated when assessing the impact.

A portfolio reduction reduced the effect of the interest rate shock.

Given the regulatory requirement that only half of the positive stress effects may be taken into account, there is a considerable difference between the absolute stress results for the increasing interest rate and declining interest rate scenario.

Periodic perspective

The changes in net interest income (NII) in a 12-month analysis for the shock scenarios result primarily from the non-maturity deposits (NMDs).

17 Regulatory disclosure of ESG risks (Article 449 a CRR)

17.1 Qualitative information on ESG risks

Business strategy and processes

Integration of environmental factors/risks into the business and risk strategy
(Article 449a CRR, table 1 row a / table 2 row a)

The LBBW Group strategy was implemented on 1 January 2023 in response to the rapidly changing environment with varied and complex customer requirements. The corporate objectives of growth and relevance are key elements of the Group strategy. This entails a clear focus on growth, including consistent growth in income, rigorous risk management and active cost control. At the same time, LBBW is striving to achieve a relevant position among its competitors and stakeholders so that it can support and shape the complex transformation processes in the long term as a reliable partner of industry and society. Five strategic levers support the implementation of the Group strategy and its operationalization in the individual segments at LBBW (“sustainable transformation“, “innovative solutions“, “enhanced resilience“, “inspire employees“ and “social contribution“). In particular, the “sustainable transformation“ and “contribution to society“ levers describe LBBW’s strategic objectives in an ESG context.

The business strategy analyzes the impact of endogenous and exogenous factors on the LBBW Group and its individual business areas in close collaboration with the relevant divisions. This includes factors in the areas of ESG, regulation and climate and environmental risk. Within its Group risk strategy, which is consistent with the business strategy and geared toward expected development, LBBW defines its quantitative and qualitative risk tolerance in the risk appetite statement.

The Group-wide risk appetite statement for 2024 has been enhanced significantly in terms of material ESG risks. The quantitative risk appetite defines long-term ESG goals such as achieving the climate goals of the Paris Agreement and decarbonizing the portfolio. Emissions intensity at Group and segment level are used as a key risk indicator for monitoring.

General qualitative principles have been outlined to account for ESG risks. These provide a framework for all activities at the LBBW Group and are fleshed out in the form of guidelines and exclusions. The goal of a sustainable business model necessitates various ESG-related requirements. An excerpt from the Group risk strategy follows:

Sustainable business model

1. The LBBW Group acts in the best and long-term interest of its customers and stakeholders and thus intends to make a substantial contribution to society.
2. Exposures are to be scaled, taking into account the LBBW Group’s risk-bearing capacity. Concentration risks are to be identified and deliberately managed using suitable processes. Risks to the Group’s going concern status must be excluded.
3. The overall portfolio is to be actively managed, taking account of concentration risks, to improve resilience during times of crisis. Especially in the credit portfolio, concentration risks are to be managed at sector, size class and country level.
4. Transactions that could hurt the bank’s reputation in the long term are to be avoided. The sustainability policy of the LBBW Group must be observed.
5. LBBW works only with products and on markets whose risks it understands and has mastered.

Sustainable transformation

6. Sustainable transformation is our strategic lever. We ensure that sustainability criteria are met for customer financing. We want to support our customers as they transition to more sustainable business models.

7. LBBW has adopted quantitative goals with a view to shaping the necessary transformation of the economy for the required climate neutrality (see passage on Article 449a CRR, table 1 row b).
   LBBW has also:
   - created transparency in loan applications for the sector pathways in the case of sectors with high emissions
   - regulated any breaches of the credit risk strategy on the basis of the individual ESG score
   - set itself the goal of successively expanding its sustainable business volume
   - established clear principles for the lending business, guidelines and exclusions.
8. When lending and investing money, the LBBW Group takes account of ethical aspects such as human rights, working conditions, environmental protection and anti-corruption. It naturally does not support illegal actions such as tax evasion, actions conflicting with tax honesty, or crime.
9. Business financing or insuring deliveries of military weapons/armaments to foreign countries, as well as other critical issues from a sustainability perspective, are subject to restrictions that are set out in the bank's internal regulations. Projects that discernibly contribute to massive destruction of the environment and nature without bringing any environmental added value are not supported.

Integration of social factors / risks into the business and risk strategy

(Article 449a CRR, table 2 row a)

The analysis of influencing factors as part of the business strategy also encompasses social impacts. Demographic development is taken into account along with the sustainability aspects described below.

Each year, the CEO and the head of HR examine which priorities are to be derived for the HR strategy based on the bank's overall strategy. This is generally done as part of the annual discussions. In a dialogue between the Board of Managing Directors, the management of the HR division and the management of the HR departments, a critical analysis of environment-related changes, such as emerging trends, is performed. If necessary and if prioritized accordingly, strategic goals may be adjusted or new measures may be devised.

An extensive demographic analysis developed by HR and updated every year shows that effects of demographic change, such as an aging population and a growing shortage of specialist staff, will pose specific challenges for LBBW in the near future. This gives rise to the core task of further developing and purposefully retaining specialist staff at LBBW. Managing capacity and staff costs continues to play an important role in this context. For example, this includes investments in connection with employee recruitment and retention with a view to the employment market as well as the demands of trade unions and the steady rise in the cost of human resources. Management of staff risks is also becoming increasingly important. There are also a wide range of requirements in connection with the future work environment, which will include employees from up to four generations. Staff risks refer to the potential risks to the company's continued existence, triggered by its own staff. A distinction is made between shortage, resignation, demographic, adjustment and motivation risks. Each sub-risk may result in an inability to maintain proper business operations.

LBBW already uses a number of measures to tackle potential further risks relating to staff. For example, it pursues task-oriented staff qualification and provides a professional training program that is tailored to the target groups. LBBW has established extensive talent programs for junior staff and succession planning, carries out annual rounds of personnel planning and has set up a program for active demographic management.

Individual value drivers and strategic targets for key indicators have been defined for the sub-risks. Deviation analyses are performed as part of regular submissions to the Board of Managing Directors, for example, in which critical developments are explicitly addressed and submitted for discussion on the Board of Managing Directors.

LBBW has firmly established the promotion of gender equality in the guidelines of its HR policy, particularly in the two pillars "work-life balance" and "equal opportunities and diversity". In 2022, LBBW became one of the first German banks to sign the UN Women's Empowerment Principles, which particularly promote an equal management culture and gender equality at companies. In addition, LBBW signed the Diversity Charter in 2008, thereby undertaking to ensure a non-discriminatory work environment for all employees. The successor to a diversity and inclusion manager was also ensured effective 1 April 2024.

In line with the strategic lever "contribution to society", charitable initiatives by employees are also actively supported. These particularly include a wide range of corporate volunteering opportunities.

LBBW recognizes the United Nations' Universal Declaration of Human Rights and expects its contractual partners to do the same. Furthermore, LBBW stands for upholding children's rights without exception and eliminating child labor. In order to identify, prevent and reduce human rights violations, the review of human rights aspects is integrated in the investment and credit processes.

In accordance with Section 4 (3) of the German Supply Chain Act (LkSG), a human rights officer was appointed for LBBW with effect from 1 January 2023. An analysis and adjustment of the procurement processes at LBBW was also performed in connection with the LkSG. As part of the standard due diligence process, the questionnaires and the “Sustainability agreement for LBBW suppliers“ were examined and adjusted in terms of the content and protection goals of the LkSG. A new risk management module that specifically meets the requirements of the LkSG was also introduced in LBBW’s supplier management system. Both the abstract risk analysis (assessment of country and sector risk and questionnaires) and the specific risk analysis (if indications of risk were identified in the abstract risk analysis) are performed in this module.

With regard to employee rights, LBBW bases its approach on internationally recognized standards, voluntary commitments, and German and European legal requirements and regulations.

Objectives, targets and limits to assess and address environmental risk and procedures for their definition
(Article 449a CRR, table 1 row b)

As described in the passage on Article 449a CRR, table 1 row a, LBBW defines its quantitative and qualitative risk tolerance in the risk appetite statement within its Group risk strategy, which is consistent with the business strategy and geared toward expected development. The aforementioned risk guidelines constitute the key strategic principles and rules of conduct that are used for weighing up risks and opportunities within the LBBW Group. They contribute to a uniform risk culture and form the framework for the precise organization of processes and methods of risk management.

In the case of environmental topics, the principle for sustainable transformation described in the aforementioned passage has been defined in greater detail by the Board of Managing Directors in the risk strategy and supplemented with specific quantitative targets.

As part of a voluntary climate commitment, LBBW has agreed with other players in the German financial sector to facilitate the necessary economic transformation to achieve carbon neutrality in accordance with the Paris climate targets by no later than 2050 and to support this with its investment and credit portfolio. LBBW intends to make its portfolio (Scope 3) climate neutral by no later than 2050.

LBBW calculates and continuously measures the greenhouse gas emissions resulting from its business activities (financed emissions / Scope 3). Specific targets for financed emissions have been defined at Group and segment level. These are monitored as a key risk indicator. Senior management is informed about their development in detailed quarterly reports.

LBBW has also defined sector-specific transformation paths and goals for 2030 for selected sectors with high greenhouse gas emissions. These are published in the sustainability report and elsewhere. The transformation paths are incorporated into various management tools at portfolio and transaction level. Among other things, they form part of the loan application for companies in GHG-intensive sectors. Their development is reported to senior management on a quarterly basis along with the financed emissions.

The lending rules with regard to reputational and sustainability risks set out binding review processes and comprehensive regulations that support the early identification of environmental, societal and ethical reputational and sustainability risks in the lending decision process (see table 1 row q).

All applicable regulations are set out in the ESG risk section of the non-financial risk strategy.

Objectives, targets and limits to assess and address social risk and procedures for their definition
(Article 449a CRR, table 2 row b)

LBBW is committed to the United Nation’s Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the labor standards of the International Labour Organization (ILO), the German General Anti-Discrimination Act (Allgemeines Gleichbehandlungsgesetz (AGG)), the “UK Modern Slavery Act“ and the German Supply Chain Act (Lieferkettensorgfaltspflichtengesetz (LkSG)).

Compliance with these commitments in day-to-day business is ensured through binding guidelines and review processes:

- LBBW does not work with companies or institutions that are known to disregard fundamental human rights. This applies to all types of business, transactions, projects, products, operational decisions, strategies and plans of the LBBW Group.

- The ILO’s eight core labor standards on fair working conditions apply for all LBBW Group employees, provided these have been ratified by the country in question. We also expect our suppliers and their sub-contractors to comply with human rights and workers’ rights.
- We have set binding standards for many company areas and activities as part of our sustainability management. Our suppliers and service providers are also required to meet sustainable criteria. All suppliers must confirm the “Sustainability agreement for LBBW suppliers“ at the time of registration and sign it when entering into contracts. The agreement requires them to comply with what LBBW considers essential environmental and social criteria. For example, LBBW expects suppliers to ensure fair working conditions. Suppliers must accept a breach of social or environmental standards set out in the sustainability agreement (e.g. in relation to human rights violations such as child labor) as grounds for extraordinary termination.
- LBBW is committed to its responsibility for human rights and the environment in its own supply chains and requires its own suppliers to uphold human rights and protect the environment as required by the German Supply Chain Act (Lieferkettensorgfaltspflichtengesetz (LkSG)). In addition, LBBW expects its suppliers to suitably address this expectation throughout the supply chain. The LBBW human rights officer appointed as at 1 January 2023 reports directly to the Board of Managing Directors
- The lending rules with regard to reputational and sustainability risks set out binding review processes and comprehensive regulations that support the early identification of environmental, societal and ethical reputational and sustainability risks in the lending decision process (see table 1 row q).
- All employees are required to complete an e-learning tool to implement the German General Anti-Discrimination Act (Allgemeines Gleichbehandlungsgesetz (AGG)). No form of discrimination is tolerated at LBBW and when working with employees, customers, business partners, suppliers or other persons. LBBW has a zero-tolerance policy for all forms of gender discrimination, including verbal, physical and sexual harassment.
- In 2024, LBBW again successfully implemented measures for the advancement of women, thereby further increasing the proportion of women in management positions. The LBBW Group aims for this figure to reach at least 30% by the end of 2025.
- The topics of diversity and equal opportunity are overseen at LBBW by a diversity and inclusion manager. In accordance with the “Works Agreement on Protection from Discrimination and a Cooperative Environment in the Workplace“, employees who feel discriminated against can turn to the staff council, the representatives for disabled employees, the responsible manager, the social services department, or the complaints office.
- LBBW expressly encourages its employees to be transparent about any irregularities and has established a whistleblowing process for this purpose: breaches of statutory regulations or internal guidelines and punishable offenses within LBBW can be anonymously reported to the Compliance department or to an external, independent ombudsman appointed by LBBW. This is possible across the Group at branches and downstream companies of the LBBW Group.

