Bundesrepublik Deutschland
Finanzagentur GmbH

Federal Republic of Germany
Green Bond Investor Presentation

May 2026

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Executive Summary

Germany's climate targets

Germany's climate policy is aligned with the **Paris Agreement.** With the introduction of the Federal Climate Action Act (Bundes-Klimaschutzgesetz), Germany has **committed to achieving climate-neutrality by 2045.** The Act requires each federal government to adopt a climate action programme with effective measures in the first year of each legislative period. Germany aims to **increase the share of renewable energy**, **reduce emissions**, and **minimize energy usage.**

Green bond programme

Originally launched in 2020, the Green bond programme provides a **green yield curve** for up to 30 years. The second version of the Green Bond Framework **builds on and updates the first version**. All Green German Federal Securities will be issued under the **2026 version of the Framework**. As of May 2026, there are nine Green German Federal Securities with **€ 88.75 bn outstanding.**

Framework update 2026

The updated Framework is aligned with the **International Capital Markets Association (ICMA) 2025 Green Bond Principles** and maps expenditure categories to economic activities in the **EU Taxonomy Regulation**. The update of the Framework introduces **early publication and reporting** on eligible green expenditures and Second Party Opinions for **annual confirmations of the environmental benefits** of eligible green expenditures.

Use of proceeds 2026

The five green sectors of Green German Federal Securities are: **Transport**, **International Cooperation**, **Research**, **Energy and Resources**, and **Eco-systems**. The **2026 pre-issuance catalogue of indicative expenditures lists all potential expenditures available** (75 budget items) for allocation to green bonds issued in 2026. An additional disclosure addressed the **Taxonomy-alignment of selected budget items** in the transport sector.

1. Germany's Climate Targets

Germany's Path to Decarbonisation

Climate Policy: On the Path of the Paris Agreement

The **Federal Climate Action Act** is the legal basis for climate action policy in Germany and a key instrument to implement the Paris Climate Agreement.

National Climate Targets

2030

Reduction of GHG emissions by at least 65% compared to 1990

Current 2025 GHG projection scenarios predict a reduction of 63% by 2030

2040

Reduction of GHG emissions by at least 88% compared to 1990

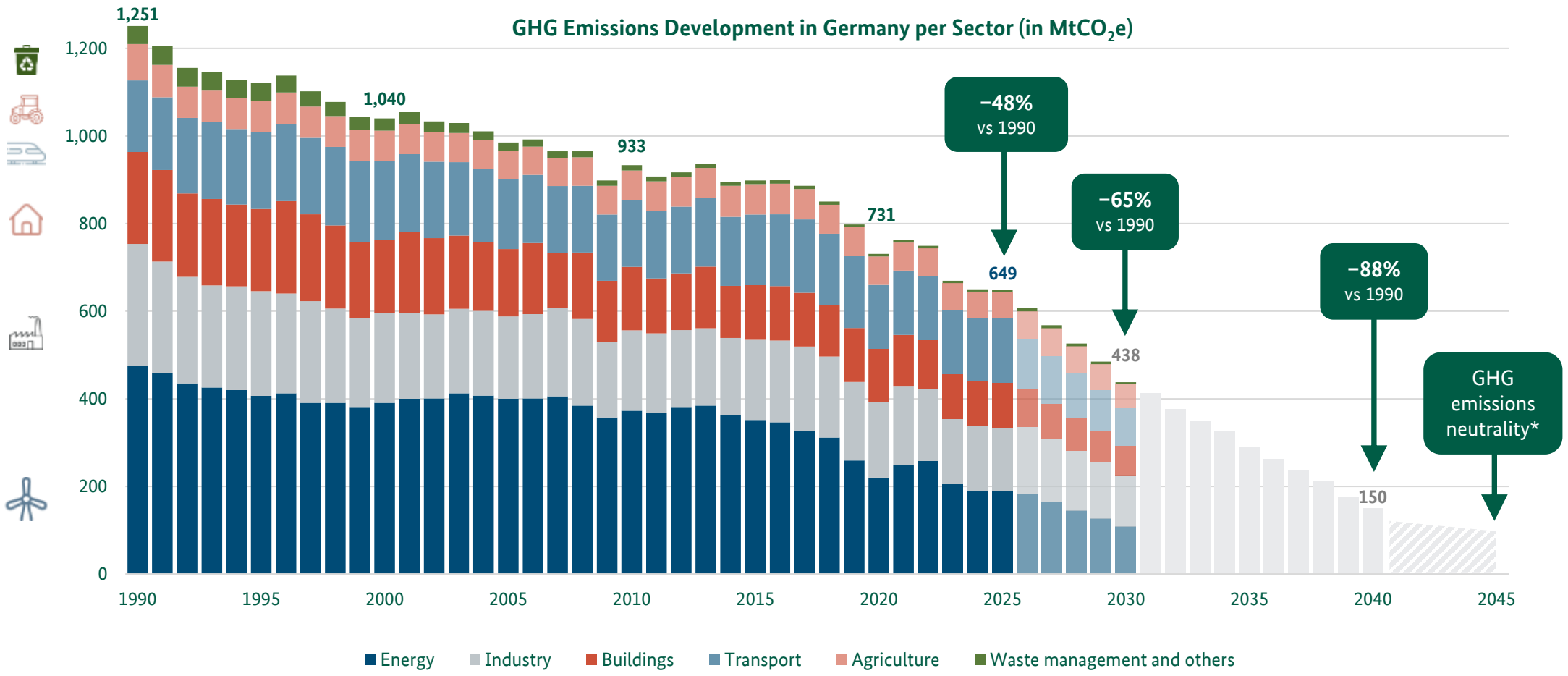
2045

Net GHG neutrality

2050 and beyond

Negative GHG emissions

Germany's Path to Decarbonisation: Emissions of the Sectors of the Federal Climate Action Act



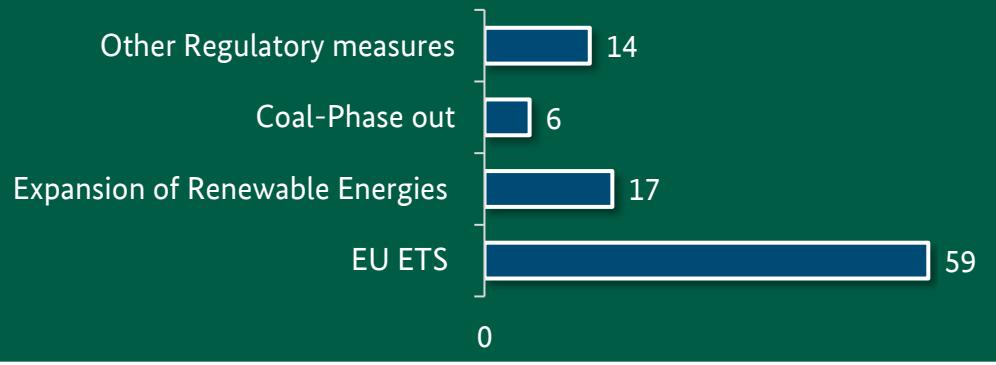
*Sources: Federal Climate Action Act; BMUKN, UBA; *net zero anthropogenic GHG emissions from all sectors covering all GHG emissions, which means emissions from carbon dioxide as well as other GHG like methane*

Field of Action: Energy

1. The target requires **full decarbonisation by 2045** through transformation of energy supply towards more renewable energies and energy efficiency.

2. Ambitious measures such as the early phase-out of coal and the expansion of renewables energies are projected to reduce the majority of emissions within the energy sector.

Key mitigation instruments – projected annual GHG mitigation impact in 2030 (in Mio. t CO2e)



2023: Shutdown nuclear power plants

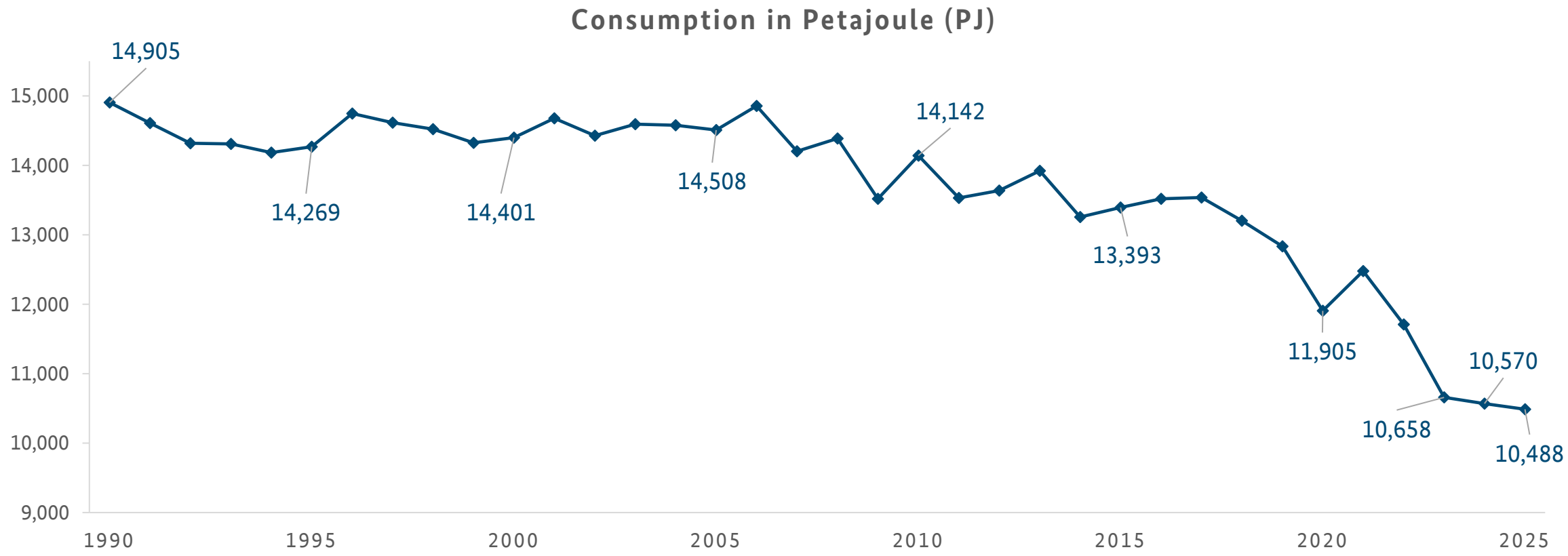
2025: 29% of all GHG Emissions in Germany
Emissions volume: 189 Mt Co2e
Reduction compared to 1990 level: 60%

2030: Target level: -77% compared to 1990
Projected level: 94 Mt CO2e (-80%)
76% of electricity consumption will be covered by renewable energies

2038: Shutdown lignite-fired power plants
(ideally by 2030)

Source: Umweltbundesamt: "Emissionsdaten 2025 & Projektionsdaten 2026" (14 March 2026)

