

Press information dated 7 April 2022

## Berlin Hyp publishes its Sustainable Finance Framework and realigns its Green Loan portfolio

Berlin Hyp published its new **Sustainable Finance Framework** on 7 April 2022. With this framework, Berlin Hyp has created an overarching approach to classifying sustainable financing products on a holistic scale. These products are classified using eligibility criteria and in turn form the basis for the sustainable capital market products, which are issued at a later date and published in special frameworks.

For many years now, we at Berlin Hyp have been focusing on financing energy-efficient and environmentally friendly buildings. The adoption of the Delegate Regulation on the EU taxonomy means that sustainable, responsible action and business are now also reflected in regulatory developments again. The taxonomy is the first EU-wide unified framework for sustainable and environmentally friendly activities and investments to be developed. This comprises six environmental targets to which appropriate economic activities can make a substantial contribution. As a sustainable real estate financier, Berlin Hyp will continue to make its contribution to fulfilling the environmental targets within the scope of the economic activity “Construction and Real Estate”.

We are now aligning our Green Loan portfolio, which currently includes the “energy efficiency loan” and the “taxonomy loan”, with our own sustainability objectives and the regulatory standards. These products each contribute to the Sustainable Development Goals SDG 11 (Sustainable Cities and Communities) and SDG 13 (Climate Action). Each of the Green Loans can also be structured as transformation loans.

The **energy efficiency loan** is secured by energy-efficient and environmentally friendly buildings. The eligibility criteria for energy efficiency loans are defined in the Sustainable Finance Framework. The **taxonomy loan** is used to finance buildings or construction activities that fulfil the criteria outlined in the EU taxonomy for environmentally sustainable economic activities. These eligibility criteria and the corresponding DNSH criteria (“do no significant harm”) as well as the minimum social requirements (minimum safeguards) are listed in the Sustainable Finance Framework. The **transformation loan** is used to finance measures to improve the energy and carbon footprint of buildings. In this case, the transformation of a building is supported for both products (taxonomy loans and energy efficiency loans). The primary focus of the transformation credit is to adapt a building according to the eligibility criteria for the taxonomy loan.

**Teresa Dreo-Tempsch**, Chief Market Officer of Berlin Hyp: “Our goal is to successively increase the share of taxonomy-compliant financing in our Green Loans portfolio. We plan to only issue taxonomy-compliant Green Loans in our green business activities by the end of 2026. Transforming the building stock is one of the biggest challenges of the

coming years. We see it as our mission to support our customers with suitable products.“

Berlin Hyp will review the Sustainable Finance Framework on a case-by-case basis, or at least once annually, and will adapt its strategic design accordingly. The framework has also been externally verified for this publication and the results are published in a second party opinion on the Berlin Hyp website. The review assesses the framework's design and its compliance with relevant industry standards in addition to its credibility.

## **Contact**

Nicole Hanke  
Communications and Marketing  
T +49 30 2599 9123  
[nicole.hanke@berlinhyp.de](mailto:nicole.hanke@berlinhyp.de)

Berlin Hyp specialises in large-volume real estate financing for professional investors and housing companies, for whom the Bank develops individual financing solutions. As an enterprise forming a Group together with the German savings banks, it also makes an extensive spectrum of products and services available to these institutions. Berlin Hyp plays a pioneering role in the development of sustainable refinancing products. Sustainability is a central component of the Bank's business strategy. Berlin Hyp promotes the financing of sustainable real estate and seeks to support the transformation of the real estate market in order to contribute to achieving the goal of climate neutrality. Berlin Hyp's clear focus, more than 150 years of experience and the ability to actively shape digital transformation in the real estate sector characterise the Bank as a leading German real estate and Pfandbrief bank.