All Group-wide regulations are also binding for LBBW’s investments. Since 2022, there have been uniform ESG investment guidelines for the entire proprietary securities portfolio of LBBW. These are based on recognized standards and voluntary commitments by LBBW (such as the UN’s human rights standards and the ILO’s core labor standards) and are set out in the “LBBW sustainability regulations“. In addition to a blacklist of countries, they particularly include sector-specific regulations that adopt the standards applicable in customer business for the investment book too, thereby harmonizing the requirements in both areas.

As well as compliance with statutory requirements and a focus on internationally recognized standards, LBBW is also committed to responsible corporate governance with effective and transparent governance processes, the protection of international human rights and freedom of association, and the elimination of discrimination through its membership in the UN Global Compact, the UN Women Empowerment Principles and the UN Principles for Responsible Banking (UN PRB).

With regard to managing staff risks, LBBW intends to ensure that it is a highly visible and attractive employer both externally and internally.

- Among other things, top talents are addressed by expanding and marketing an authentic employer brand in the relevant target groups. HR’s primary objectives are to attract qualified candidates to LBBW as an employer and ensure their loyalty for the long term, and to enhance existing employees’ identification with the bank.
- Within LBBW, HR strives to achieve a high level of retention and ensure that existing top performers remain with the bank to an even greater extent than previously. To facilitate growth in the face of the challenges of demographic change, employee retention must be accompanied by the targeted development and advancement of top performers. To this end, HR creates a work environment that fosters employees’ performance and commitment and makes them passionate about their work, thereby helping LBBW to achieve its goals of growth and relevance.

Current and future investments in environmentally sustainable and EU Taxonomy-aligned activities
(Article 449a CRR, table 1 row c)

LBBW supports the sustainable transformation and the EU’s climate protection and environmental goals with a wide range of sustainable financial products and services. Sustainable investment offers are available to all customer groups in the relevant categories for them.

LBBW offers targeted incentives to encourage change in the form of sustainable financing solutions and product innovations.

- In the area of corporate customer and project finance business, for example, LBBW offers solutions for corporate and project finance that are tailored to the respective purpose (green bonds, green Schuldschein loans). It also structures financing solutions whose conditions are tied to the achievement of sustainability goals agreed with the respective customer (ESG-linked products).
- When it comes to financing the energy transition, LBBW has been financing projects in the renewable energy sector, such as wind power and photovoltaic plants, for a number of years. In 2023, financing for renewable energy was increased by 12%, to EUR 3.3bn. Renewable energy thus accounts for 42% or the total project finance portfolio and 92% of financed energy generation plants.
- Taking bonds as an example, LBBW is the first issuer of a bond based on a new concept from the German Structured Securities Association (BSW). Private investors can invest amounts starting from EUR 1,000 in its “fixed-interest climate protection bond (in accordance with EU Taxonomy)“. The asset pool comprises sustainable properties and projects in the renewable energy sector.

Strategies and procedures for engagement with business partners on their strategies to mitigate and reduce environmental and social risks
(Article 449a CRR, table 1 row d and table 2 row c)

LBBW sees itself not only as a financing provider but also as an advisor and strategic partner to its customers. As such, it focuses not only on offering a sustainable product range, but also deliberately goes further to advance the transformation of the economy.

The goal of LBBW Sustainability Advisory is therefore to support corporate customers in particular, as the bank’s main customer group, with the sustainable transformation of their business models. Starting by performing materiality analyses, the bank advises customers on everything from their strategic focus to the development of individual climate goals in line with existing transformation and decarbonization pathways and the management of their sustainability activities.

Strong demand for this holistic approach has led to a significant expansion of the Advisory units, and the range of services and advice has also been expanded with additional specialist areas and future topics. For example, “LBBW Sustainability Readiness Checks“ help corporate customers with setting priorities and targets. In 2023, LBBW launched the “ESG Customer Academy“, a new digital format in which it discusses all aspects of sustainable supply chains and the path to climate neutrality with participants.

The Sustainability Advisory units at LBBW offer expertise combined with implementation advice and support not only for companies, but also for financial institutions and institutional customers. LBBW's experts also advise banks, savings banks and institutional customers on structuring their own portfolios according to ESG criteria and on issuing social and green bonds.

Internal regulations incorporate principles and exclusion criteria for ensuring compliance with human rights and environmental protection that must be taken into account in funding arrangements (see table 1 row q). The lending rules with regard to reputational/sustainability risks set out binding review processes and comprehensive regulations that support the early identification of environmental, societal and ethical reputational and sustainability risks in the lending decision process.

The first LoD uses portfolio-specific ESG checklists to evaluate borrowers in the Environmental (E), Social (S) and Governance (G) risk clusters – see table 1 row l.

With regard to environmental risks, it examines the extent to which the borrower and their revenue are exposed to physical risks and how they are preparing for the transformation. To evaluate social risks, borrowers are evaluated in terms of their compliance with human rights, social and labor standards, and their focus on employees and employee concerns.

Additional review processes are triggered if increased environmental and/or social risks are identified. For example, additional specialist departments (Group Compliance and/or ESG Group Transformation) are required to be consulted in order to assess the reputational risk or the sustainability-related reputational risk in cases where certain limits are exceeded. The specialist departments then prepare a comprehensive opinion that is incorporated into the underlying lending decision process.

Corporate governance

Involvement of the management body in supervising and managing environmental objectives/risks and social risks (Article 449a CRR, table 1 row e and table 2 row d i-iv)

The risk strategy focus with regard to the ESG-relevant risk drivers is defined by the Board of Managing Directors in the Group risk strategy in a way that is consistent with the business strategy. The risk strategy is discussed in detail with the Risk Committee of the Supervisory Board. Information on specific objectives and the risk appetite can be found in the disclosures on Article 449a CRR, table 1 rows a and b.

The Board of Managing Directors is provided with comprehensive regular reports about the development of physical and transitory risks in particular. These reports include evaluations of the status of transformation at our customers (transformation paths) and in our portfolio (financed emissions) and the susceptibility of our own assets and financed assets to physical risks.

One of the key drivers and decision-making bodies within LBBW’s sustainability management system is the Board of Managing Directors Sustainability Committee, which plays the role of the central decision-making and controlling body. It meets on a quarterly basis (or more frequently, if required) and is composed of the CEO, additional members of the Board of Managing Directors and the head of sustainability. It is chaired by the Board of Managing Directors member with responsibility for the “sustainable transformation“ strategic lever. The core responsibilities of the Board of Managing Directors Sustainability Committee include the overall management and strategic ongoing development of sustainability. It is also responsible for making decisions on recommendations made by the Sustainability Committee.

LBBW’s commitment to society is firmly enshrined within its corporate strategy. The Board of Managing Directors has defined “contribution to society“ as one of the five strategic levers. LBBW aims to actively drive sustainable change in society and promote social cohesion. It therefore participates in social projects and various educational initiatives through donations, sponsorships and philanthropy. In 2023, the Board of Managing Directors resolved the introduction of a corporate volunteering program with the aim of encouraging employees to contribute to society and supporting them in their work for good causes. Every employee is given a paid day off for this purpose every year. One fixed element of the corporate volunteering program are the social days, when employees are invited to trade in their office routine for a day of volunteering.

Social, non-financial staff risks are regularly analyzed and evaluated by HR and corresponding preventive measures are initiated. The measures serve LBBW’s aspiration of being the top employer in the German banking sector in line with the “inspire employees“ strategic lever. In 2024, the Board of Managing Directors prioritized the compensation and benefits concept, new career paths, enhanced and connected learning programs and talent management. Responsibility for implementing the measures lies with the divisional and departmental HR managers in line with the targets agreed between them.

Link between social/environmental risks and credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework

(Article 449a CRR, table 1 row r and table 2 row m)

The risk inventory already identified ESG risk as a significant interdisciplinary risk in 2021 and employees were made aware of its impact on other risk types at the bank. Among other things, this interdisciplinary character is visualized in a matrix that highlights the links between ESG risk drivers and financial risk types and illustrates the direction of action in each case. Since being taken into account for the first time, the impacts have been recorded and scrutinized in ever greater detail and integrated into the risk management process.

At present, the effects of transitory and physical climate risks on credit risk in particular are deemed material in the short, medium and long term. It can be assumed that transitory and physical risks result in increased investment and changes to the business models of LBBW's customers and could thus primarily hurt their operating income. As discussed in detail in the following sections, the risk management system for credit risk in particular has been expanded to take account of these aspects. This applies in particular to risk reporting, risk indicators, stress testing and strategic and procedural requirements.

Although the potential impact of physical climate risks on real estate risk is considered high, it is rated as immaterial due to the building insurance policies in place.

Changes in biodiversity have also been examined in detail, but are currently considered less relevant from a risk perspective on account of the focal points of our portfolio. LBBW also believes the impact of ESG risk drivers on market risks, liquidity risks and operational risks, as well as on development, investment and model risks, is currently less relevant.

Social and governance risks do not have a material impact on risk exposures, as the portfolio is diversified and is focused on Germany and Europe. By contrast, the impact of ESG risks in general on reputational risk was considered relevant. Events in our customers' environment (e.g. labor conditions, compliance violations, breaches of applicable laws, environmental standards) can also affect LBBW's reputation. Risk management therefore additionally places a particular focus on these channels.

Integration of short, medium and long-term environmental factors/risks at the level of the management body and within internal control functions

(Article 449a CRR, table 1 row f)

The impacts of environmental, social and governance risks on the traditional risk types are investigated as part of the annual risk inventory as described above. The transmission channels and the materiality of the impacts are systematically evaluated over the short, medium and long-term horizon. In 2023, detailed analyses in the area of environmental risk were supplemented to include biodiversity risk. The materiality assessment is provided to the Risk Committee and the full Board of Managing Directors for their information.

Following the materiality assessment, the structure and intensity of risk management in front office units and control functions is determined and additional measures are derived by the management body. Among other things, these relate to the definition of the risk appetite. Material physical and transitory risks are reported to the full Board of Managing Directors on a regular basis.

Integration of measures to manage environmental and social risks in internal governance arrangements, including the role of committees

(Article 449a CRR, table 1 row g and table 2 row e)

ESG risks are playing an increasingly important role in risk management in light of the necessary sustainable transformation of the economy and changing environmental factors. LBBW's portfolio is exposed to risks due to the expected increase in carbon pricing and other regulatory measures, as well as the growing incidence of extreme weather events.

These ESG risks affect all risk types. As presented above, the impact of climate risks on credit risk in particular has been identified as material in the risk inventory, while the impacts of various ESG risk drivers on reputational risk have also been identified as relevant. This means the bank's core processes are affected. Social and governance risks do not have a material impact on risk exposures.

Accordingly, sustainability risks are monitored and managed on an ongoing basis in business operations using existing risk processes. At Board of Managing Directors level, the Risk Committee (risk monitoring, determining risk methodology), the Asset Liability Committee (interest (banking book), management of FX, liquidity, capital and balance sheet structuring of the LBBW Group) and the Credit Committee (credit decisions in accordance with the credit/trade decision-making system) should be noted here.