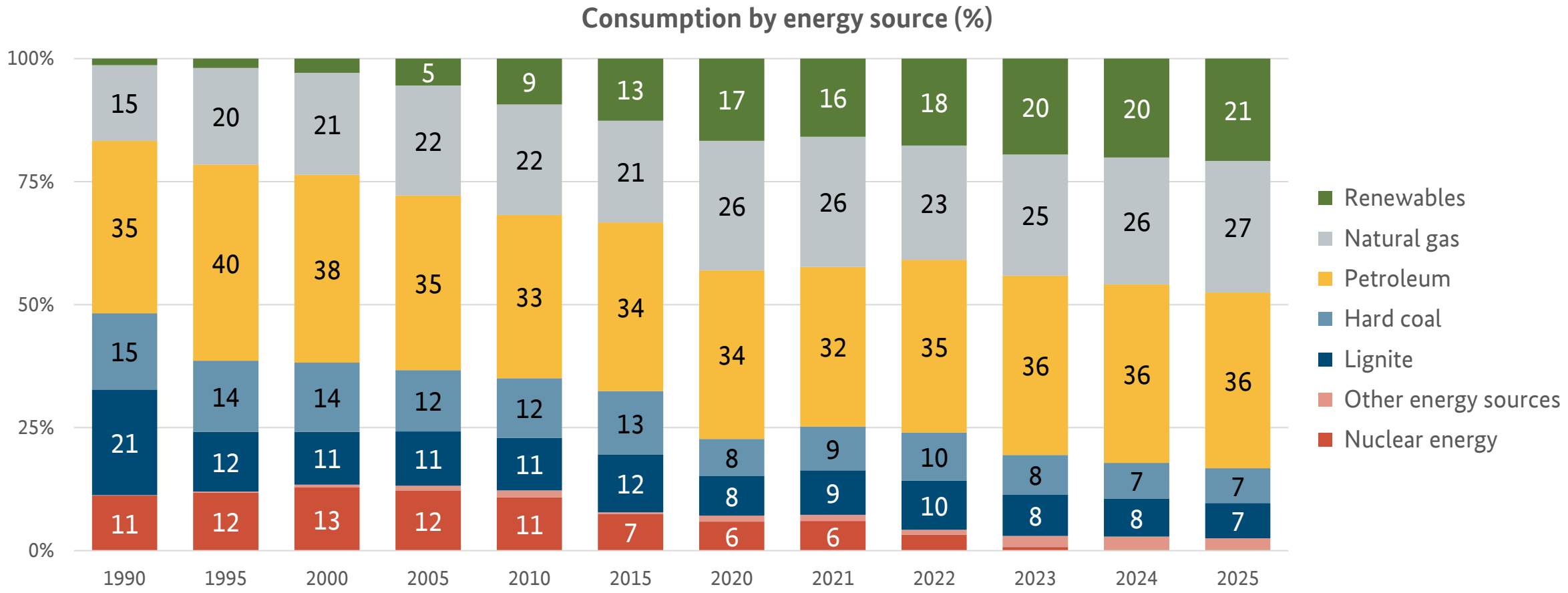
Development of Primary Energy Consumption in Germany



In 2025, primary energy consumption in Germany fell to a new record low, 30% below the peak of 14,905 PJ in 1990.

Source: Arbeitsgemeinschaft Energiebilanzen, April 2026

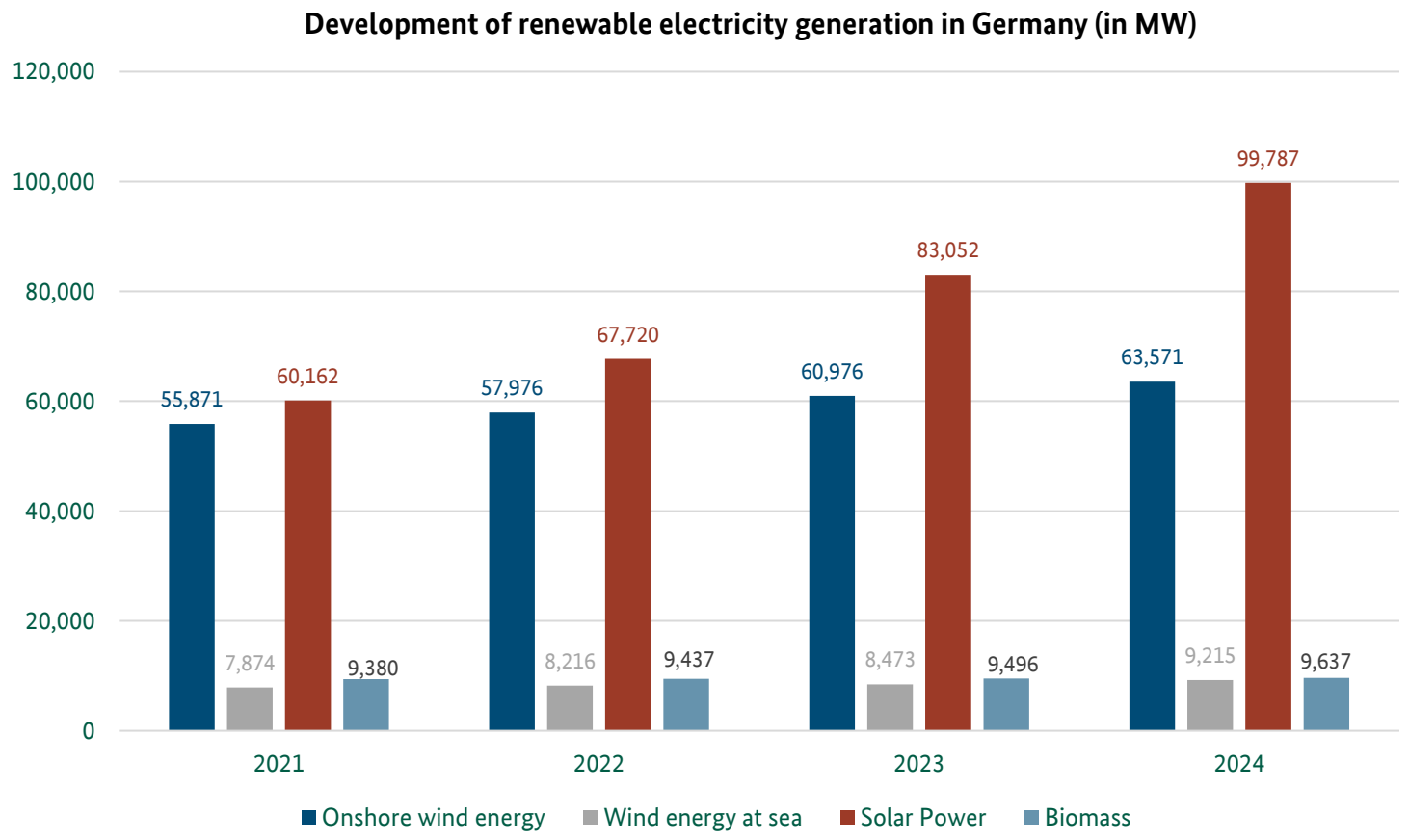
Primary Energy Consumption in Germany



Since May 2023, Germany stopped using nuclear energy and has further decreased its use of hard coal and lignite.

Source: Arbeitsgemeinschaft Energiebilanzen, April 2026

Increase in Installed Capacity for Electricity Generation from Renewable Sources



1 **Continuous expansion of renewable energies** (with a record expansion of solar power)

2 In 2024, **56%** of the **electricity consumed** was **covered by renewable energies**

3 Promotion of the energy transition through an **extensive legislation package**:
- Renewable Energy Sources Act
- Offshore Wind Energy Act
- Onshore Wind Energy Act

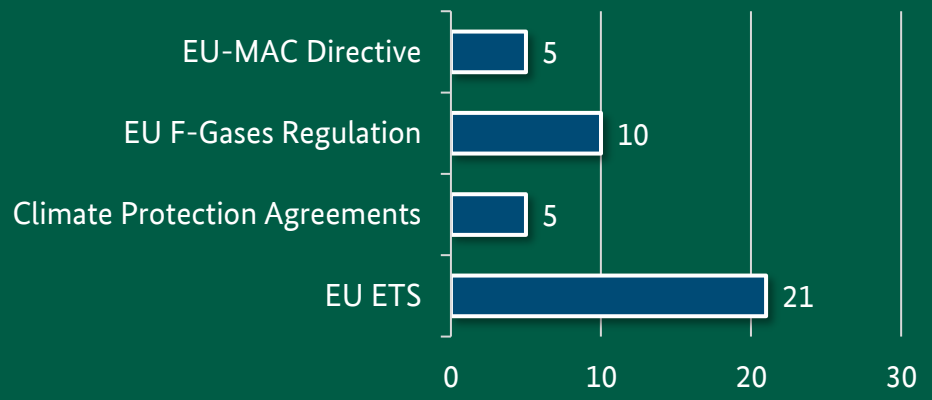
Sources: Umweltbundesamt (02/2025): „Monatsbericht zur Entwicklung der erneuerbaren Stromerzeugung und Leistung in Deutschland“, Fraunhofer ISE (2025): „Stromerzeugung in Deutschland im Jahr 2024“, energy-charts.info

Field of Action: Industry

1. Drivers of the high reductions until 2030 are the EU ETS, Climate Protection Agreements that compensate companies for additional costs they incur switching to more climate-friendly production and other regulatory measures such as the EU F-Gases Regulation to phase-down potent fluorinated GHG and the MAC directive to reduce emissions of fluorinated GHG gases from air-conditioning systems.

2. Funding programs **promote innovative new processes** such as the use of hydrogen in the metal production, with first projects expected to start in 2026, are projected to contribute further to attaining the 2030 target.

Key mitigation instruments – projected annual GHG mitigation impact in 2030 (in Mio. t CO2e)



2030: Target level: -58% compared to 1990
Projected level: 117 Mt CO2e (-58%)

2025: 22% of all GHG Emissions in Germany
Emissions volume: 144 Mt Co2e
Reduction compared to 1990 level: 48%

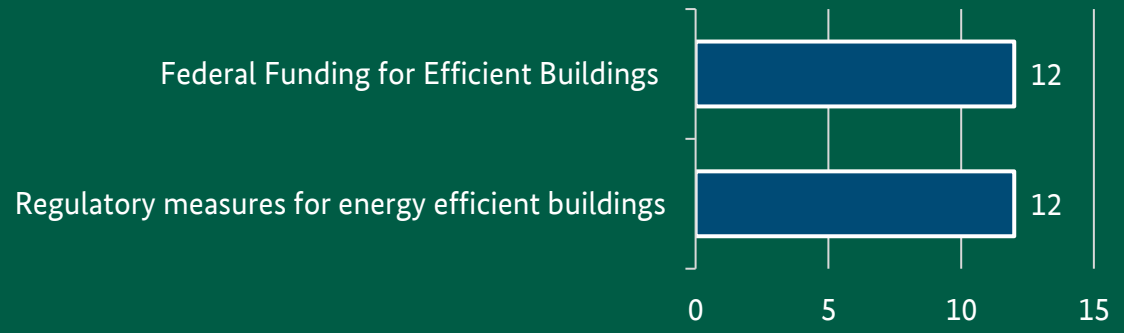
Source: Umweltbundesamt: "Emissionsdaten 2025 & Projektionsdaten 2026" (14 March 2026)

Field of Action: Buildings

1. Although projections show that the buildings sector will miss its 2030 target significantly, the projections **expect a significant reduction until 2045.**

2. These improvements will be driven by **lower energy consumption** as well as an overall **increasing share of energy efficient buildings.**

Key mitigation instruments – projected annual GHG mitigation impact in 2030 (in Mio. t CO2e)



2030: Target level: -68% compared to 1990
Projected level: 80 Mt CO2e (-62%)

2025: 16% of all GHG Emissions in Germany
Emissions volume: 103 Mt Co2e
Reduction compared to 1990 level: 51%

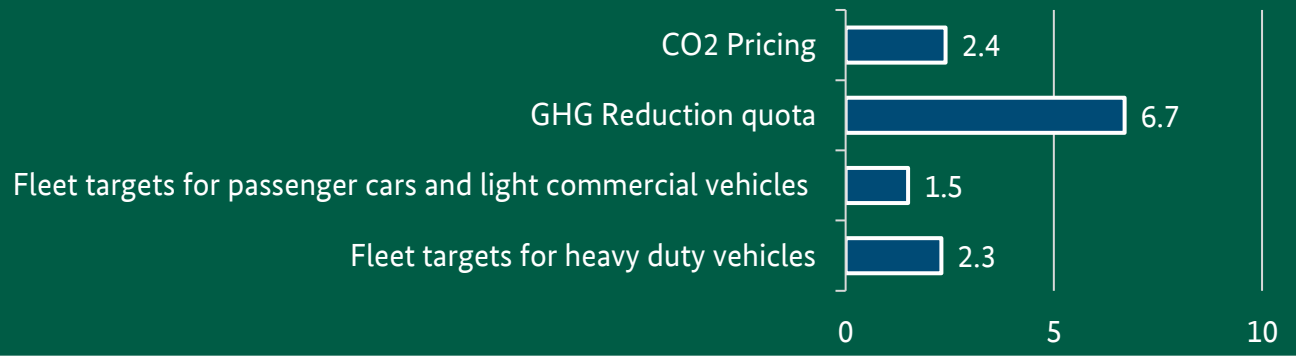
Source: Umweltbundesamt: "Emissionsdaten 2025 & Projektionsdaten 2026" (14 March 2026)

Field of Action: Transport

1. **Key instruments** are the CO_2 differentiation of the truck toll, the extension of the truck toll to trucks with a gross vehicle weight of more than 3.5 t, regulatory measures based on EU law such as fleet targets. as well as the promotion of public transport and the expansion of the cycling infrastructure.

2. The **continuation** of the Deutschlandticket (price reduction for public transport **beyond 2025**, as set out in the federal draft, is not yet reflected in the latest projections.

Key mitigation instruments – projected annual GHG mitigation impact in 2030 (in Mio. t CO2e)



2030: Target level: -48% compared to 1990
Projected level: 115 Mt CO2e (-29%)

2025: 23% of all GHG Emissions in Germany
Emissions volume: 146 Mt Co2e
Reduction compared to 1990 level: 10%

Source: Umweltbundesamt: "Emissionsdaten 2025 & Projektionsdaten 2026" (14 March 2026)

2. Green Bond Programme

The Green Safe Haven

Sustainable Finance and Green Bonds as part of Germany's climate policy infrastructure

Climate targets and pathways defined through legislation such as the Climate Protection Act

Implementation and promotion of the targets defined through **regulation, subsidies and other administrative action**

Debt management of the Federal Republic of Germany contributing to **budget financing through capital market instruments**

Germany's Green Bond Programme transposes Germany's climate targets into financing instruments compatible with best practices on the capital market:

- The Framework foresees a selection of climate policy expenditures based on criteria aligned with capital market standards
- The reporting is consistent with capital market requirements and ensures disclosure and transparency on green expenditure in Germany's Federal budget
- The update of the Framework ensures coherence with the developments in Germany's climate policy

Green German Federal Securities: Key Facts about achievements under the inaugural Framework

Inaugural Green Bond Framework from August 2020

Twin Bond Concept provides transparency regarding Greenium

9 securities with a volume of 87 bn issued under 2020 Framework

€ 79.25bn outstanding in December 2025

Several awards including the Global Capital Bond Awards

Sustainable Finance commitment both in Sustainable Finance Strategy 2021 and German Sustainability Strategy 2025

Green yield curve established to up to 30 years

One of the largest issuers of Green bonds worldwide

Framework and SPO available here:
Targets & Framework - German Finance Agency

Reporting available here:
Use of Proceeds - German Finance Agency

Regular updates: BUND <GO> or LinkedIn

Core Green Bond Team and Interministerial Working Group

Current composition
as of 15 January 2026

Current composition of the Core Green Bond Team

- Federal Republic of Germany - Finance Agency
- Federal Ministry of Finance
- Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety

Current composition of the IMWG

- Federal Ministry for Economic Affairs and Energy
- Federal Ministry of Finance
- Federal Ministry of Research, Technology and Space
- Federal Ministry for Digital Transformation and Government Modernisation
- Federal Ministry of Transport
- Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety
- Federal Ministry of Agriculture, Food and Regional Identity
- Federal Ministry for Economic Cooperation and Development
- Federal Ministry for Housing, Urban Development and Building

Germany's climate targets

Green Bond Programme

Framework update 2026

Use of Proceeds 2026

Twin Bond Concept & Execution Strategy

3. Green Bond Framework

Update of the Framework in 2026

Key Insights about the Updated Framework

Motivation to update the Framework

- Update builds on the experiences and achievements of the inaugural Framework and demonstrates the **commitment** of the Federal Republic to **sustainable finance**
- Reflects the **broad spectrum of German climate policy** and the **diversity of budget items**
- Continues to leverage the demand for Green Federal Bonds, which confirms **investors' commitment to sustainable finance**
- The **highest bid/offer ratios** in recent years were at green bond auctions and **diversification** of the investor base
- Even though other topics have attracted more attention recently, **demand for green bonds continues to rise and interest in green bonds** has been consistent in almost all investor discussions for the past five years

The updated Green Bond Framework is **applicable to all new issuances and taps in 2026 and onwards**. **Key updates** to the framework include...

- **Update of features in alignment with various market standards**, such as the as the Green Bond Principles (GBP) published by the International Capital Markets Association (ICMA) in 2025
- Description of eligible green expenditures and their objectives, especially by **mapping expenditure categories to economic activities** in accordance with the regulation and delegated acts of the **European Taxonomy for Sustainable Activities** and more **precise definitions of the exclusion criteria**
- Early annual **publication and disclosure** on eligible green expenditures
- Switch to Second Party Opinions for **annual confirmations of the environmental benefits of eligible green expenditures in the issuance year**
- Framework provides **more transparency on the management of environmental and social risks**

Green Bond Framework at a Glance

Primarily addressed SDGs

Use of Proceeds

- **Five** green Use of Proceeds sectors
- Detailed **eligibility** criteria
- Dedicated **exclusion** criteria
- Eligible expenditures are limited to expenditures that occurred in the **budget year preceding the issuance**

Process for Project Evaluation and Selection

- **Identification** of eligible green expenditures by a dedicated Core Green Bond Team with **support** of relevant ministries
- **Confirmation** of eligible green expenditures by the Interministerial Working Group and **reviewed by an external party** regarding their environmental benefit

Management of Proceeds

- **Transparency, traceability, and compliance**
- Fewer Green German Federal Securities than available eligible green expenditures
- **Reallocation of proceeds** if expenditure do no longer meet the criteria applicable at allocation

Reporting

- Provided **annually**
- **Indicative eligible green expenditures** published yearly by the Finance Agency
- **Allocation of proceeds** are provided by the Finance Agency once all issuances for the year are completed
- **Impact report** is prepared by Germany or a third party

The Second-Party-Opinion provided by Sustainable Fitch considers transactions under the Green Bond Framework to be **aligned with the ICMA Green Bond Principles 2025** and assess the framework's **alignment as "Excellent"**

Use of Proceeds: Selective Examples from the Framework

Transport

- Expansion and maintenance of infrastructure for electrified rail transport
- Promotion of public transport and rail transport
- Expansion and maintenance of cycling and pedestrian infrastructure, and promotion of cycling and walking

International Cooperation

- Expenditures for climate-, environment- or nature-related development projects (especially as part of bilateral technical and financial cooperation)
- Expenditures for international climate financing and financial instruments for global environmental protection

Research

- Expenditures for renewable energy research and all types of energy storage (e.g. green hydrogen), energy efficiency, integration of renewables into power grids, energy transition
- Expenditures for research on climate change, biodiversity, nature protection, the environment and resource use
- Expenditures for research on coastal, marine and polar regions

Energy and Resources

- Generation and use of renewable energy as well as expansion and development of relevant infrastructure for electricity and district heating/cooling distribution
- Development of more energy-and resource-efficient processes, including in industry and green IT
- Expansion of broadband infrastructure

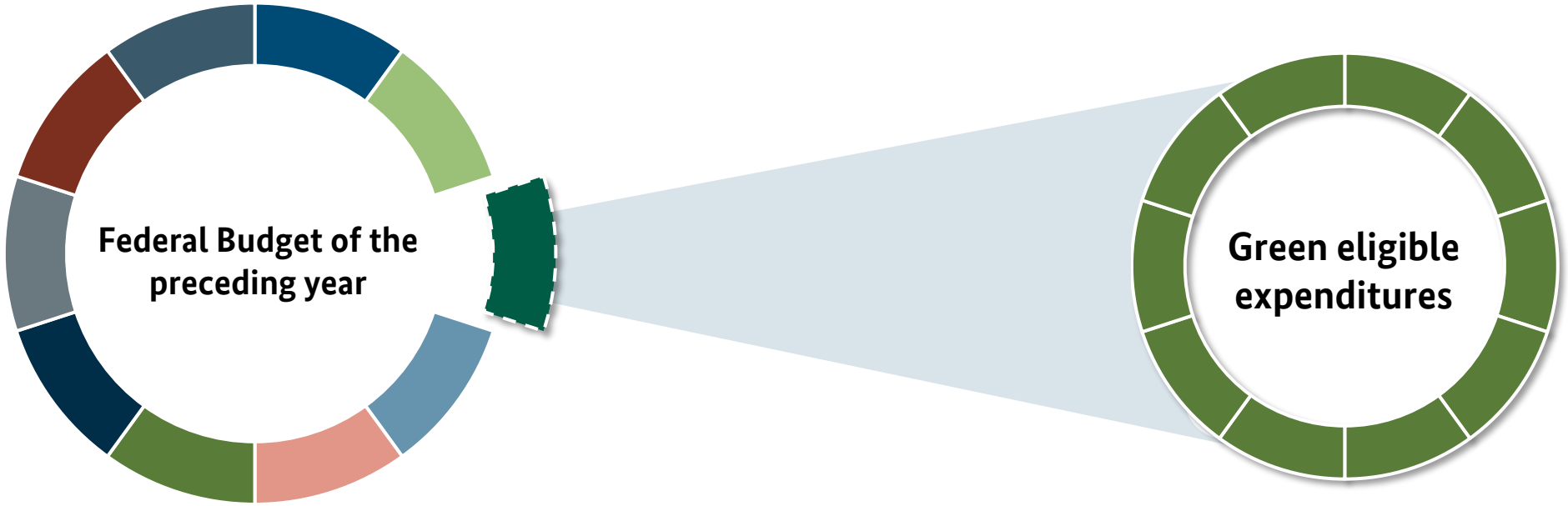
Ecosystems

- Promotion of climate-friendly, resource-efficient and organic agriculture and forestry
- Implementation of the National Biodiversity Strategy
- Coastal protection and preventive flood protection measures

The framework includes: (i) **Objectives and examples** (non-exhaustive) of eligible green expenditures, (ii) key **UN SDGs,** (iii) **EU environmental objectives,** and (iv) mapping to **economic activities** in accordance with the **EU Taxonomy Regulation**

Use of Proceeds: Annual Budgets but Long-term Impact

The Core Green Bond Team works with the relevant ministries for the selection of eligible green expenditure in the federal budget



Green eligible expenditures can include Federal expenditure that contribute to: (i) the implementation of climate, environmental and nature protection policies described in the framework and (ii) that pursue at least one of the environmental objectives corresponding to Article 9 of the EU Taxonomy

Process for Project Evaluation and Selection

Federal budget and special funds

Identification of eligible green expenditures

The Core Green Bond Team, with the help of the ministries, conducts a preliminary selection of potentially eligible budget items

The relevant ministries support the process by providing information on the respective budget items

Confirmation of eligible green expenditures by the Interministerial Working Group and an external entity

Review and validation of eligible green expenditures on an annual basis and in the event of significant changes (e.g., if the type of underlying expenditures has changed significantly). The environmental benefit of the selected eligible green expenditures is validated by an external entity.