Responsibility for ongoing consideration of sustainability risk (ESG) is divided among the units in accordance with the three lines of defense.

- Operational responsibility in the first line of defense lies with the areas responsible for the transaction, depending on the type of risk (in particular, credit and transaction-related reputational risk), in cooperation with the ESG Group Transformation department. Non-transaction-related risk management within the first LoD is the responsibility of the “ESG Group Transformation“ department together with all divisional managers and managing directors of Group subsidiaries.
- The monitoring function in the second line of defense is split between Risk Control (portfolio monitoring of ESG risks), Group Compliance (second line of defense for compliance and reputational risks) and COO Risk Management (ESG-related lending process guidelines).
- As the third line of defense, Internal Auditing monitors the first and second lines and assesses the appropriateness and effectiveness of risk management.

Reflecting the materiality assessment from the risk inventory, the diagram below illustrates the control loop for credit risks that are materially impacted by ESG risks.

In the first line of defense, the front office units control the credit portfolio together with Risk Management in accordance with the strategic requirements. The portfolio is determined by the lending decisions taken in the first line of defense. Any reputational risks are included in the decision.

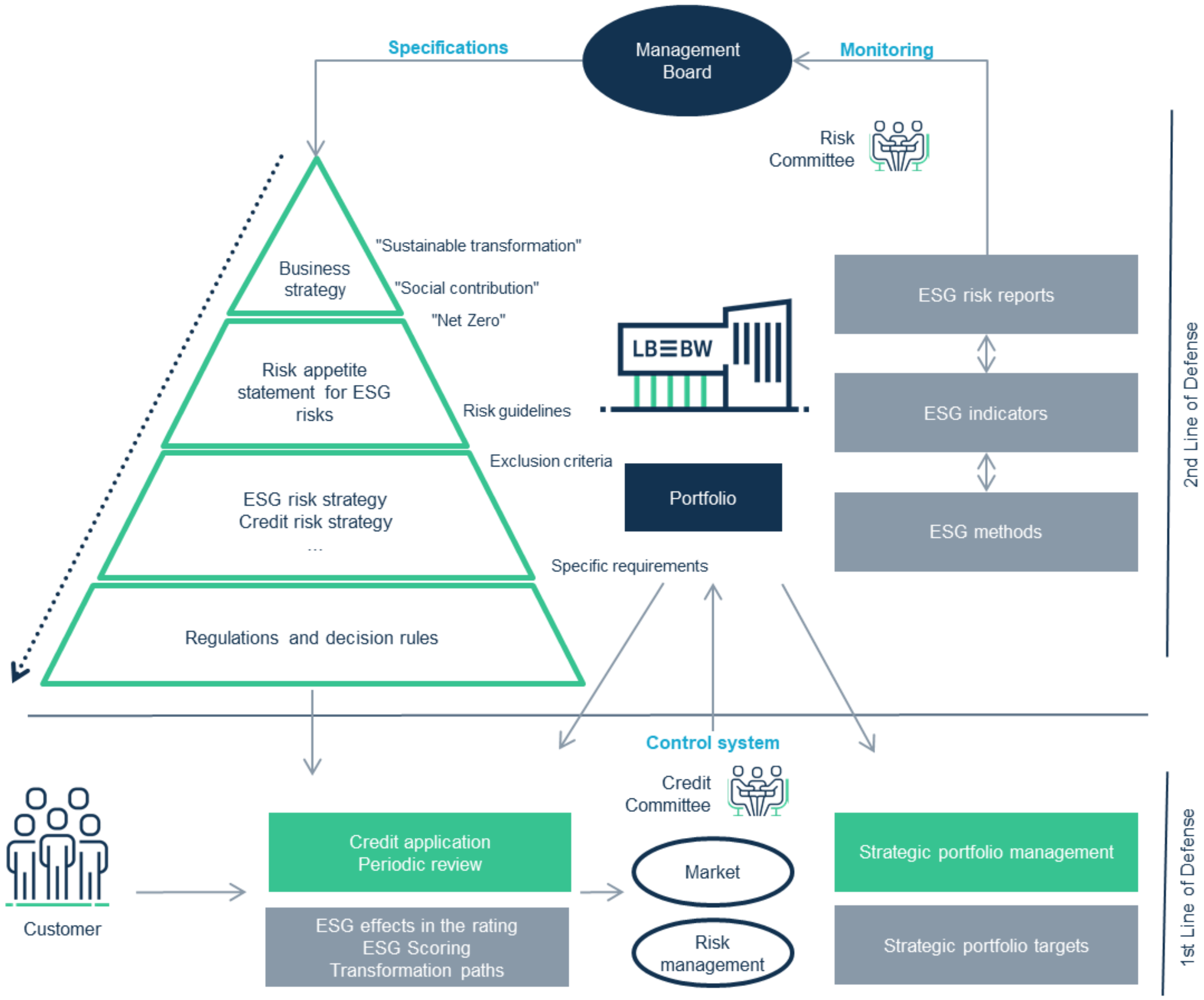
The Board of Managing Directors decides on ESG-related requirements concerning the strategic focus, risk appetite and the decision-making system, thereby determining the controlling framework for the first line of defense. The portfolio is monitored on this basis in the second line of defense. To this end, indicators such as emission intensity are determined or stress scenarios are calculated using defined methods. The Board of Managing Directors is regularly provided with specific risk reports on the development of ESG risks on this basis. The Risk Committee supports the Board of Managing Directors in performing the corresponding tasks.

Finally, Internal Audit regularly reviews the risk management system presented in its role as the third line of defense.

The Chief Risk Officer (CRO) plays a particular role in the process. The CRO is responsible for the risk strategy and risk assessment including environmental risks, takes charge of ongoing risk management, and chairs the Credit Committee. The Credit Committee decides on loan applications or prepares decisions for the Board of Managing Directors in line with the decision-making rules. The Board of Managing Directors takes climate risk into account in individual loan approval decisions.

The CRO also chairs the Risk Committee of the Supervisory Board. The Risk Committee acknowledges and discusses reports and presentations on risk monitoring, the risk strategy, explanations of the risk appetite and the risk methodology, including climate-related risks.

LBBW's risk management process:



Environmental risks in internal reporting

(Article 449a CRR, table 1 row h)

Environmental risks are integrated into ongoing monitoring. The Board of Managing Directors is informed about transition risks once a quarter and about physical risks every six months at the level of the LBBW Group by way of risk reports.

These reports explain and discuss the most important developments in transitory and physical risks at portfolio, sector, division and customer level. The development of the transformation paths is also reported to senior management in detail on a quarterly basis.

In addition, the half-yearly internal sector reports include a qualitative assessment of ESG risks at portfolio level and present the development of average greenhouse gas intensities and the most relevant customers in the respective sector.

Remuneration policy in connection with social and environmental risks

(Article 449a CRR, table 1 row i and table 2 row g)

The strategic levers are monitored at operational unit level using incentive systems. At the LBBW Group, the corporate remuneration strategy provides the framework for designing and implementing the remuneration systems. It is derived from the overarching business and risk strategy and from the HR strategy. This ensures that the strategic requirements are implemented in LBBW's remuneration systems and processes.

The LBBW Group's strategic objectives form the framework for measuring performance-based variable remuneration. LBBW's remuneration strategy is essentially based on the main objectives of growth and relevance. The defined strategic levers are grouped in the "LBBW Strategy House" and include ESG-specific key figures that are used for internal management purposes and for measuring success and are therefore relevant to remuneration. Target achievement is reviewed at regular intervals.

In addition, LBBW expressly supports the principle of gender-neutral remuneration for the same or equivalent work and performance, and endeavors to grant fair, non-discriminatory remuneration for each employee. The corporate remuneration strategy ensures that the remuneration systems are essentially based on performance, results and the market, meaning that disadvantages in pay on the basis of gender can be ruled out.

Integration of business partner governance in own corporate governance and risk management

(Article 449a CRR, table 3 rows a, b, c, d)

We do not enter into business relations with partners that are known to violate laws or international conventions, that conceal their true identity or ownership structure, or that engage in money laundering or fund terrorism. We also expect our suppliers and service providers to uphold human rights and to perform appropriate due diligence, and we expect them to demand the same of their own suppliers. When it comes to lending, this is ensured by way of clear guidelines and exclusion criteria (see table 1 row q). Governance risks are taken into account throughout the entire credit process, starting with customer onboarding.

Specific borrower-related governance risks are identified through an ESG checklist tailored to the respective portfolio (see table 1 row l). This checklist is used to examine whether there are any violations of the company's external or internal guidelines concerning compliance with statutory requirements in the areas of tax, corruption, competition and approval. The extent to which the business partner's governance already engages with sustainability aspects and integrates ESG targets into its guidelines is also evaluated.

In accordance with internal guidelines, advisors with customer responsibility are also required to continuously monitor for negative news on customers and their economic beneficiaries. To facilitate this, Compliance has established a standardized technical system that identifies negative news on money laundering and other relevant criminal acts concerning new and existing customers and their economic beneficiaries using World-Check lists. Any hits concerning negative news generated by this system are forwarded to the unit with customer responsibility by Compliance so that they can be evaluated.

Risk management

Integration of short, medium and long-term effects of social/environmental factors and risks in the risk framework

(Article 449a CRR, table 1 row l, table 2 row i)

Each risk management process begins with identifying risks in the bank's own business model. ESG risks that arise in connection with LBBW's business model are systematically evaluated as part of the risk inventory. They are interdisciplinary risks that can affect different risk types as risk drivers.

Material ESG risks are subsequently measured to the greatest possible extent, evaluated and reported on with regard to their short-term implications, incorporated into the risk management process as described, and underpinned by a risk strategy. Potential effects of ESG risks on the portfolio are also examined for several medium and long-term time periods in scenario analyses.

Environmental risk covers transitory and physical climate risks, physical environmental risks and biodiversity risks. For each risk driver, criteria are selected that can be used to evaluate the credit portfolio's vulnerability, for example. Depending on the risk type, data calculated internally by the bank (e.g. greenhouse gas intensity) or publicly available data (e.g. Human Freedom Index, the World Bank's hazard maps of physical risks and the Sustainability Accounting Standards Board (SASB) Materiality Map) are used to assess the impact of ESG risk drivers on the respective counterparty's portfolio across different time frames. If the share of the portfolio affected exceeds materiality thresholds, this risk driver is classified as material.

Another analysis of the ESG risk drivers was performed in 2023. The analyses will be performed in even greater detail in the 2024 risk inventory. The results are provided to the Board of Managing Directors for their information. The impact of climate risks on credit risk in particular is currently identified as material in the risk inventory, while the impacts of various

ESG risk drivers on reputational risk are also identified as relevant. Social and governance risks do not have a material impact on risk exposures.

Methodologies and international standards on which the environmental and social risk management framework is based

(Article 449a CRR, table 1 row k, table 2 row h)

As discussed in the risk inventory section, LBBW treats ESG risks as interdisciplinary risks that can affect the bank’s risk types. The ESG-specific elements are integrated into LBBW’s existing risk management structure accordingly. This is based on the requirements of Section 25a KWG and MaRisk as well as the applicable EBA guidelines. The detailed guidance set out in the ECB’s “Guide on climate-related and environmental risks“ is also taken into account in ESG risk management.

When it comes to the corresponding methods and processes, LBBW applies standards, data sources and procedures that are currently still evolving.

The risk inventory uses publicly available data (e.g. Human Freedom Index, the World Bank’s hazard maps of physical risks and the Sustainability Accounting Standards Board (SASB) Materiality Map) to assess the impact of ESG risk drivers on the respective counterparty’s portfolio across different time frames. Stress testing is based on scenarios developed by the Network for Greening the Financial System (NGFS). The quantification of financed emissions uses data from Eurostat. It is based on the methods published by the Partnership for Carbon Accounting Financials (PCAF) and is continuously enhanced in line with the gradually increasing levels of data quality defined therein.