Publication of the indicative eligible green expenditures

Issuance of Green German Federal Securities

Allocation and impact reporting

Germany allocates an amount equal to the nominal value of Green German Federal Securities issued in a calendar year fully and specifically, to the eligible green expenditures from the previous year

Investors

Framework exclusions

- **Expenditures materially related to** (i) Production or cultivation of tobacco, (ii) gambling, and (iii) nuclear energy
- **Expenditures for activities directly related to:** (i) Exploration, (ii) extraction, (iii) promotion, (iv) manufacturing, (v) distribution, (vi) refining, (vii) transport, and (viii) storage of fossil fuel
- **All expenditures for the manufacture and sale of weapons**

Double counting

- **German budget law:** Expenditures financed by earmarked revenue sources under German budget law (e.g. revenue from the truck toll) are not included
- **Other Green Bond Programmes:** Expenditures reported or accepted by Germany for allocation to green bonds issued by other entities such as the EU, KfW or the Länder are not included

Management of Proceeds & Risk Management

Management of Proceeds

- Germany **allocates an amount equal to the nominal value** of Green German Federal Securities issued in a calendar year to **eligible green expenditures from the previous year**
- Germany **generally issues fewer** Green German Federal Securities (nominal value) **than available** eligible green expenditures.
- If an expenditure requires replacement after allocation, Germany will **reallocate the nominal value of the issuances to other eligible green expenditures**, including those from other fiscal years

Risk Management and social protection mechanism

- Eligible expenditures are **selected out of the annual federal budget.** Retrospective allocation to already incurred expenditures ensures early transparency and certainty on the use of proceeds, with **final allocation made only after audit by the Bundesrechnungshof** (Germany's supreme audit institution)
- All budget expenditures are **subject to regular review processes** by the ministries, including with regard to their compliance with applicable legislation. Violations of funding guidelines result in the **funds being reclaimed**
- Adverse environmental and social impacts are minimised through applicable **European and national legislation**, standards and social safeguards

1. Enhanced **transparency and traceability** about the allocation
2. **Improved processes** facilitate further transparency and compliance
3. Update ensures **compliance with applicable legislation**, regardless of evaluation under the Framework

Reporting: Indicative Expenditure List on an Annual Basis

Every year, the Finance Agency publishes an overview of the **indicative eligible green expenditures** available for the allocation of Green German Federal Securities **issued in that year.** The selected expenditures are reviewed by the external party on the **alignment with the Green Bond Framework and their clear environmental benefits**

Publication of catalogue of indicative eligible expenditures available for that year

Federal budget 2025

+

Pre-issuance review conducted and publication by an external party

→

Issuances 2026 as announced in the calendar in December 2025

Issuances 2026

→

Allocation to the final eligible expenditures

Catalogue of indicative expenditures and description available here:
Use of Proceeds - German Finance Agency

Pre-issuance review:
Use of Proceeds - German Finance Agency

Reporting: Allocation and Impact Report Following Issuances

Germany commits to transparent reporting on allocations and environmental impacts. Reporting covers all Green German Federal Securities issued **in a calendar year**. Since the securities are usually **tapped over several years after initial issuance**, reporting on a security generally consists of **several allocations and impact reports**

Disclosure on the EU Taxonomy

- Aim to publish information on selective expenditure regarding the **EU Taxonomy eligibility and alignment,** including:
  - Degree of eligibility and alignment
  - Approach and metrics used
- Compliance with the core elements is supported by adherence to relevant conventions and principles, as well as applicable legislation.

Allocation of Proceeds

Annual publication of details on the allocation of proceeds to eligible green expenditures after all issuances for the year, including:

- an overview of new issuances and taps
- the allocated amount per expenditure/budget item

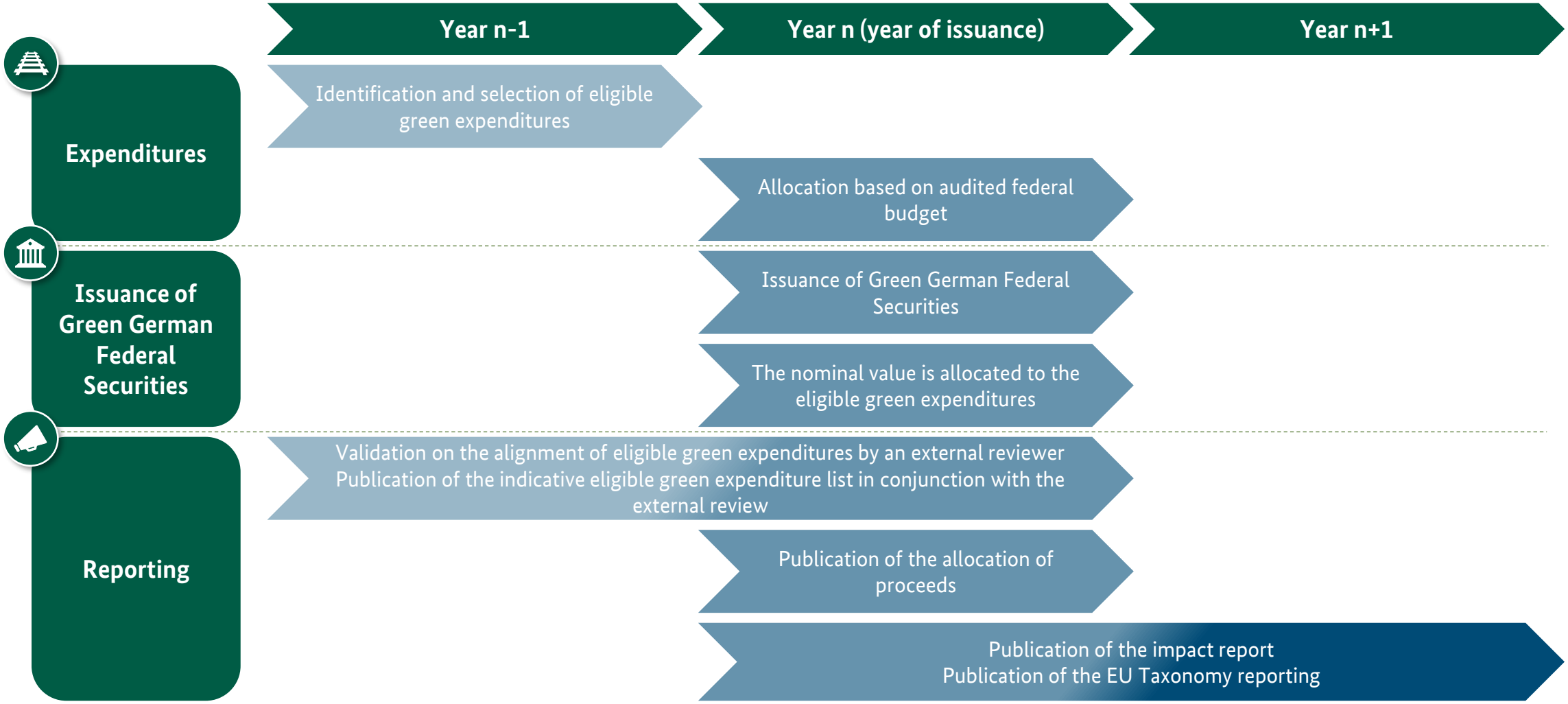
Impact Report

- Containing information on the **contributions to climate, environmental and nature protection** made by the eligible green expenditures
- Including relevant **impact and/or performance indicators** and describe the methodology used, including assumptions and limitations
- In principle it is published in **the year following the issuance year**

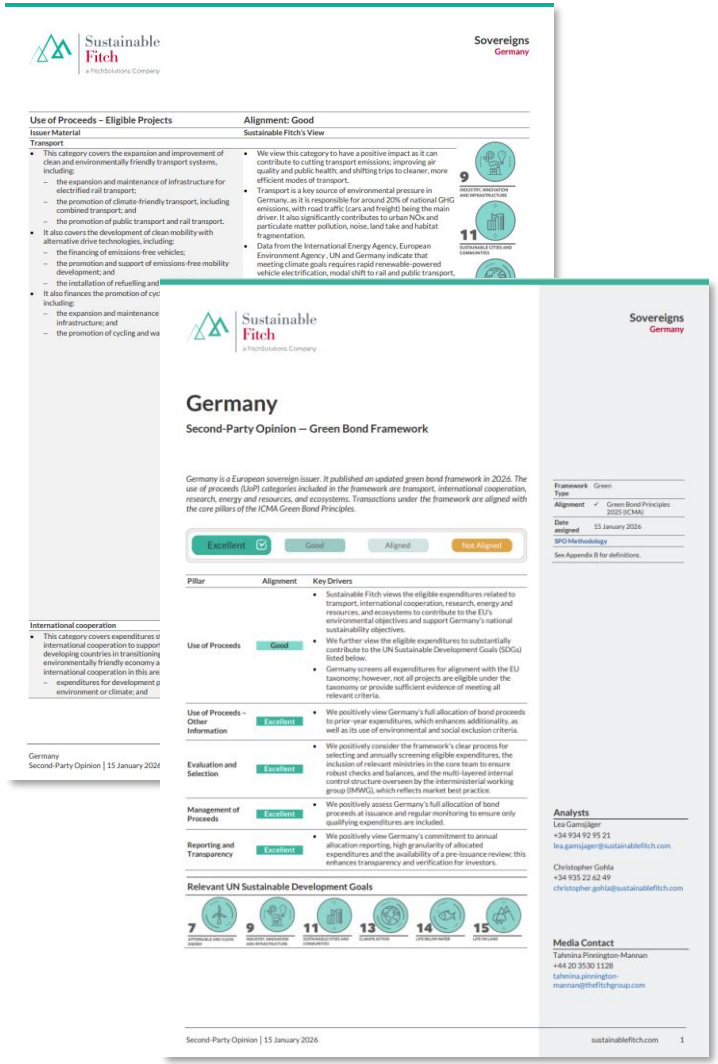
Reports available here:
Use of Proceeds - German Finance Agency

Note: Core elements of the EU Taxonomy are minimum safeguards, substantial contribution, do no significant harm

Timeline of the annual Green Bond Programme



Second Party Opinion by Sustainable Fitch



Sustainable Fitch

Sovereigns
Germany

Use of Proceeds – Eligible Projects	Alignment: Good
Issuer Material	Sustainable Fitch's View
Transport	
• This category covers the expansion and improvement of clean and environmentally friendly transport systems, including: – the expansion and maintenance of infrastructure for electrified rail transport; – the promotion of climate-friendly transport, including combined transport; and – the promotion of public transport and rail transport. • It also covers the development of clean mobility with alternative drive technologies, including: – the financing of emissions-free vehicles; – the promotion and support of emissions-free mobility development; and – the installation of refuelling and • It also finances the promotion of cyc including: – the expansion and maintenance infrastructure; and – the promotion of cycling and wa	• We view this category to have a positive impact as it can contribute to cutting transport emissions; improving air quality and public health; and shifting trips to cleaner, more efficient modes of transport. • Transport is a key source of environmental pressure in Germany, as it is responsible for around 20% of national GHG emissions, with road traffic (cars and freight) being the main driver. It also significantly contributes to urban NOx and particulate matter pollution, noise, land take and habitat fragmentation. • Data from the International Energy Agency, European Environment Agency , UN and Germany indicate that meeting climate goals requires rapid renewable-powered vehicle electrification, modal shift to rail and public transport,
International cooperation	
• This category covers expenditures s international cooperation to suppor developing countries in transitioning environmentally friendly economy a international cooperation in this are – expenditures for development p environment or climate; and	

Germany
Second-Party Opinion | 15 January 2026

Sustainable Fitch

Sovereigns
Germany

Germany

Second-Party Opinion — Green Bond Framework

Germany is a European sovereign issuer. It published an updated green bond framework in 2026. The use of proceeds (UoP) categories included in the framework are transport, international cooperation, research, energy and resources, and ecosystems. Transactions under the framework are aligned with the core pillars of the ICMA Green Bond Principles.

Excellent | Good | Aligned | Not Aligned

Pillar	Alignment	Key Drivers
Use of Proceeds	Good	• Sustainable Fitch views the eligible expenditures related to transport, international cooperation, research, energy and resources, and ecosystems to contribute to the EU's environmental objectives and support Germany's national sustainability objectives. • We further view the eligible expenditures to substantially contribute to the UN Sustainable Development Goals (SDGs) listed below. • Germany screens all expenditures for alignment with the EU taxonomy; however, not all projects are eligible under the taxonomy or provide sufficient evidence of meeting all relevant criteria.
Use of Proceeds – Other Information	Excellent	• We positively view Germany's full allocation of bond proceeds to prior-year expenditures, which enhances additionality, as well as its use of environmental and social exclusion criteria.
Evaluation and Selection	Excellent	• We positively consider the framework's clear process for selecting and annually screening eligible expenditures, the inclusion of relevant ministries in the core team to ensure robust checks and balances, and the multi-layered internal control structure overseen by the interministerial working group (IMWG), which reflects market best practice.
Management of Proceeds	Excellent	• We positively assess Germany's full allocation of bond proceeds at issuance and regular monitoring to ensure only qualifying expenditures are included.
Reporting and Transparency	Excellent	• We positively view Germany's commitment to annual allocation reporting, high granularity of allocated expenditures and the availability of a pre-issuance review; this enhances transparency and verification for investors.

Framework Type	Green
Alignment	✓ Green Bond Principles 2025 (ICMA)
Date assigned	15 January 2026
SPO Methodology	
See Appendix B for definitions.	

Relevant UN Sustainable Development Goals

7 9 11 13 14 15

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Second-Party Opinion | 15 January 2026 sustainablefitch.com 1

Sustainable Fitch has provided its Second-Party Opinion on Germany's updated Green Bond Framework and consider the framework to be aligned with the ICMA Green Bond Principles. **The Second-Party Opinion is that the framework's alignment is 'Excellent'**

Clear environmental benefit: The intended use of proceeds in the areas of transport, international cooperation, research, energy and resources, and ecosystems makes a significant contribution to the EU's environmental objectives and the UN SDGs

Allocation Safeguards: Committing to full allocation to eligible expenditures from the preceding budget year and the limited lookback period enhance the additionality of the bonds. Compliance with legislation, robust environmental and social safeguards, clear exclusion criteria, and a reallocation mechanisms for ineligible projects are in place

Robust Processes and Transparency: The clear process for project selection, the inclusion of relevant ministries to ensure checks and balances, strong sustainability expertise within the core team, and the multi-layered internal control structure are considered market best practice and are viewed very positively

Transparent Proceeds Management: The full allocation of proceeds at issuance and ongoing monitoring, including the replacement of potentially ineligible expenditures, are viewed positively

Comprehensive Reporting: The framework is praised for its high level of transparency, underlined by the commitment to annual allocation and impact reports, as well as a detailed breakdown of allocated expenditures

4. Use of Proceeds 2026

Additional Transparency before Issuances

Issuance Programme: 2026 Green Bonds

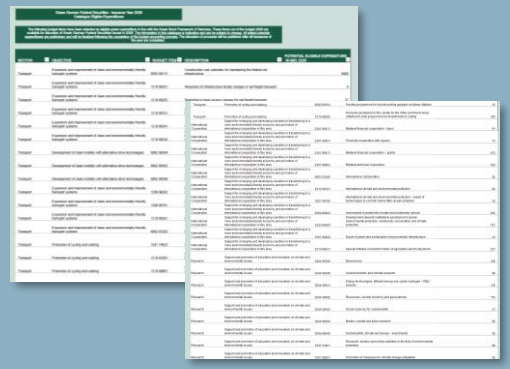
Federal security	Maturity	Coupon	Outstanding	Last issuance
Bobl/g	15 Oct 2027	1.3%	€ 9.75 bn	21 Oct 2025
Bobl/g	12 Apr 2029	2.1%	€ 7.5 bn	5 May 2026
2020 (2030) Bund/g	15 Aug 2030	0.0%	€ 11 bn	20 May 2025
2021 (2031) Bund/g	15 Aug 2031	0.0%	€ 9.5 bn	9 Sep 2025
2023 (2033) Bund/g	15 Feb 2033	2.3%	€ 13 bn	4 Mar 2026
2025 (2035) Bund/g	15 Feb 2035	2.5%	€ 8.5 bn	5 May 2026
2026 (2041) Bund/g	15 May 2041	2.6%	€ 4 bn	3 Mar 2026
2021 (2050) Bund/g	15 Aug 2050	0.0%	€ 13.5 bn	7 Apr 2026
2023 (2053) Bund/g	15 Aug 2053	1.8%	€ 12 bn	20 May 2025
Total			**€ 88.75 bn**	

Outlook 2026 (as of May)

1. Green issuance volume in 2026: **€ 16-19 bn** (YTD € 9.5 bn)
2. Syndication of the inaugural **15Y Green Bund (May 2041)** on 3 March 2026
3. Nine auctions dates scheduled (monthly from February to October) with **taps along the green Bund curve**, further increasing liquidity
4. All issuances under updated Green Bond Framework

Indicative Expenditures 2026: Disclosure on Budget Items

Catalogue of 75 budget items selected as eligible green expenditures out of the federal budget 2025



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Description of the eligible expenditures available for issuances in FY2026

+

★★★

Pre-issuance Review confirming eligibility and direct contribution to the SDGs by Sustainable Fitch

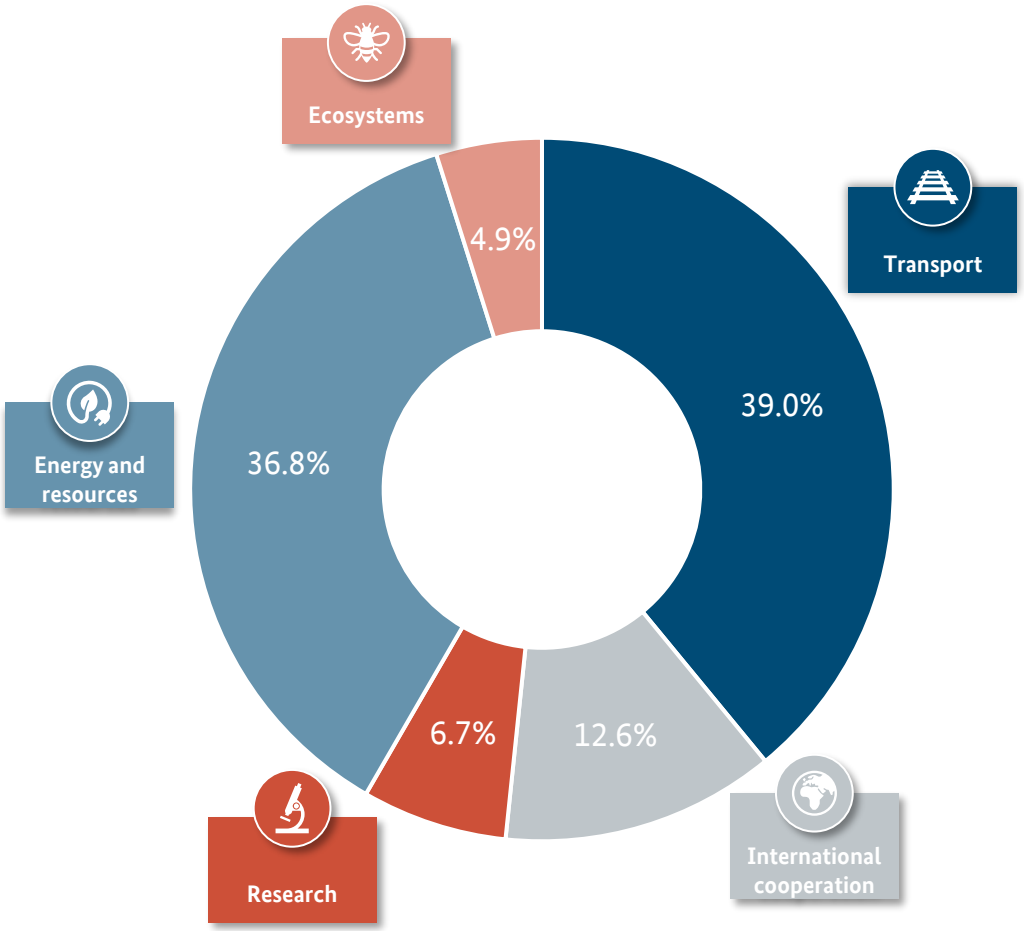
Catalogue available here:
[Indicative Expenditures - German Finance Agency]

File available here:
[Indicative Eligible Expenditures - German Finance Agency]

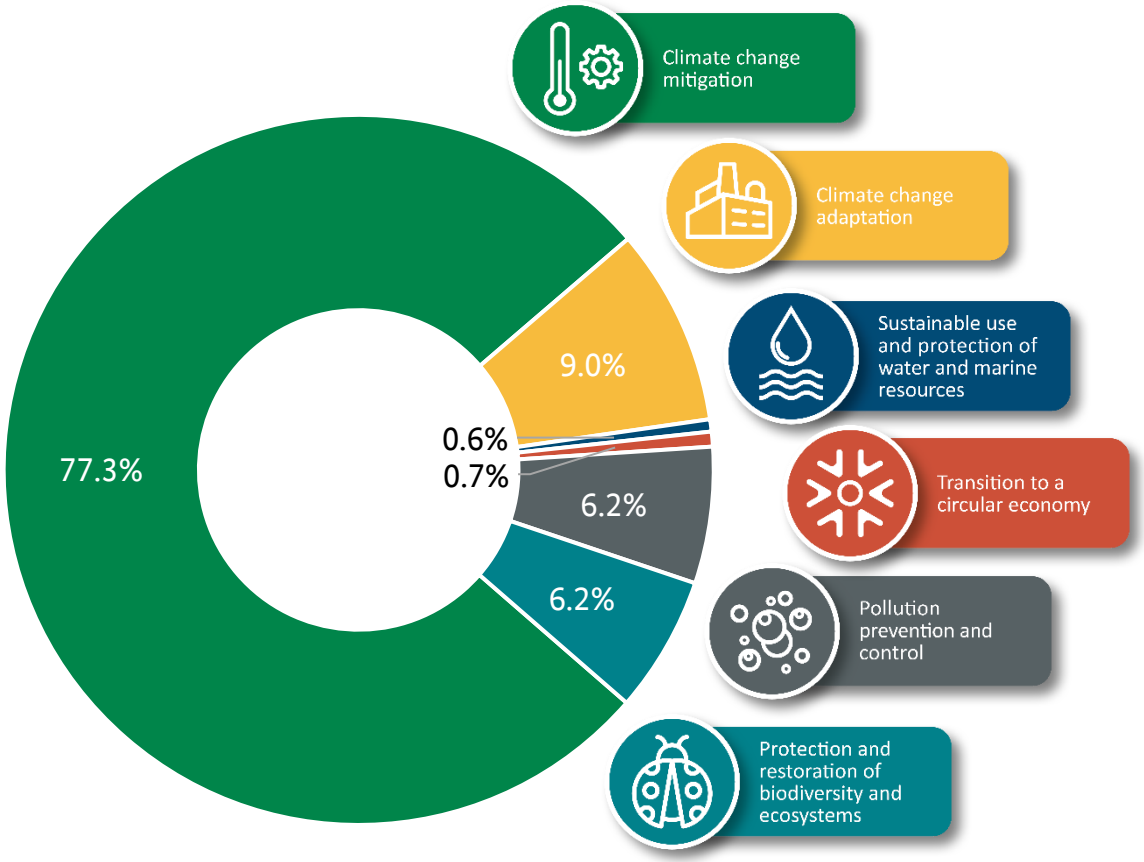
Review available here:
[Pre-Issuance Review - German Finance Agency]