In accordance with the requirements of the German Supply Chain Act (LkSG), LBBW also performs human rights and environmental risk analyses with regard to its own area of business and its suppliers. These risk analyses take place annually and as required. Firstly, potential risks at sector and country level are evaluated in an abstract risk analysis based on defined risk factors. If a probable risk is identified, LBBW then performs a specific risk analysis in which the affected supplier or own area of business is investigated in greater detail.

Appropriate preventive measures are taken when the risk analysis identifies a relevant risk in LBBW’s own area of business, such as implementing suitable procurement strategies and purchasing practices in order to avoid or mitigate the identified risk.

Processes for identifying, measuring and managing risk exposures/activities and environmental risks

(Article 449a CRR, table 1 row l)

As discussed in the section on Article 449a CRR, table 1 row l, the risk inventory initially identifies the risk drivers with a material impact on LBBW’s risk situation. LBBW’s portfolio is screened for potentially critical sectors and countries using publicly available data (such as the Human Freedom Index or the Sustainability Accounting Standards Board (SASB) Materiality Map). The impact of climate risks on credit risk in particular is currently identified as material in the risk inventory, while the impacts of various ESG risk drivers on reputational risk are also identified as relevant.

Accordingly, LBBW uses portfolio-specific checklists to evaluate potential ESG risks in credit exposures. LBBW and Berlin Hyp harmonized the ESG checklist for real estate finance in 2023. In environmental (E), social (S) and governance (G) risk clusters, questions have been identified that support Sales and Risk Management in identifying and evaluating potential ESG risks. Based on the evaluation of questions on a five-point scale, sub-scores and an overall ESG score are calculated in the ESG checklist. Since 2023, it has fallen upon the next-highest person responsible to make a decision on whether to approve the loan in accordance with the decision-making system for lending and trading transactions if the thresholds for the ESG score set out in the credit risk strategy are exceeded. If material risks have already been identified for the customers in the credit process, these are taken into account in the internal rating procedure. Loan applications are also examined in terms of compliance-related and sustainability-related reputational risks based on internal lending rules (see table 1 row q). Group Compliance and the ESG Group Transformation department are required to be consulted as part of the lending process in the case of specific reputational risks and/or sustainability-related reputational risks (see table 1 row d and table 2 row c).

The sub-scores calculated using the ESG checklist, the overall ESG score and the opinions are added to the loan application and taken into account in the credit decision. Additionally, the positive and negative aspects of the results of the ESG risk assessment across all risk clusters are compared in the loan application. This can also result in the application being rejected.

The calculation of the market value and mortgage lending value of real estate collateral takes account of various location-related and property-related indicators (e.g. building carbon intensity, site contamination, location-related emissions and immisions, etc.) by fixing the values of these indicators as calculated by way of expert opinions in the context of collateral provision. Changes in environmental and climate risks are also monitored on a regular basis.

In addition to ongoing risk management for individual credit exposures, LBBW monitors the risk effects arising from transitory and physical risks at portfolio level using the procedures described in the section on Article 449a CRR, table 1 row n.

LBBW also has a product certification process for derivatives and a reputational risk review for new products as part of the “New Product Process“ (NPP).

In LBBW’s corporate customer business, a shared sales philosophy helps to ensure that operating activities are based on portfolio analysis and strategic portfolio management (see diagram under table 1 row g). Within this sales network, the business strategy for the individual customer relations is defined taking into account factors such as the future viability and transformability of the respective business model. This ensures that LBBW lives up to its defined role as a driver of transformation and that the resources used contribute to the sustainable transformation of the economy.

Activities and commitments contributing to the mitigation of social and environmental risk
(Article 449a CRR, table 1 row m and table 2 row j)

LBBW applies clear guidelines, exclusion criteria (see table 1 row q) and uniform credit risk assessment (see table 1 row l) to ensure that social risks and environmental risks are identified at an early stage. If increased risks are identified in the credit risk assessment based on ESG checklists, additional reviews by the Compliance and ESG Group Transformation departments are triggered as described in table 1 row l.

LBBW’s internal guidelines and instructions are based on statutory requirements and provisions as well as internationally recognized standards and voluntary commitments. The protection of general human rights and the protection of fundamental labor rights are particularly important. LBBW also expects its business partners to comply with these values.

In accordance with Section 4 (3) LkSG, a human rights officer responsible for monitoring risk management was appointed with effect from 1 January 2023. The human rights officer’s tasks include monitoring compliance with due diligence requirements, the effectiveness review, preparing and reviewing the policy statement, the annual risk analysis report, and reviewing tip-offs and other information. The human rights officer reports to and advises the Board of Managing Directors on matters relating to human rights and environmental risks.

When granting project finance, LBBW pays particularly close attention to protecting indigenous peoples and their cultural heritage. If transactions have an impact on indigenous peoples, LBBW takes care to uphold human rights, minimize the ecological impact on the affected region and respect land rights, among other things. If resettlement is unavoidable, LBBW expects the respective customer to act in accordance with national laws and provisions and – where applicable – with Performance Standard PS 5 (“Land Acquisition and Involuntary Resettlement“) of the International Finance Corporation (IFC). Where LBBW ascertains that project and export finance may have an impact on indigenous peoples, it expects the respective customer to act in accordance with the aims and requirements of IFC Performance Standard PS 7 (“Indigenous Peoples“). If the resettlement of population groups in connection with financing is unavoidable, free, prior and informed consent (FPIC) must be obtained from the affected groups and they must be actively included in decision-making and implementation processes.

LBBW’s divisions and subsidiaries also define specific measures based on the sustainability targets every year. These form the sustainability program. The respective measures are allocated to the following aspects:

- Strategy and management
- Customers
- Employees
- Business operations
- Community involvement and communication

The defined measures and the associated timelines are regularly reviewed and updated as required. Additional measures to improve LBBW’s sustainability performance may also be implemented during the year.

In 2023, the sustainability program comprised a total of 62 measures, of which 46 were implemented in full.

Tools for the identification, measurement and management of environmental risks

(Article 449a CRR, table 1 row n)

In addition to evaluating individual credit exposures using the ESG checklist and the rating procedure (see section on Article 449a CRR, table 1 row l), LBBW employs various methods and tools to systematically evaluate ESG risks in relation to portfolios and to determine the impact on relevant divisions and segments. Carbon accounting, the physical risk tool and ESG stress testing are internally developed solutions that are constantly being expanded and detailed in line with the market standards that are in the process of becoming established.

Transition risks are material factors affecting LBBW’s credit risk. Transition risks can be countered by a variety of measures; for example, investments can prepare a company for anticipated changes in conditions. One approximation of climate transaction risks is the respective customer’s emissions intensity. To calculate the greenhouse gas footprint, LBBW uses customers’ published Scope 1, Scope 2 and Scope 3 greenhouse gas emissions wherever possible. If no individual customer data is available, aggregate sector data based on EUROSTAT is used instead. This sector data is calculated in an external report prepared by the consulting firm MACS Energy & Water GmbH, which specializes in sustainability in the financial sector. This process ensures the full coverage of the credit portfolio.

Using the carbon accounting method applied, the financed share of the reported or estimated Scope 1, Scope 2 and Scope 3 greenhouse gas emissions is calculated for each counterparty (defined as Scope 3.1, 3.2 and 3.3 for LBBW, with Scope3.X describing the Scope 3 of LBBW (financed emissions) in relation to the underlying Scopes 1, 2 and 3 of its customers). Portfolio emissions are calculated as the sum of the pro-rata financed customer emissions; this is also done as part of the MACS report. The calculation methods are based on the Partnership for Carbon Accounting Framework (PCAF) standard. LBBW is working intensively on further refining its methods for all PCAF asset classes and aims to increase the coverage of published customer data further. The financed emissions calculated and their development compared with the targets are monitored in detail in the reports described in the section on Article 449a CRR, table 1 row h. The figures calculated are also regularly published by LBBW.

The financed emissions (Scope 3.1 and 3.2) to be published here under Article 449a of the Capital Requirements Regulation (CRR) relate to the sub-portfolio of credit exposures in the banking book towards corporate customers (in particular excluding derivatives and line agreements). A breakdown by sector of the financed emissions calculated in this way can be found in *Template 1: Banking book – Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity*.

For Scope 3.3, the GHG Protocol defines a total of 15 sub-categories that are currently still covered by customer-specific data to an extremely limited extent. Accordingly, MACS estimates the Scope 3 emissions intensity for each NACE sector and sub-category by reference to sector-specific key indicators, an analysis of precursor products and upstream chains and an analysis of sector peer companies.

As such, the estimated Scope 3.3 intensities for all NACE sectors currently involve a high degree of uncertainty. We expect the estimates to see considerable fluctuations for some time as the data pool gradually improves.

Using hazard maps from the World Bank, LBBW developed the physical risk tool to analyze the impact of chronic and acute physical climate risks on credit risk. Depending on the characteristics of the exposure being assessed, a local, regional or sectorial approach is applied: For real estate, the impact of individual physical risk drivers (including flooding) on the status quo is assessed for individual locations using a four-point scale. Companies with a regional focus are evaluated using hazard maps aggregated for the company headquarters’ region. Major international companies often have many regionally diversified production locations. Physical risks at these companies are therefore assessed on a sector basis using the Sustainability Accounting Standard Board (SASB) Materiality Map and the Intergovernmental Panel on Climate Change Fifth Assessment Report (IPCC AR5). The most frequently observed type of impact relates to the risk of flooding. This particularly applies to addresses in portfolios for corporates and collateral in Germany.

A breakdown of the portfolios affected by high physical risks by region can be found in the disclosure report as at 30 June 2024 in *Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk*.

LBBW employs climate risk stress testing as the central tool for quantifying the potential impact of climate and environmental risk on the Bank’s portfolio and examining the possible consequences in terms of capital adequacy, i.e. the appropriateness of the available equity compared with risks. Due to the long-term nature of these risks, the tests are used in particular for early warning purposes and to identify areas requiring action. This allows additional analyses to be initiated and long-term countermeasures to be prepared in good time.

LBBW has performed comprehensive climate risk stress testing on a regular basis since 2021 as part of its Group-wide stress testing program, with the results being discussed by the Risk Committee and the Board of Managing Directors.

The current climate risk stress test was conducted in the second quarter of 2023. In line with the results of the risk inventory, it encompasses the climate-related transitory and physical risks that are currently considered to be material.

The scenarios applied in LBBW’s internal climate risk stress testing are designed by Risk Controlling on the basis of scientifically founded climate risk scenarios and risk analyses. The scenarios are analyzed for medium-term horizons (at least three years) and long-term horizons (at least 20 years).

Transitory climate risk scenarios are based on scenarios developed by the Network for Greening the Financial System (NGFS). In the long-term horizon in particular, the scenarios are derived with a view to testing LBBW’s strategic portfolio alignment under adverse conditions, among other things (e.g. the unfavorable factor of a sharp rise in carbon pricing). LBBW has defined an internally developed baseline climate risk scenario for this purpose. It combines the NGFS “Net Zero 2050“ transition risk scenario with components that reflect LBBW’s strategic portfolio alignment. Accordingly, the current baseline climate risk scenario is enhanced with LBBW’s established transition paths for greenhouse gas emissions in various industrial sectors.

Physical climate risk scenarios are also designed on the basis of current scientific knowledge. The most relevant physical risk for LBBW is flooding risk. To this end, realistic scenarios have been defined to test the resilience of the bank’s portfolio to severe flooding (coastal flooding and flooding of internal waterways including the Rhine river). This is based on flood maps prepared by the World Bank and the European Commission’s Joint Research Centre Data Catalogue (JRC).

LBBW’s climate risk stress tests are bottom-up stress tests with a particular focus on credit risks in the bank’s corporate customer and real estate portfolio. The starting points for the data used in the calculations include greenhouse gas emission intensities and real estate locations at individual customer level. The methodological assumptions are concentrated on corporate earnings or real estate market values depending on whether the scenario focus is on transition or physical risk. Transition risk, which is modeled in climate risk stress testing via an increase in carbon prices, affects companies’ operating costs and operating results and real estate market values. Flooding risk results in building damage and hence also affects real estate market values. Declining operating results and real estate market values are reflected in default and loss rates, and the impact of these stress effects on the relevant bank indicators, e.g. RWAs (risk-weighted assets) and allowances for losses on loans and advances, is analyzed.

Tools for the identification, measurement and management of social risks

(Article 449a CRR, table 2 row k)

With regard to staff risks, a number of controlling-relevant staff KPIs are applied for the purpose of performance measurement, including length of service, the proportion of women in the workforce and in management, fluctuation, recruitment KPIs and data from HR.Insights. These indicators are regularly evaluated and discussed by the Board of Managing Directors. They provide relevant insights into the degree of progress and impetus for the bank’s strategic orientation.

The relevant non-financial staff risks are to be minimized by establishing an appropriate risk monitoring and management concept.

The risks are measured in periodic evaluations and analyses and in company-wide comparisons of key staff indicators such as turnover rates, absences, and data on staff development measures.

Results of the risk tools implemented and the estimated impact of environmental risk on the capital and liquidity risk profile

(Article 449a CRR, table 1 row j, o)

As described in the section on article 449a CRR, table 1 row j, the starting point for risk management is the risk inventory, which determines the material risks for the Group. Material risks are taken into account in the ICAAP and ILAAP.

As ESG risks are not currently considered to have a material impact on LBBW’s liquidity risk, the analyses and calculations focus on the impact of ESG risks on capital. Material ESG risks are taken into account in the normative and economic ICAAP via three dimensions:

- Short term (1 year): ESG-relevant developments that are already identifiable are taken into account in the rating or the 1-year PD

- Medium term (1 to 5 years): ESG risks are taken into account via economic planning including corresponding scenarios
- Long term (> 5 years): ESG risks are analyzed as part of climate risk stress testing

The results of current climate risk stress testing indicate that the impact of climate risks on LBBW are moderate and comfortably manageable in terms of its capital ratios and loan loss allowances. In the short to medium-term perspective, this is due, among other things, to the good diversification of LBBW's portfolio and its broad orientation as a medium-sized universal bank. In the long-term perspective, climate risk stress testing also shows that the bank's support for its customers' transformation can help to protect it from carbon pricing risks in the long run. The results of the flooding scenarios show that flooding risk for LBBW is low overall and appears to be well diversified. In terms of risk management, it is mainly addressable at the level of individual exposures.

Availability and quality of data for environmental risk management

(Article 449a CRR, table 1 row p)

Data availability and quality, as well as the fact that there is still not a fully developed market standard for all aspects of ESG risk and measurement, continue to pose challenges. Despite making increasingly extensive use of external data providers and stepping up the use of specific customer data where available, LBBW will remain reliant on estimates, developing models and approximations in many areas for the next few years. Accordingly, fluctuations in results and changes in estimates over time cannot be ruled out.

In view of the increased use of information about sustainability aspects within the bank and to facilitate efficient data management in accordance with established standards, LBBW has developed a centralized ESG database, known as the ESG core, as a single point of truth. The ESG core is the leading system for ESG data – this applies both to existing ESG data and ESG data from external providers, as well as data on ESG results. The ESG core combines the core functions that are required for this purpose, including archiving. To monitor the data quality, the data in the ESG core is integrated in the existing central data quality framework at LBBW. The respective data controller is responsible for the data quality and for setting up monitoring.

The development of the ESG core began in 2022 with the integration of data for disclosure requirements. Since 2023, the central data model has been successively expanded to include additional areas such as PCAF enhancements.

Limits / exclusion criteria for funding to prevent social and environmental risk

(Article 449a CRR, table 1 row q; table 2 row l)

As discussed in the sections on table 1 row a and b, LBBW has defined quantitative goals and qualitative principles regarding its ESG risk tolerance in its risk appetite statement. These are consistent with the business strategy of sustainable transformation.

A target for emission intensity at Group and segment level is defined annually as a key risk indicator. Sector targets to 2030 are also defined for the most energy-intensive sectors.

General qualitative principles have also been outlined to account for ESG risks. These provide a framework for all activities at the LBBW Group and are fleshed out in the form of guidelines and exclusions.

The exclusion criteria are clustered in ESG categories (environment, social and governance). The lending rules with regard to reputational and sustainability risks are regularly supplemented with additional guidelines, or existing guidelines are revised.

LBBW currently defines the following exclusions for environmental, social and governance criteria:

- LBBW does not consider companies that produce cluster munitions, delivery systems for cluster munitions and/or anti-personnel mines.
- Furthermore, LBBW does not provide general corporate finance to companies involved in the production of biological or chemical weapons.
- LBBW does not support financing related to pornography, controversial forms of gambling or uranium mining without sufficient environmental and safety standards.
- LBBW is also withdrawing from business with the coal industry and no longer lends to companies that build new coal-fired power plants or coal mines.

- In addition, clear thresholds have been set for energy suppliers regarding the share of energy or revenue generated by coal. There are also lending guidelines for agriculture and forestry, which set out rules for the use of the raw materials palm oil, soy, cotton and logging, as well as guidelines for oil and gas, fishing and aquaculture and cattle breeding in South America.

The detailed exclusions and ESG criteria are regularly updated throughout the year in LBBW's sustainability regulations.

Additional review processes are triggered if increased risks are identified using the ESG checklists (table 1 row d and table 2 row c).

17.2 Template 1: Banking book – Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (EUR million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (EUR million)			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
	Sector/subsector		Of which exposures toward companies excluded from EU Paris-aligned Benchmarks**	Of which environ-mentally sustain-able (CCM)	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions: Percentage based on company-specific reporting***	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average maturity
1	Exposures towards sectors that highly contribute to climate change*	90,059	6,705	529	23,429	1,916	-1,240	-385	-570	61,518,421	55,890,505	3%	58,065	18,294	7,361	6,339	4.01
2	*A - Agriculture, forestry and fishing*	*122*			*16*	*6*	*-2*	*-0*	*-2*	*91,881*	*18,745*	*4%*	*82*	*38*	*1*		*4.01*
3	*B - Mining and quarrying*	*668*	*593*		*76*	*7*	*-3*	*-0*	*-1*	*3,275,607*	*2,957,793*	*0%*	*606*	*62*			*3.45*
4	B.05 - Mining of coal and lignite	7	7		0	7	-1	-0	-1	37,326	33,852	0%	3	4			4.86
5	B.06 - Extraction of crude petroleum and natural gas	57	57				-0			296,254	275,497	0%	57				4.33
6	B.07 - Mining of metal ores	9			9		-0	-0		7,319	2,635	0%	9				3.00
7	B.08 - Other mining and quarrying	64			19	0	-0	-0	-0	340,944	310,454	0%	47	17			3.45
8	B.09 - Mining support service activities	531	529		48		-2	-0		2,593,764	2,335,354	0%	490	41			3.35
9	*C - Manufacturing*	*17,298*	*482*	*98*	*4,581*	*739*	*-387*	*-100*	*-231*	*36,327,048*	*34,639,645*	*7%*	*13,872*	*2,997*	*371*	*59*	*2.90*
10	C.10 - Manufacture of food products	1,800		0	229	16	-16	-5	-4	899,597	796,116	3%	1,376	354	70		3.50
11	C.11 - Manufacture of beverages	282			45	85	-8	-2	-5	136,704	120,633	0%	203	79			3.32
12	C.12 - Manufacture of tobacco products	2	1		1		-0	-0		817	721	0%	2	0			3.68
13	C.13 - Manufacture of textiles	496			254	10	-7	-5	-0	2,267,280	2,246,456	0%	200	295			5.86
14	C.14 - Manufacture of wearing apparel	71			34	2	-2	-0	-1	279,155	275,533	16%	62	9			1.95
15	C.15 - Manufacture of leather and related products	8			6		-0	-0		38,167	37,817	0%	8	0			0.30
16	C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of	807			448	2	-13	-10	-0	1,072,082	983,362	4%	381	396	30		5.61

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (EUR million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (EUR million)			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
	Sector/subsector		Of which exposures toward companies excluded from EU Paris-aligned Benchmarks**	Of which environ-mentally sustain-able (CCM)	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions: Percentage based on company-specific reporting***	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average maturity
	articles of straw and plaiting materials																
17	C.17 - Manufacture of paper and paper products	539			326	1	-10	-9	-0	426,389	255,499	3%	378	161			3.62
18	C.18 - Printing and reproduction of recorded media	144			12	3	-2	-0	-2	217,507	211,757	0%	107	30		7	4.09
19	C.19 - Manufacture of coke and refined petroleum products	144	1		78		-0	-0		779,479	697,073	0%	141	3			1.10
20	C.20 - Manufacture of chemicals and chemical products	826	71	0	244	253	-25	-7	-15	705,893	511,461	11%	459	300	67		5.02
21	C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	607	9	0	119	5	-7	-3	-0	23,499	15,128	10%	582	16	9		2.68
22	C.22 - Manufacture of rubber products	987		0	299	36	-20	-7	-10	2,824,727	2,736,370	0%	708	259	20		3.39
23	C.23 - Manufacture of other non-metallic mineral products	584		0	128	2	-9	-3	-1	673,121	262,548	15%	488	96			3.21
24	C.24 - Manufacture of basic metals	636		25	159	8	-15	-4	-6	480,450	224,689	9%	520	57	60		2.70
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	1,155	37		339	60	-40	-3	-34	359,843	312,627	0%	953	188	13	1	2.79
26	C.26 - Manufacture of computer, electronic and optical products	944	10	4	159	8	-9	-3	-3	846,107	830,795	11%	771	132	40	0	2.65
27	C.27 - Manufacture of electrical equipment	555	1		105	2	-4	-1	-1	1,117,473	1,108,975	16%	483	26	4	42	3.49
28	C.28 - Manufacture of machinery and equipment n.e.c.	1,894	17	9	483	70	-51	-5	-40	10,700,479	10,674,859	7%	1,695	161	28	9	2.15
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	3,170	329	37	650	149	-122	-24	-94	8,277,146	8,161,164	12%	2,934	230	6		1.26
30	C.30 - Manufacture of other transport equipment	686		22	335	2	-9	-7	-0	3,655,019	3,646,725	10%	609	69	8		1.94
31	C.31 - Manufacture of furniture	118	2		41	6	-2	-1	-1	74,667	73,486	0%	69	49			4.29
32	C.32 - Other manufacturing	785	4		77	20	-15	-1	-11	383,339	368,627	2%	690	79	16		2.91