A Preview for Allocations of 2026 Issuances

Indicative allocation based on framework sectors



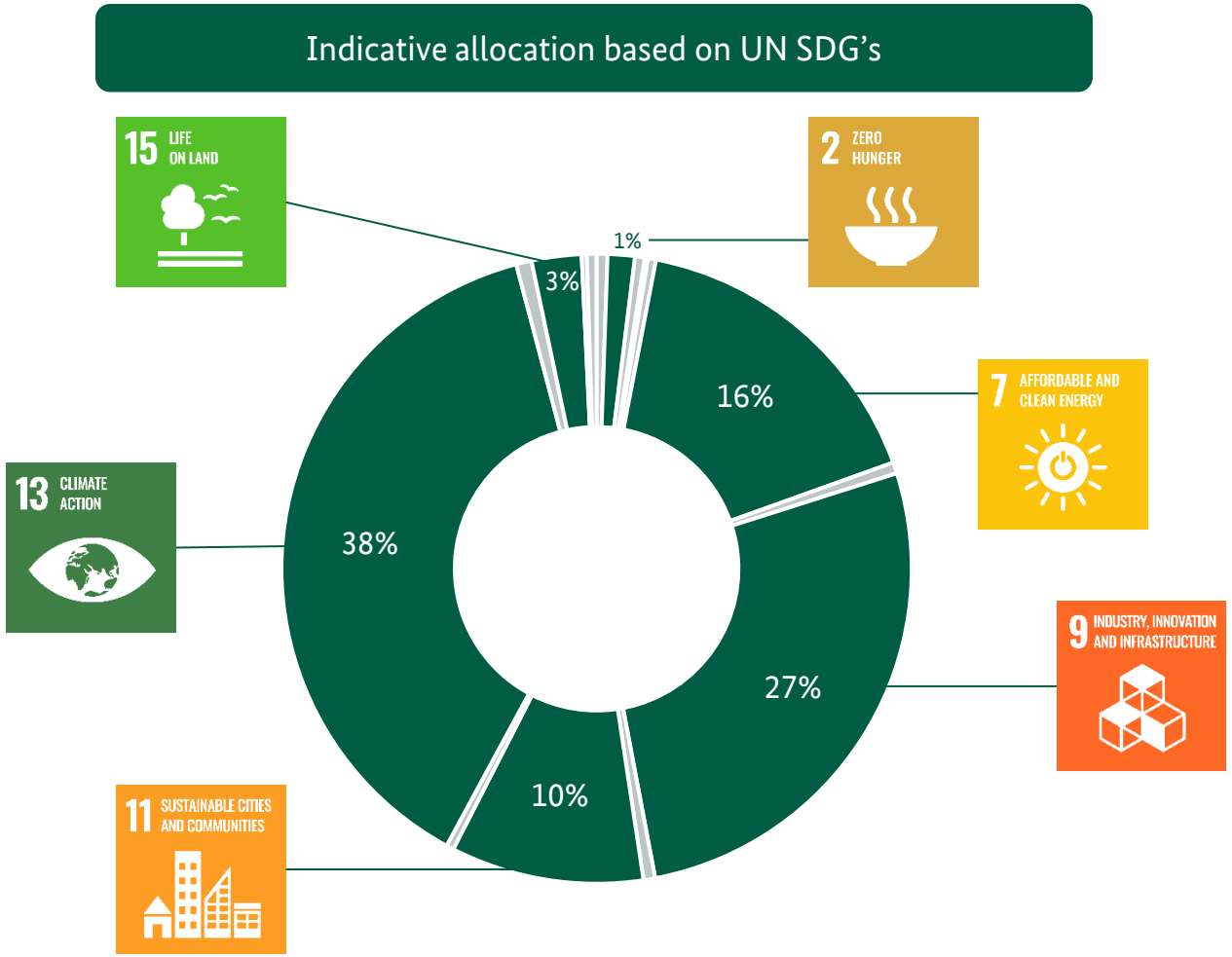
Indicative allocation based on EU environmental objectives



Expected distribution of eligible green expenditures (2025 budget) is an indication and can be subject to change.
Final allocation of proceeds will be published after all issuances of the year are completed.

SDG Preview for Allocations of 2026 Issuances

The eligible green expenditure out of the 2025 Federal budget addresses all 17 United Nations Sustainable Development Goals in varying degrees. The most strongly represented ones are highlighted here.



Expected distribution of eligible green expenditures (2025 budget) is an indication and can be subject to change.
Final allocation of proceeds will be published after all issuances of the year are completed.

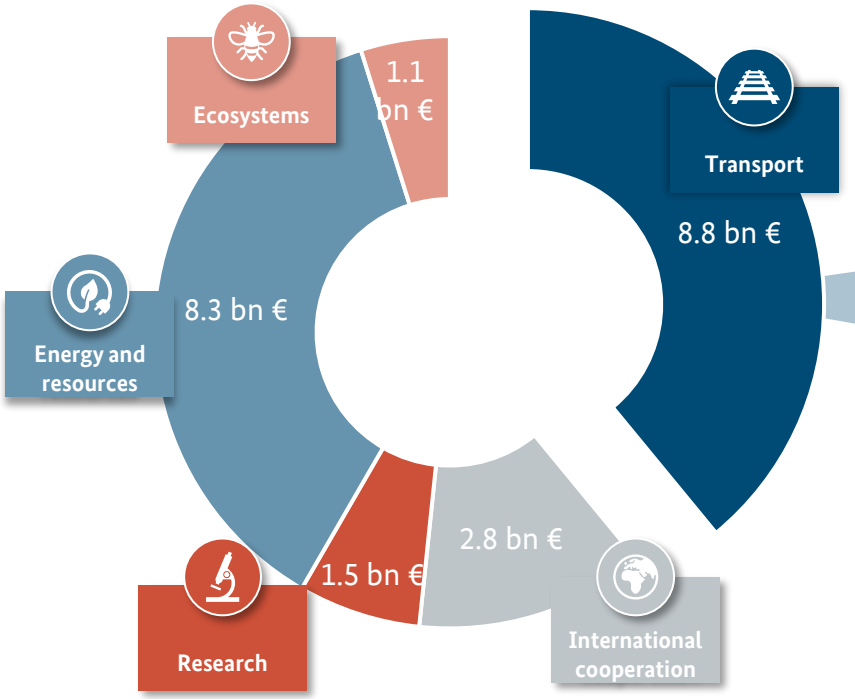
Taxonomy Study 2026

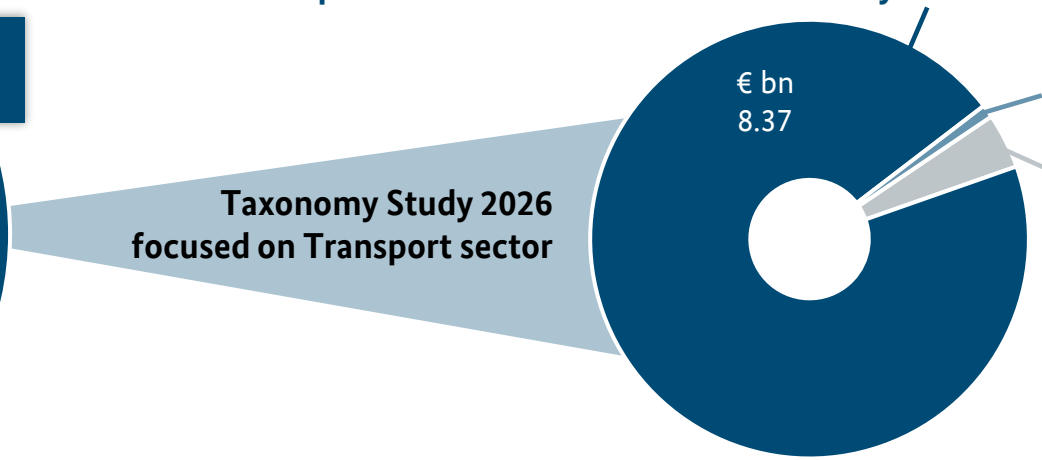
In May 2026, Germany has published an assessment of the Taxonomy-alignment of selected budget items based on the 2025 Federal budget and eligible for allocation of the proceeds from green Federal securities issued in 2026. The analysis was subject to a review by Sustainable Fitch.

The underlying methodology of the assessment is partially based on a general approach: in particular, the recurring DNSH-criteria and the universally applicable MS are not addressed at the project level but based on European, national and, in some cases, state level legislation and obligations.

The **assessment discloses and analyses 15 (out of 21) budget items of the transport sector** selected at the discretion of the issuer based on their significance and contribution to the transition of the transport system in Germany.

As a result, 13 items reflecting **a volume of > € 8.37 bn according to the catalogue of indicative expenditure have been assessed as fully Taxonomy-aligned**,





2 items with an indicative total of **< € 0.01 bn are not Taxonomy-eligible**,

and 6 items with an indicative total of < € 0.39 bn were not part of the assessment.

Expected distribution of eligible green expenditures (2025 budget) is an indication and can be subject to change.
Final allocation of proceeds will be published after all issuances of the year are completed.

New Expenditure Item: Government Grants for Electricity Price Relief

Advancing renewables while stabilizing electricity prices

A goal anchored in Germany's sustainability agenda:

The Federal Republic of Germany has set a goal to increase the share of renewable electricity to at least 80% by 2030, and a largely climate-neutral electricity system is being pursued for 2035.

Supporting the expansion of renewable energy sources while keeping down the economic and social burden

The Government Grants for Electricity Price Relief promote the **expansion of renewable energies for electricity generation through fixed remuneration rates or market premia for the generation of renewable electricity**. Only the differential costs, that is, costs not covered by market revenues, for electricity generation, or feed-in, respectively, from solar and wind are taken into for the Green Bond Programme. Differential costs for other types of generation such as biomass, hydropower, geothermal energy, and other gases are currently excluded from the calculation for green federal securities.

These Government Grants for Electricity Price Relief are intended to reduce the price burden on electricity consumers (households and businesses) - support costs used to be passed onto consumers in the past. While this motivation thus **aims at economic and social effects, it ensures the financing of the electricity prices for producers from regenerative sources.**

New Expenditure Item: Support for Nationwide Broadband Expansion

Enabling digital infrastructure while supporting sustainability goals

A key pillar of Germany's digital transformation agenda

The federal funding program for broadband expansion supports the establishment of comprehensive gigabit networks in "white spots" and "gray spots." The goal of a nationwide expansion of Germany with fiber-optic networks for regions without economically viable network expansion is thereby supported.

Combining economic, social, and environmental efforts

Improved broadband infrastructure **enables more efficient energy management and supports the digitalisation of energy systems, which is important for reducing energy consumption and emissions**, in line with the country's sustainability strategy.

Promoting energy-efficient and future-proof infrastructure

Fiber-optic broadband is more environmentally friendly than copper cables because it requires less energy to transmit data and delivers much higher efficiency per transmitted bit. In addition, fiber networks have a longer lifespan, lower maintenance needs, and higher capacity, which reduces resource consumption and CO2 emission over the entire lifecycle.