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (EUR million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (EUR million)			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
	Sector/subsector		Of which exposures toward companies excluded from EU Paris-aligned Benchmarks**	Of which environ-mentally sustain-able (CCM)	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions: Percentage based on company-specific reporting***	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average maturity
33	C.33 - Repair and installation of machinery and equipment	60			10	0	-1	-0	-0	88,108	87,226	0%	53	7		0	2.91
34	*D - Electricity, gas, steam and air conditioning supply*	*5,329*	*5,323*	*14*	*1,045*	*30*	*-66*	*-30*	*-18*	*3,348,361*	*1,502,668*	*2%*	*1,397*	*1,184*	*2,536*	*213*	*9.12*
35	D35.1 - Electric power generation, transmission and distribution	5,141	5,135	14	973	29	-57	-22	-18	3,210,355	1,441,441	2%	1,367	1,131	2,430	213	9.09
36	D35.11 - Production of electricity	3,949	3,948	4	820	29	-51	-19	-18	1,680,091	750,524	0%	964	867	1,993	125	9.24
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	83	83		2		-1	-0		84,061	36,820	0%	19	29	35		9.49
38	D35.3 - Steam and air conditioning supply	106	105		70	1	-8	-8	-1	53,946	24,407	0%	11	23	71		10.38
39	*E - Water supply; sewage, waste management and remediation activities*	*2,665*		*0*	*167*	*3*	*-8*	*-6*	*-1*	*390,477*	*140,825*	*0%*	*563*	*597*	*687*	*818*	*6.06*
40	*F - Construction*	*2,737*			*851*	*112*	*-56*	*-12*	*-33*	*1,135,431*	*1,060,148*	*0%*	*2,145*	*243*	*266*	*83*	*3.58*
41	F.41 - Construction of buildings	1,563			683	77	-27	-9	-14	683,907	638,794	0%	1,258	83	197	26	3.23
42	F.42 - Civil engineering	501			55	22	-18	-1	-13	205,991	192,414	0%	354	55	60	32	4.54
43	F.43 - Specialized construction activities	674			114	12	-11	-3	-6	245,533	228,940	0%	534	105	10	25	3.71
44	*G - Wholesale and retail trade; repair of motor vehicles and motorcycles*	*6,598*	*283*	*13*	*1,491*	*154*	*-135*	*-10*	*-110*	*8,958,255*	*8,714,366*	*4%*	*5,759*	*575*	*262*	*2*	*2.38*
45	*H - Transportation and storage*	*3,579*		*286*	*346*	*28*	*-31*	*-9*	*-3*	*6,348,883*	*5,769,784*	*18%*	*1,444*	*1,615*	*138*	*382*	*5.20*
46	H.49 - Land transport and transport via pipelines	1,163		204	123	26	-6	-1	-2	167,066	54,178	0%	488	315	63	298	4.76
47	H.50 - Water transport	161			0		-4	-0		286,484	221,740	0%	27	72		62	2.95
48	H.51 - Air transport	502			82		-6	-3		426,822	115,571	5%	154	348			6.16
49	H.52 - Warehousing and support activities for transportation	1,730		80	140	2	-14	-5	-1	5,456,871	5,369,207	35%	765	867	75	22	5.43
50	H.53 - Postal and courier activities	23		2	2	0	-0	-0	-0	11,639	9,089	73%	10	13			4.80

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Gross carrying amount (EUR million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (EUR million)			GHG financed emissions (Scope 1, Scope 2 and Scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
	Sector/subsector		Of which exposures toward companies excluded from EU Paris-aligned Benchmarks**	Of which environ-mentally sustain-able (CCM)	Of which Stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions: Percentage based on company-specific reporting***	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average maturity
51	*I - Accommodation and food service activities*	*123*			*16*	*0*	*-1*	*-0*	*-0*	*18,502*	*16,733*	*0%*	*65*	*55*	*3*	*0*	*5.24*
52	*L - Real estate activities*	*50,939*	*23*	*118*	*14,839*	*837*	*-551*	*-216*	*-172*	*1,623,976*	*1,069,798*	*2%*	*32,132*	*10,928*	*3,096*	*4,782*	*3.90*
53	Exposures toward sectors other than those that highly contribute to climate change*	134,884	172	386	7,739	347	-472	-129	-173				91,611	20,960	12,390	9,923	3.64
54	*K - Financial and insurance activities*	*114,604*		*344*	*4,212*	*144*	*-157*	*-53*	*-39*				*76,014*	*17,790*	*11,172*	*9,628*	*3.63*
55	*Exposures to other sectors (NACE codes J, M – U)*	*20,279*	*172*	*42*	*3,526*	*204*	*-316*	*-76*	*-134*				*15,597*	*3,169*	*1,218*	*295*	*3.70*
56	*TOTAL*	*224,943*	*6,876*	*915*	*31,168*	*2,263*	*-1,712*	*-514*	*-743*	*61,518,421*	*55,890,505*	*1%*	*149,677*	*39,253*	*19,751*	*16,262*	*3.79*

* In accordance with the Commission's Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks – Climate Benchmark Standards Regulation – Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

** Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818

*** GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting

Figure 50: Template 1: Banking book – indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity

Gross carrying amounts are reported in the maturity column (years) in EUR million. Column J "*Of which Scope 3 financed emissions*" is disclosed for the first time as at 30 June 2024. The first-time recognition of Scope 3 emissions also means the figures in column i have increased significantly compared with the previous disclosure period.

The carbon accounting developed by LBBW is used to calculate emissions of greenhouse gases (GHG) financed by LBBW for the entire credit portfolio. The carbon accounting calculates financed emissions in tons of CO2 equivalents for each customer that are attributable to LBBW based on the Partnership for Carbon Accounting Financials (PCAF) method. Here, a customer's total emissions are weighted by the ratio of LBBW's exposure relative to the customer's enterprise value. Where possible, the calculation is based on customer-specific data. These are either obtained from external providers or determined internally on the basis of company publications. If no customer-specific data is available, sector intensity is used to estimate GHG emissions per financing volume. These intensities for Scope 1 and Scope 2 are based on aggregate sector data from EUROSTAT and are made available to LBBW by the consulting firm MACS Energy & Water GmbH. For Scope 3, the GHG Protocol defines a total of 15 sub-categories that are currently still covered by customer-specific data to an extremely limited extent. Accordingly, MACS estimates the Scope 3 emissions intensity for each NACE sector and sub-category by reference to sector-specific key indicators, an analysis of precursor products and upstream chains, and an analysis of sector peer companies. As such, the estimated Scope 3 intensities for all NACE sectors currently involve a high degree of uncertainty. We expect the estimates to see considerable fluctuations for some time as the data pool gradually improves. The sector intensities provided by MACS were most recently updated as at 31 December 2023. The potential impact of the risk exposures on credit, market, operating, reputational and liquidity risks is discussed in more detail in section *17.1 Qualitative information on ESG risks*.

17.3 Template 2: Banking book – Indicators of potential climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total gross carrying amount (in EUR million)															
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
	Counterparty sector		0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		of which estima-ted*
1	*Total EU area*	*62,085*	*21,612*	*24,366*	*5,815*	*1,211*	*577*	*488*	*12,677*	*4,590*	*5,017*	*5,476*	*3,956*	*3,077*	*1,734*	*25,557*	*69%*
2	of which loans collateralized by commercial immovable property	44,005	15,202	17,615	3,898	1,031	522	486	10,893	3,179	3,462	3,510	2,840	2,509	1,451	16,163	68%
3	of which loans collateralized by residential immovable property	18,079	6,410	6,750	1,917	180	55	1	1,785	1,412	1,555	1,966	1,117	568	283	9,395	71%
4	of which collateral obtained by taking possession: residential and commercial immovable properties																
5	of which with estimated level of energy efficiency (EP score in kWh/m² of collateral)	17,541	9,892	5,361	2,216	24	1	47								17,541	100%
6	*Total non-EU area*	*6,680*	*447*	*533*	*305*	*362*	*221*	*377*								*6,680*	*34%*
7	of which loans collateralized by commercial immovable property	6,254	393	501	291	362	221	377								6,254	34%
8	of which loans collateralized by residential immovable property	427	55	31	14	0										427	23%
9	of which collateral obtained by taking possession: residential and commercial immovable properties																
10	of which with estimated level of energy efficiency (EP score in kWh/m² of collateral)	2,245	447	533	305	362	221	377								2,245	100%

* of which with estimated level of energy efficiency (EP score in kWh/m² of collateral)

Figure 51: Template 2: Banking book – Indicators of potential climate change transition risk: Loans collateralized by immovable property – Energy efficiency of the collateral

Template 2 discloses aggregated information on the energy efficiency of properties from loans backed by real estate. The gross carrying amount (in EUR million) of the loan exposures is broken down into the energy efficiency ranges of different energy performance scores, stated in kWh/m2, and the individual energy performance certificate (EPC) categories, stated as Labels A to G.

The table includes both a distinction between commercial and residential real estate and the location of the property in either EU or non-EU territories. In addition, it is specified whether the data on the energy efficiency level is real or estimated. They are classified as estimated values if no energy performance certificate is available. For these properties, an internal model has been developed that uses information from external real estate databases. Changes in EPC categories result from an increase in real data in relation to commercial properties. As at the reporting date, there is no collateral obtained by taking possession for commercial or residential properties.

17.4 Template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics

This template presents the adjustment of LBBW's portfolio to reflect the "Net Zero Emissions 2050" climate scenario developed by the International Energy Agency (IEA). This scenario is based on the assumption of certain greenhouse gas budgets and outlines the necessary changes in energy requirements and energy technologies between now and 2030. The results are broken down into key sectors.

Determining the difference compared with the targets to 2030 helps LBBW to transparently present its progress toward achieving these targets and ensures that the transformation in the most important sectors is managed accordingly.

LBBW's strategic objective is to decarbonize its credit and investment portfolio in terms of the financed emissions and to achieve net zero by 2050 at the latest. To this end, it has identified particularly greenhouse gas-intensive sectors within its portfolio and defined specific reduction targets for them to be achieved by 2030. The power generation, automotive manufacturing, aviation, cement, steel and chemicals industries are currently considered to be particularly carbon intensive.

These sectors are managed via physical intensity (alignment metric), which expresses the ratio of production output to greenhouse gas emissions. Physical carbon intensity is calculated on the basis of company-specific emission and production data. Where this company data is unavailable, estimates based on own calculations or various public sources are used.

The following specifications apply for the sectors presented in the report:

- The target is based on linear interpolation between the current reference year 2023 and the target year 2030.
- Due to the variety of products and the limited availability of comparative production data, an economic intensity (CO2 per EUR m of revenue) is applied as the metric for the chemicals sector. As this excludes the possibility of a direct comparison, the gap to the IEA NZE2050 scenario is not reported in this case.
- No alignment metrics have been defined for the oil and gas sector, as LBBW refrains from providing financing to certain companies in accordance with specific lending guidelines.
- An alignment metric has not been calculated for the shipping sector, as LBBW does not offer shipping finance.
- To ensure that the gross carrying amounts are consistent with Template 1, the identification of carbon-intensive sectors in this template is strictly based on NACE sectors. This may give rise to differences in the alignment metrics compared with other publications.

	a	b	c	d	e	f	g
	Sector	NACE sectors (a minima)	Portfolio gross carrying amount (EUR million)	Alignment metric	Year of reference	Distance to IEA NZE2050 in % *	Target (year of reference + 3 years)
1	Electricity	D35	5,329	kgCO2/MWh	193	3.9	124
2	Electricity	D35.1	5,141	kgCO2/MWh	193	3.6	124
3	Electricity	D35.11	3,949	kgCO2/MWh	152	-18.3	124
4	Automotive	C29	3,170	gCO2/km	147	71.0	125
5	Automotive	C29.1	1,471	gCO2/km	146	70.6	125
6	Aviation	H51.1	418	gCO2/pkm	88	3.5	81
7	Cement, clinker and lime production	C23.5	122	kgCO2/t cement	544	21.5	512
8	Cement, clinker and lime production	C23.51	122	kgCO2/t cement	544	21.5	512
9	Iron and steel, coke, and metal ore production	C24	636	kgCO2/t steel	1,370	27.6	1,130
10	Iron and steel, coke, and metal ore production	C24.1	251	kgCO2/t steel	1,312	22.2	1,130
11	Chemicals	C20	826	t CO2/EUR m revenue	1,372		1,284

* Point in Time (PiT) distance to 2030 NZE2050 scenario in % (for each metric)

Figure 52: Template 3: Banking book – Indicators of potential climate change transition risk: Alignment metrics

In addition to the sectors named in the report, LBBW monitors and controls transformation in the area of commercial real estate and among automotive suppliers. Reduction targets for the year 2030 are defined for both sectors. A physical intensity (CO2 per square meter) is determined for commercial real estate. In the case of automotive suppliers, the proportion of revenue generated with parts for combustion engines is monitored. This serves to strengthen the resilience of the portfolio by reducing dependence on conventional drive technologies.

The template is completed using NACE sector logic. Real estate finance cannot be allocated to a NACE code; instead, the financed object (commercial real estate) is decisive irrespective of the NACE sector. Commercial real estate is therefore not included in the table in order to ensure consistency with Template 1. Restricting the calculation to NACE sector “L“ would result in a comparatively low, and hence immaterial, intensity.

Furthermore, a direct comparison with the IEA NZE2050 scenario is not possible for automotive suppliers as the scenario does not contain a benchmark for the proportion of revenue generated with combustion engine components. As the alignment of the automotive sector is covered via automotive manufacturers, automotive suppliers are also not included in the table.

17.5 Template 4: Banking book – Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms

	a	b	c	d	e
	Gross carrying amount in EUR million (aggregate)	**Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)***	**Of which environmentally sustainable (CCM)**	**Weighted average maturity in years**	**Number of top 20 polluting firms included**
1	190	0.08%		1.39	6

*For counterparties among the top 20 carbon-emitting companies in the world

Figure 53: Template 4: Banking book – Indicators of potential climate change transition risk: Exposures to top 20 carbon-intensive firms

The top 20 list from the Climate Accountability Institute (2018 / www.climateaccountability.org) was used to determine exposure to the top carbon-emitting companies.

There is no exposure in column C "*Of which environmentally sustainable (CCM)*" at the reporting date.

17.6 Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount (EUR million)													
			Of which exposures sensitive to impact from physical climate change events												
			Breakdown by maturity bucket					Of which exposures sensitive to impact from chronic climate change events	Of which exposures sensitive to impact from acute climate change events	Of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Germany		<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average maturity							Of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	116	28	13	1		3.97	31	3	8	3	1	-1	-0	-0
2	B - Mining and quarrying	69	7	2			2.96		7	2	2		-0	-0	
3	C - Manufacturing	11,047	947	259	17	8	3.01	1,089	116	26	131	18	-12	-0	-9
4	D - Electricity, gas, steam and air conditioning supply	2,730	87	67	323	59	15.31		412	125	0		-0	-0	
5	E - Water supply; sewage, waste management and remediation activities	2,644	96	128	168	171	14.96	97	453	14	2	0	-0	-0	-0
6	F - Construction	2,042	157	8	12	20	4.06		188	10	17	2	-1	-0	-1
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	5,270	618	34			1.39	463	176	14	351	0	-1	-1	-0
8	H - Transportation and storage	2,241	93	28	10	21	6.87	39	96	18	5	1	-1	-0	-0
9	L - Real estate activities	30,955	1,769	857	197	90	5.86	118	2,772	23	541	0	-13	-4	-0
10	Loans collateralized by residential immovable property	16,255	946	293	46	57	5.08	7	1,334	0	179	1	-3	-1	-0
11	Loans collateralized by commercial immovable property	30,796	1,872	959	170	49	5.53	242	2,770	37	454	17	-20	-3	-7
12	Repossessed collaterals														
13	Other relevant sectors (breakdown below where relevant)														

Figure 54: Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk – Germany

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount (EUR million)													
			Of which exposures sensitive to impact from physical climate change events												
			Breakdown by maturity bucket					Of which exposures sensitive to impact from chronic climate change events	Of which exposures sensitive to impact from acute climate change events	Of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	European Union (excluding Germany)		<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average maturity							Of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	0	0				0.04	0					-0		
2	B - Mining and quarrying	0													
3	C - Manufacturing	2,272	73				2.22	46	22	5	0	0	-0	-0	-0
4	D - Electricity, gas, steam and air conditioning supply	1,282	29	41	223	39	13.12		32	300	6		-0	-0	
5	E - Water supply; sewage, waste management and remediation activities	0													
6	F - Construction	280	54		59		10.74		0	113	0		-0	-0	
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	711	156				0.90	155	1	0	88	0	-0	-0	-0
8	H - Transportation and storage	624	0				0.01		0				-0		
9	L - Real estate activities	12,709	2,171	257		75	4.50	163	1,231	1,109	764		-15	-5	
10	Loans collateralized by residential immovable property	1,946	626	155			1.84	60	205	516	232		-8	-2	
11	Loans collateralized by commercial immovable property	13,209	2,053	191		75	4.42	130	1,266	924	745		-12	-5	
12	Repossessed collaterals														
13	Other relevant sectors (breakdown below where relevant)														

Figure 55: Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk – European Union (excluding Germany)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount (EUR million)													
			Of which exposures sensitive to impact from physical climate change events												
			Breakdown by maturity bucket					Of which exposures sensitive to impact from chronic climate change events	Of which exposures sensitive to impact from acute climate change events	Of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Rest of world		<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	> 20 years	Average maturity							Of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	5	5				3.64	5	0		3	2	-0	-0	
2	B - Mining and quarrying	599													
3	C - Manufacturing	3,980	346	185			3.48	260	262	9	192	94	-9	-3	-6
4	D - Electricity, gas, steam and air conditioning supply	1,318		113	78		8.75	55	136		111		-0	-0	
5	E - Water supply; sewage, waste management and remediation activities	20	2				2.92	0	2		0	2	-0	-0	-0
6	F - Construction	415	45				2.99	3	43		42	3	-0	-0	-0
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	616	115	9			0.75	14	111	0	6	0	-0	-0	-0
8	H - Transportation and storage	714	0				3.67		0				-0		
9	L - Real estate activities	7,275	136	7			1.90		142		8		-0	-0	
10	Loans collateralized by residential immovable property	305	0	0	0	1	18.94		1		0		-0		
11	Loans collateralized by commercial immovable property	6,254	37	7			4.49		15	29	37		-0	-0	
12	Repossessed collaterals														
13	Other relevant sectors (breakdown below where relevant)														

Figure 56: Template 5: Banking book – Indicators of potential climate change physical risk: Exposures subject to physical risk – Rest of world

The three tables show the gross carrying amounts that are qualitatively highly impacted by physical risks according to the physical risk tool developed by LBBW for the regions of Germany, the European Union (excluding Germany) and the rest of the world. Three different approaches are taken here:

- Location-based valuation of real estate collateral,
- Regional valuation of companies with a regional focus,
- Sector valuation for geographically diversified companies.

The acute climate risks of inland and coastal flooding, heavy rain, forest fires, landslides and tropical cyclones and the chronic climate risks of drought, heat and rising sea levels are considered in all approaches. If impact is high for at least one of these risk aspects, the related gross carrying amounts in the table are classified as high impact. The individual approaches are described in more detail in the following section.

Location-based valuation of real estate collateral

Real estate is affected only by physical risks at its location. Accordingly, real estate collateral is valued using highly accurate access to hazard maps. Here, LBBW uses publicly available hazard maps from the World Bank and the European Joint Research Centre that depict a potentially catastrophic event for each of the selected risk types (e.g. a 100-year event). LBBW converts the hazard values obtained here into a qualitative assessment for high impact.

Regional valuation of companies with a regional focus

LBBW initially classifies its customers on the basis of their regional dependency. For this, it prefers to use granular information from the rating systems. If this is unavailable, company size is used as an approximation. In the case of companies with a regional focus identified here, it is assumed that the production sites, supply chains and customer groups are located predominantly in a single region and so the physical risk of the company can also be assessed via this region. For this purpose, the companies are first located in the appropriate region on the basis of their headquarters. The European Union’s NUTS 3 classification is used in Europe. Counties are considered in the US and the highest sub-national units for the rest of the world. The second stage is to estimate the extent to which physical risks are affected for all of these regions. A region is considered highly impacted if at least 10% of its area is highly impacted.

Sector valuation for geographically diversified companies

Companies without a strong regional dependency are assumed to be geographically diversified. As production sites, supply chains and customers are distributed across many locations, these companies are not fundamentally affected by acute climate risks, which always relate to a clearly defined region. By contrast, they can be highly impacted by chronic climate risks, as these can create systematic problems for certain sectors. Accordingly, geographically diversified companies are assessed via their sector. The basis for assessing individual sectors is the Materiality Map of the Sustainability Accounting Standards Board (SASB) and the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC Ar5).

17.7 Template 6. Summary of GAR KPIs

	KPI			
	Climate change mitigation	Climate change adaptation	Total (climate change mitigation + climate change adaptation)	% coverage (over total assets)*
GAR stock	0.37%	0.00%	0.37%	18.95%
GAR flow	0.70%	0.03%	0.73%	16.47%

* % of assets covered by the KPI over banks´ total assets

Figure 57 Template 6. Summary of GAR KPIs

Templates 6 to 8 on the green asset ratio (GAR) in accordance with Article 449a CRR have been required to be disclosed since 31 December 2023.

These templates serve to illustrate the form and scope of economic activities that can be classified as environmentally sustainable in terms of the first two environmental objectives – climate change mitigation (CCM) and climate change adaptation (CCA) – under the EU Taxonomy Regulation.

17.8 Template 7 – Mitigating actions: Assets for the calculation of GAR

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T															
			Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy eligible)					Of which towards taxonomy relevant sectors (Taxonomy eligible)					Of which towards taxonomy relevant sectors (Taxonomy eligible)				
				Of which environmentally sustainable (Taxonomy aligned)					Of which environmentally sustainable (Taxonomy aligned)					Of which environmentally sustainable (Taxonomy aligned)			
	EUR million	Total gross carrying amount			Of which specialized lending	Of which transitional	Of which enabling			Of which specialized lending	Of which adaptation	Of which enabling			Of which specialized lending	Of which transitional/adaptation activities	Of which enabling
	GAR – Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	69,191	25,473	932	8	248	185	34	5			3	25,507	937	8	248	188
2	Financial corporations	51,829	13,486	344		27	20	5	1			0	13,490	344		27	20
3	Credit institutions	46,022	8,463	338		26	17	5	1			0	8,468	338		26	17
4	Loans and advances	36,185	5,913	129		2	12	3	0				5,916	129		2	12
5	Debt securities, including UoP	9,739	2,533	209		24	5	2	0			0	2,535	209		24	5
6	Equity instruments	98	17	0			0						17	0			0
7	Other financial corporations	5,808	5,022	6		1	3	0	0			0	5,022	6		1	3
8	of which investment firms																
9	Loans and advances																
10	Debt securities, including UoP																
11	Equity instruments																
12	of which management companies																
13	Loans and advances																
14	Debt securities, including UoP																
15	Equity instruments																
16	of which insurance undertakings	48	8	3		1	0	0	0			0	8	3		1	0
17	Loans and advances	1	0	0		0	0	0	0			0	0	0		0	0
18	Debt securities, including UoP	47	8	3		1							8	3		1	
19	Equity instruments																
20	Non-financial corporations (subject to NFRD disclosure obligations)	9,360	4,868	571	8	221	165	28	5			3	4,896	576	8	221	168

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T															
			Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy eligible)					Of which towards taxonomy relevant sectors (Taxonomy eligible)					Of which towards taxonomy relevant sectors (Taxonomy eligible)				
				Of which environmentally sustainable (Taxonomy aligned)					Of which environmentally sustainable (Taxonomy aligned)					Of which environmentally sustainable (Taxonomy aligned)			
EUR million		Total gross carrying amount			Of which specialized lending	Of which transitional	Of which enabling			Of which specialized lending	Of which adaptation	Of which enabling			Of which specialized lending	Of which transitional/adaptation activities	Of which enabling
21	Loans and advances	9,299	4,864	567	8	219	165	28	5			3	4,891	572	8	219	168
22	Debt securities, including UoP	61	4	4		2							4	4		2	
23	Equity instruments																
24	Households	7,881	7,119	17									7,119	17			
25	of which loans collateralized by residential immovable property	7,409	7,085	17									7,085	17			
26	of which building renovation loans	19	6										6				
27	of which motor vehicle loans	453	28										28				
28	Local government financing	120	0					2					2				
29	Housing financing																
30	Other local governments financing	120	0					2					2				
31	Collateral obtained by taking possession: residential and commercial immovable properties																
32	TOTAL GAR ASSETS	69,191	25,473	932	8	248	185	34	5			3	25,507	937	8	248	188
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	EU Non-financial corporations (not subject to NFRD disclosure obligations)	83,762															
34	Loans and advances	83,074															
35	Debt securities	150															
36	Equity instruments	538															
37	Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)	17,219															
38	Loans and advances	17,031															
39	Debt securities	103															
40	Equity instruments	85															