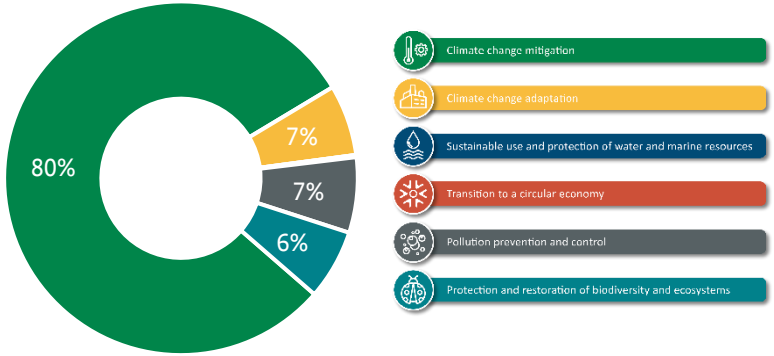
A Closer Look at the Sectors: Transport

Promoting sustainable transport through three dedicated objectives

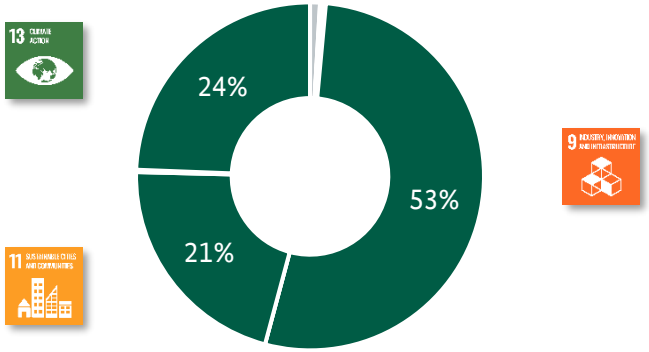
- Expansion and improvement of clean and environmentally friendly transport systems — **8.9 bn €**
- Development of clean mobility with alternative drive technologies — **0.6 bn €**
- Promotion of cycling and walking — **0.5 bn €**

Indicative impact reporting examples[1]: GHG emission reduction, NOx emission reduction, Particulate matter (PM) emission reduction, noise-reduction route

EU environmental objective mapping based on indicative green expenditure catalogue



SDG mapping based on indicative green expenditure catalogue



[1]*Examples from Impact Reports 2023-2024*

A Closer Look at the Sectors: International Cooperation

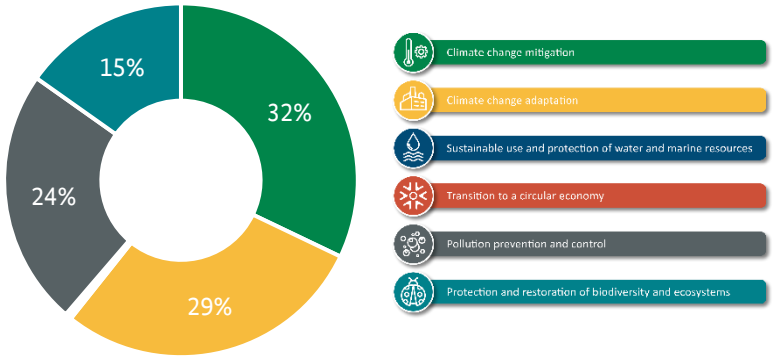
Supporting sustainable development through international cooperation

Support for emerging and developing countries in transitioning to a more environmentally friendly economy and promotion of international cooperation in this area

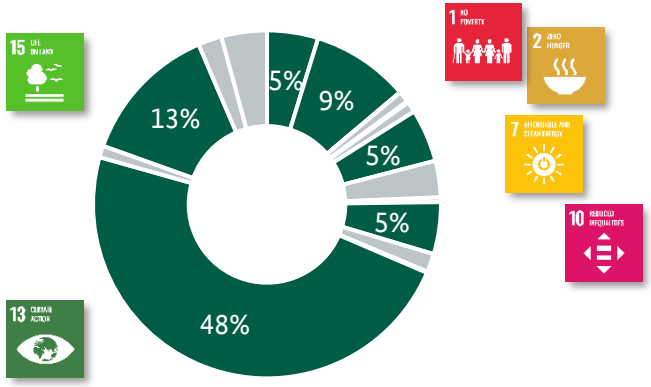
2.8 bn €

Indicative impact reporting examples[1]: GHG emission reduction, energy generated, number of people with access to energy, conservation areas

EU environmental objective mapping based on indicative green expenditure catalogue



SDG mapping based on indicative green expenditure catalogue



[1]*Examples from Impact Reports 2023-2024*

A Closer Look at the Sectors: Research

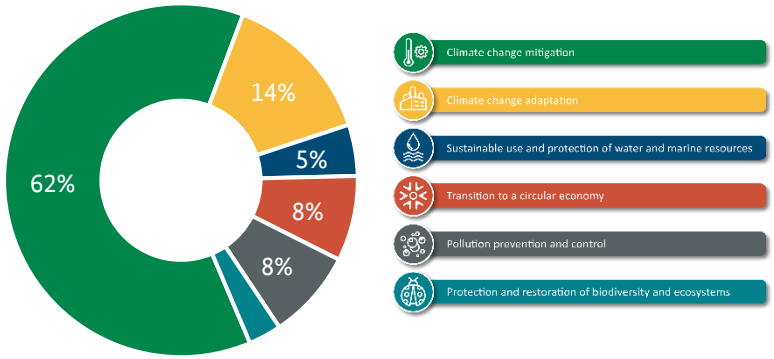
Advancing climate and environmental solutions through research and innovation

Support and promotion of education and innovation on climate and environmental issues

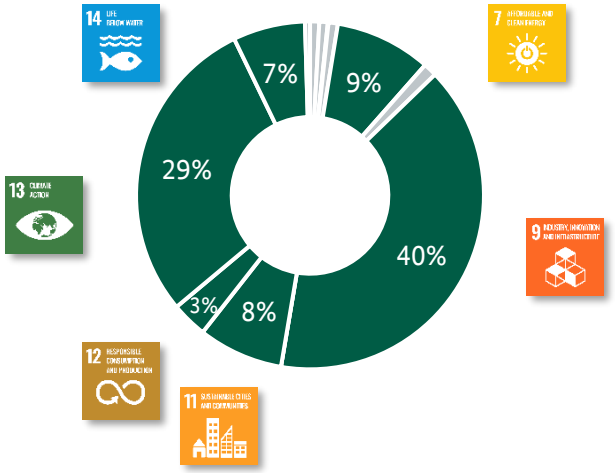
1.5 bn €

Indicative impact reporting examples[1]: projects, beneficiaries, energy savings, improved resource efficiency, potential emissions savings

EU environmental objective mapping based on indicative green expenditure catalogue



SDG mapping based on indicative green expenditure catalogue



[1]*Examples from Impact Reports 2023-2024*

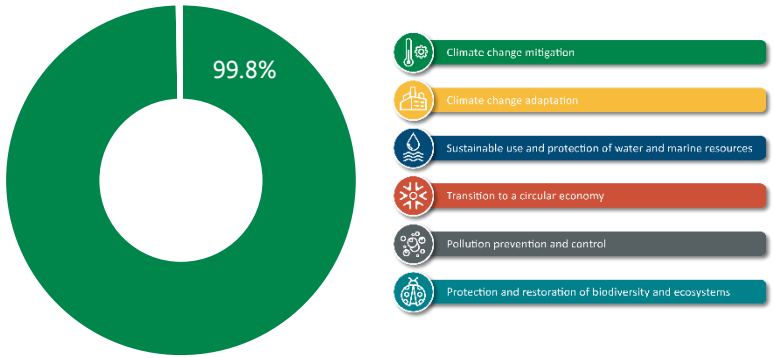
A Closer Look at the Sectors: Energy and Resources

Accelerating the energy transition through renewable energy and efficiency measures

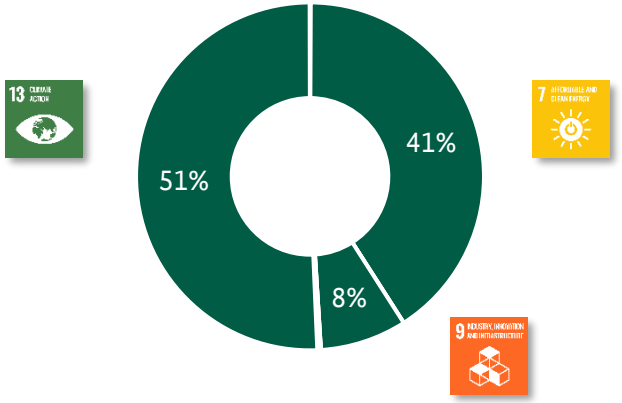
- Acceleration of the energy transition and expansion of renewable energy — **6.4 bn €**
- Increase of energy and resource efficiency in industry — **1.5 bn €**
- Infrastructure expansion to increase energy efficiency — **1.6 bn €**
- Contribution to climate change mitigation and greenhouse gas reduction in existing and new residential buildings — **0.2 bn €**
- Contribution to climate change mitigation and greenhouse gas reduction in existing and new public sector buildings and facilities — **0.1 bn €**

Indicative impact reporting examples[1]: projects, GHG emission reduction, shore power systems (under construction or completed), energy savings

EU environmental objective mapping based on indicative green expenditure catalogue



SDG mapping based on indicative green expenditure catalogue



[1]*Examples from Impact Reports 2023-2024*

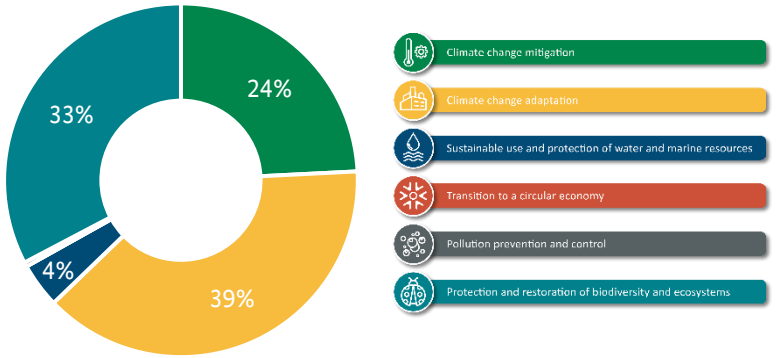
A Closer Look at the Sectors: Ecosystems

Protecting and resorting ecosystems through sustainable land use and biodiversity conservation

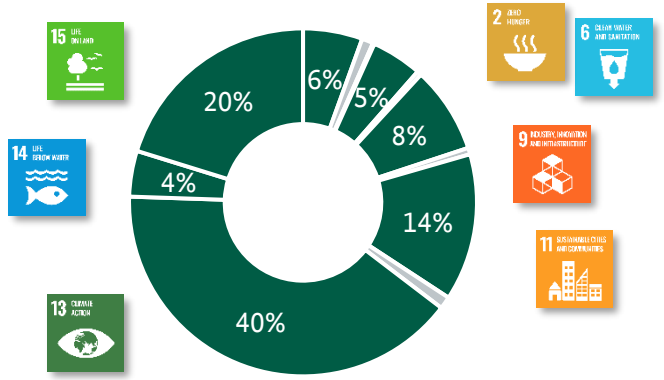
- Promotion of environmentally friendly agricultural and forestry practices — 0.2 bn €
- Protection and preservation of natural landscapes, ecosystems and biodiversity — 0.5 bn €
- Climate-adapted urban and rural development — 0.4 bn €

Indicative impact reporting examples[1]: projects, beneficiaries, GHG emission reduction, reforested area, grant-aided area, flood protected area

EU environmental objective mapping based on indicative green expenditure catalogue