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T															
			Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)				
			Of which towards taxonomy relevant sectors (Taxonomy eligible)					Of which towards taxonomy relevant sectors (Taxonomy eligible)					Of which towards taxonomy relevant sectors (Taxonomy eligible)				
				Of which environmentally sustainable (Taxonomy aligned)					Of which environmentally sustainable (Taxonomy aligned)					Of which environmentally sustainable (Taxonomy aligned)			
	EUR million	Total gross carrying amount			Of which specialized lending	Of which transitional	Of which enabling			Of which specialized lending	Of which adaptation	Of which enabling			Of which specialized lending	Of which transitional/adaptation activities	Of which enabling
41	Derivatives	1,414															
42	On-demand interbank loans	2,040															
43	Cash and cash-related assets	140															
44	Other assets (e.g. Goodwill, commodities etc.)	77,115															
45	TOTAL ASSETS IN THE DENOMINATOR (GAR)	250,881															
	Other assets excluded from both the numerator and denominator for GAR calculation																
46	Sovereigns	16,544															
47	Central banks exposure	57,199															
48	Trading book	40,525															
49	TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR	114,268															
50	TOTAL ASSETS	365,148															

Figure 58: Template 7 – Mitigating actions: Assets for the calculation of GAR

17.9 Template 8 – GAR (%)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Disclosure reference date T: KPIs on flows															
		Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of new eligible assets funding taxonomy-relevant sectors					Proportion of new eligible assets funding taxonomy-relevant sectors					Proportion of new eligible assets funding taxonomy-relevant sectors					
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
	% (compared to total covered assets in the denominator)			Of which specialized lending	Of which transitional	Of which enabling			Of which specialized lending	Of which adaptation	Of which enabling			Of which specialized lending	Of which transitional/ adaptation activities	Of which enabling	Proportion of total new assets covered
1	GAR	10.15%	0.37%	0.00%	0.10%	0.07%	0.01%	0.00%			0.00%	10.17%	0.37%	0.00%	0.10%	0.08%	18.95%
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	10.15%	0.37%	0.00%	0.10%	0.07%	0.01%	0.00%			0.00%	10.17%	0.37%	0.00%	0.10%	0.08%	18.95%
3	Financial corporations	5.38%	0.14%		0.01%	0.01%	0.00%	0.00%			0.00%	5.38%	0.14%		0.01%	0.01%	14.19%
4	Credit institutions	3.37%	0.13%		0.01%	0.01%	0.00%	0.00%			0.00%	3.38%	0.13%		0.01%	0.01%	12.60%
5	Other financial corporations	2.00%	0.00%		0.00%	0.00%	0.00%	0.00%			0.00%	2.00%	0.00%		0.00%	0.00%	1.59%
6	of which investment firms																
7	of which management companies																
8	of which insurance undertakings	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%			0.00%	0.00%	0.00%		0.00%	0.00%	0.01%
9	Non-financial corporations subject to NFRD disclosure obligations	1.94%	0.23%	0.00%	0.09%	0.07%	0.01%	0.00%			0.00%	1.95%	0.23%	0.00%	0.09%	0.07%	2.56%
10	Households	2.84%	0.01%									2.84%	0.01%				2.16%
11	of which loans collateralized by residential immovable property	2.82%	0.01%									2.82%	0.01%				2.03%
12	of which building renovation loans	0.00%										0.00%					0.01%
13	of which motor vehicle loans	0.01%										0.01%					0.12%
14	Local government financing	0.00%										0.00%					0.03%
15	Housing financing																
16	Other local governments financing	0.00%					0.00%					0.00%					0.03%
17	Collateral obtained by taking possession: residential and commercial immovable properties																

		q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		Disclosure reference date T: KPIs on inflows															
		Climate change mitigation (CCM)					Climate change adaptation (CCA)					TOTAL (CCM + CCA)					
		Proportion of new eligible assets funding taxonomy-relevant sectors					Proportion of new eligible assets funding taxonomy-relevant sectors					Proportion of new eligible assets funding taxonomy-relevant sectors					
			Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
	% (compared to total covered assets in the denominator)			Of which specialized lending	Of which transitional	Of which enabling			Of which specialized lending	Of which adaptation	Of which enabling			Of which specialized lending	Of which transitional/ adaptation	Of which enabling	Proportion of total new assets covered
1	GAR	11.56%	0.70%		0.02%	0.23%	0.09%	0.03%			0.02%	11.64%	0.73%		0.02%	0.24%	16.47%
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	11.56%	0.70%		0.02%	0.23%	0.09%	0.03%			0.02%	11.64%	0.73%		0.02%	0.24%	16.47%
3	Financial corporations	10.56%	0.46%		0.02%	0.03%	0.01%	0.00%			0.00%	10.58%	0.46%		0.02%	0.03%	14.70%
4	Credit institutions	10.62%	0.46%		0.02%	0.03%	0.01%	0.00%			0.00%	10.63%	0.46%		0.02%	0.03%	14.63%
5	Other financial corporations																0.07%
6	of which investment firms																
7	of which management companies																
8	of which insurance undertakings																
9	Non-financial corporations subject to NFRD disclosure obligations	22.87%	3.17%		0.10%	2.17%	0.83%	0.26%			0.19%	23.70%	3.43%		0.10%	2.36%	1.52%
10	Households	1.92%										1.92%					0.22%
11	of which loans collateralized by residential immovable property	3.73%										3.73%					0.11%
12	of which building renovation loans																0.00%
13	of which motor vehicle loans																0.11%
14	Local government financing																0.03%
15	Housing financing																
16	Other local governments financing																0.03%
17	Collateral obtained by taking possession: residential and commercial immovable properties																

Figure 59: Template 8 – GAR (%)

17.10 Template 10 – Other climate change-mitigating actions that are not covered in Regulation (EU) 2020/852

	a	b	c	d	e	f
	Type of financial instrument	**Type of counterparty**	**Gross carrying amount (EUR million)**	**Type of risk mitigated (Climate change transition risk)**	**Type of risk mitigated (Climate change physical risk)**	**Qualitative information on the nature of the mitigating actions**
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations				
2		Non-financial corporations				
3		of which loans collateralized by commercial immovable property				
4		Other counterparties				
5	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	41	Yes	No	This relates to wind-farm financing. The purpose of the mitigating action is to reduce CO2 emissions and, in turn, protect the climate. The wind farms financed are located outside the EU and are not subject to the NFRD requirement and so they are not taken into account under the Taxonomy Regulation. The term of the loan is used as a timeline for the action.
6		Non-financial corporations	2,024	Yes	No	This relates to project finance for wind and solar farms. The purpose of the mitigating action is to reduce CO2 emissions and, in turn, protect the climate. The companies are not subject to the NFRD requirement. Furthermore, the wind farms financed are located outside the EU and so they are not taken into account under the Taxonomy Regulation. The term of the loan is used as a timeline for the action.
7		of which loans collateralized by commercial immovable property				
8		Households				
9		of which loans collateralized by residential immovable property				
10		of which building renovation loans				
11		Other counterparties				

*No information is disclosed regarding the bonds on account of current discussions regarding the distinction from European green bonds.

Figure 60: Template 10 – Other climate change-mitigating actions that are not covered in Regulation (EU) 2020/852

Attestation by the Board of Managing Directors pursuant to Article 431 CRR

With approval granted by the responsible member of the Board of Managing Directors Stefanie Münz, it is hereby attested that this disclosure has been made in accordance with the formal policies adopted by Landesbank Baden-Württemberg and internal processes, systems and controls.

List of abbreviations

ABCP	Asset-backed commercial paper
ASF	Available stable funding
AT1	Additional Tier 1 capital
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory
BCBS	Basel Committee on Banking Supervision
BRRD	Framework for the recovery and resolution of credit institutions and investment firms
CCA	Climate change adaptation
CCF	Credit conversion factor
CCP	Central counterparty
CCM	Climate change mitigation
CCR	Counterparty credit risk
CDS	Credit default swap
CET1	Common Equity Tier 1
CLN	Credit linked note
COREP	Common solvency ratio reporting
Co2e	CO2 equivalents
CR	Credit risk
CRD	Capital Requirements Directive
CRM	Credit risk mitigation
CRR	Capital Requirements Regulation
CSD	Central securities depository
CVA	Credit valuation adjustment
DSGV	Deutscher Sparkassen- und Giroverband (German Savings Banks Finance Group)
EAD	Exposure at default
EBA	European Banking Authority
EEPE	Effective expected positive exposure
EIF	European Investment Fund
EL	Expected loss
EPC	Energy performance certificate
EPS	Energy performance score
ERBA	External ratings-based approach
ESG	Environmental, social and governance
EEA	European Economic Area
FBE	Forborne exposure
FCP	Funded credit protection
FINREP	Financial reporting
FX	Foreign exchange
GAR	Green asset ratio
GL	Guideline

HLBA	Historical look-back approach
IAA	Internal assessment approach
ICAAP	Internal capital adequacy assessment process
IFRS	International Financial Reporting Standards
IMA	Internal model approach
IMM	Internal model method
IRBA	Internal ratings-based approach
IRC	Incremental default and migration risk charge
SME	Small and medium-sized enterprises
KPI	Key performance indicators
CRSA	Credit risk standardized approach
KWG	Kreditwesengesetz (German Banking Act)
LCR	Liquidity coverage ratio
LGD	Loss given default
MACS	MACS Energy & Water GmbH (ESG consulting firm)
MREL	Minimum requirement for own funds and eligible liabilities
MTN	Medium term notes
NACE	Nomenclature Générale des Activités Économiques
NFRD	Non-Financial Reporting Directive
NII	Net interest income
NMD	Non-maturity deposits
NPL	Non-performing loans
NSFR	Net stable funding ratio
O-SII	Other systemically important institutions
OTC	Over the counter
P/L	Profit and loss
PCAF	Partnership for Carbon Accounting Financials
PD	Probability of default
PFE	Potential future exposure
RC	Replacement cost
RSF	Required stable funding
RWA	Risk-weighted assets
RWEA	Risk-weighted exposure amount
SA-CCR	Standardized approach for counterparty credit risk
SASB	Sustainability Accounting Standards Board
SFT	Securities financing transaction
SREP	Supervisory review and evaluation process
SRT	Significant risk transfer
STS	Simple, transparent and standardized securitizations
sVaR	Stressed value-at-risk
sVaRavg	Average stressed value-at-risk
T1/T2	Tier 1 capital / Tier 2 capital

TC	Total capital
GHG	Greenhouse gas emissions
TLTRO	Targeted longer-term refinancing operations
VaR	Value-at-risk
VdP	Verband deutscher Pfandbriefbanken (Association of German Pfandbrief Banks)
VÖB	Bundesverband Öffentlicher Banken Deutschlands (Association of German Public Banks)

Index of tables

Breaking new ground

Landesbank Baden-Württemberg
www.LBBW.de
kontakt@LBBW.de

Headquarters

Stuttgart
Am Hauptbahnhof 2
70173 Stuttgart, Germany
Phone + 49 (0) 711 127-0

Karlsruhe
Ludwig-Erhard-Allee 4
76131 Karlsruhe, Germany
Phone + 49 (0) 721 142-0

Mannheim
Augustaanlage 33
68165 Mannheim, Germany
Phone + 49 (0) 621 428-0

Mainz
Rheinallee 86
55120 Mainz, Germany
Phone + 49 (0) 6131 64-0