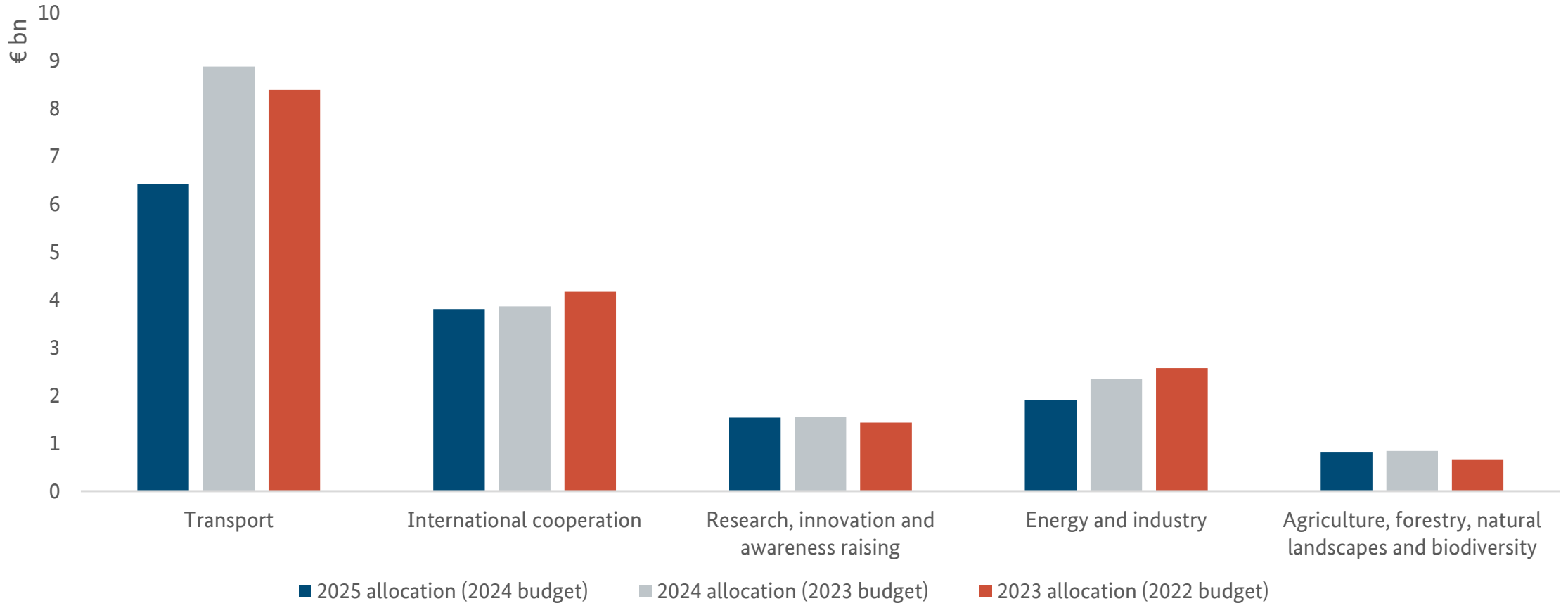
SDG mapping based on indicative green expenditure catalogue



[1]*Examples from Impact Reports 2023-2024*

Predictable Distribution across Green Sectors

Historical Allocation | Issuance Years 2023-2025



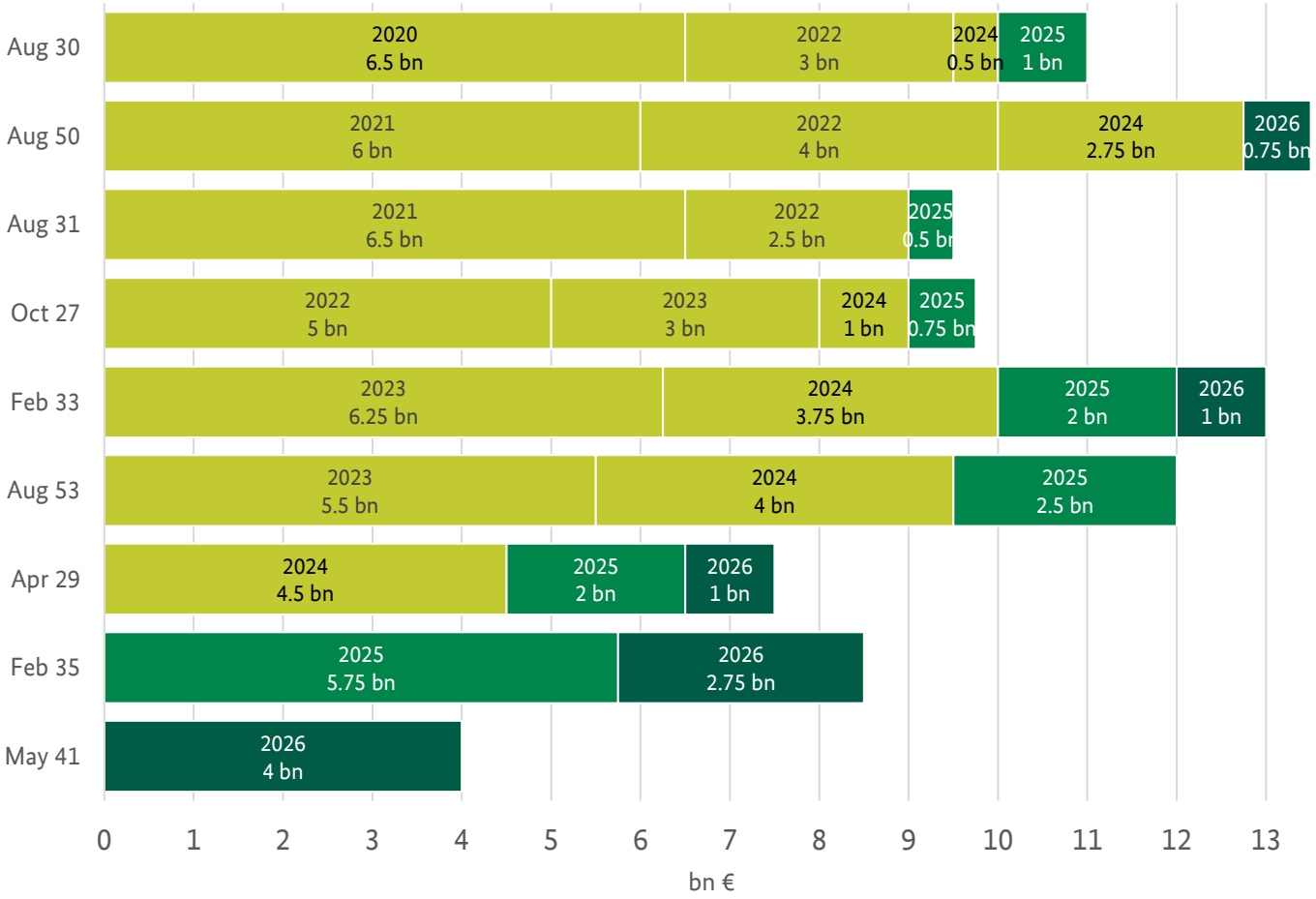
Allocations according Allocation Reports.

5. Twin Bond Concept & Execution Strategy

Shaping Sustainable Finance Markets

Liquidity & Pricing Transparency: The Twin Bond Approach

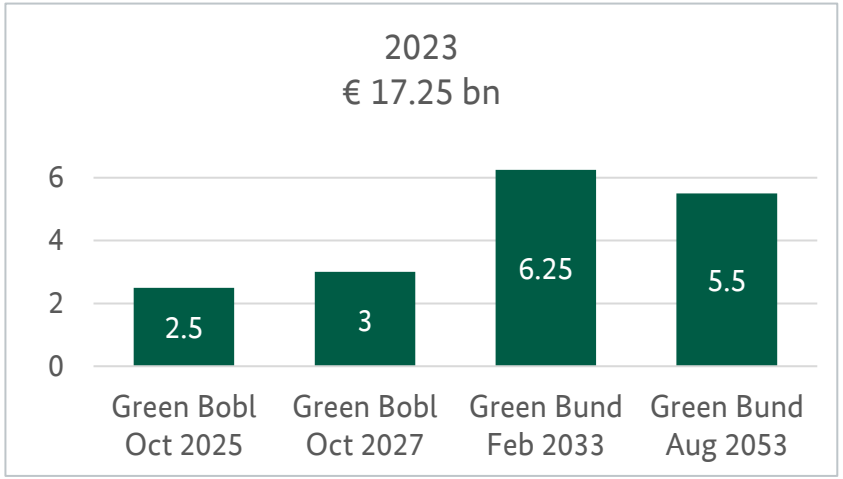
Outstanding Green Bonds:
High First Issuance Volumes and Taps ensure Liquidity

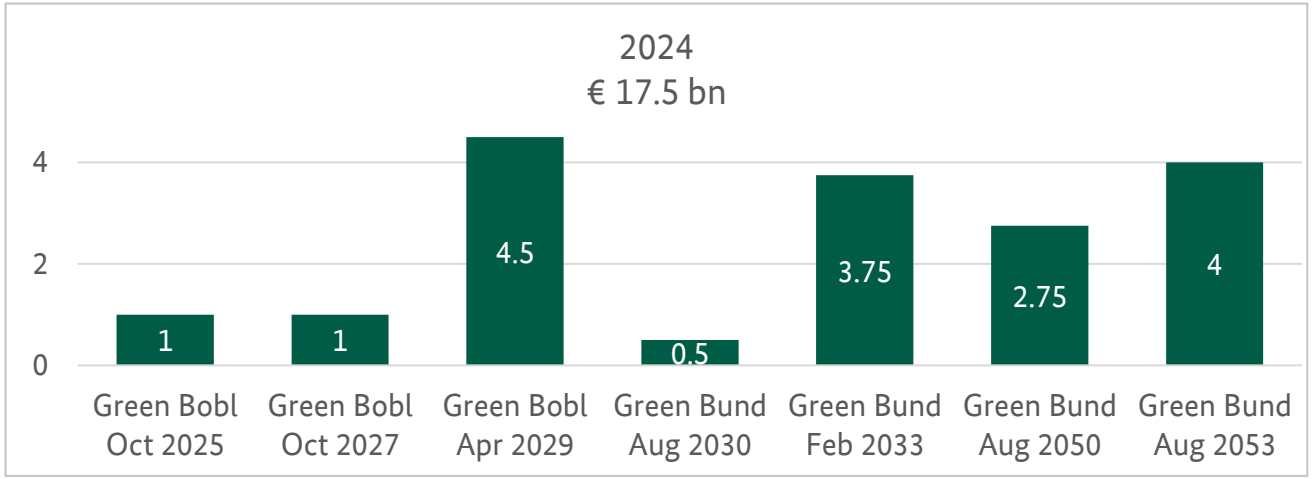


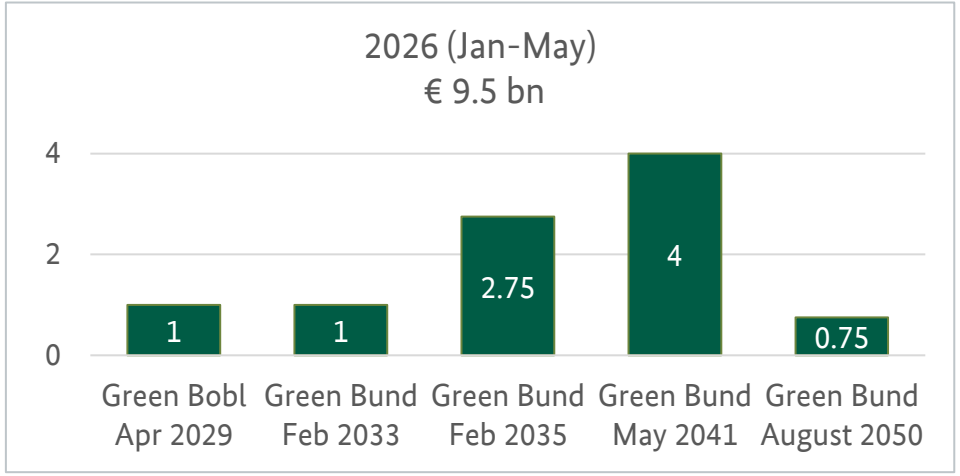
Outlook: The Twin Bond concept

- ✓ Germany's Twin Bond framework has been in use since 2020 and is **widely recognised** by global sovereign bond investors
- ✓ The Twin Bond concept has delivered **strong liquidity**, **transparent greenium pricing** and **broad investor acceptance**, while offering high operational flexibility through switch auctions
- ✓ The Twin Bond approach is an **important part of Germany's Green Bond issuance strategy** and will continue to be so in 2026.

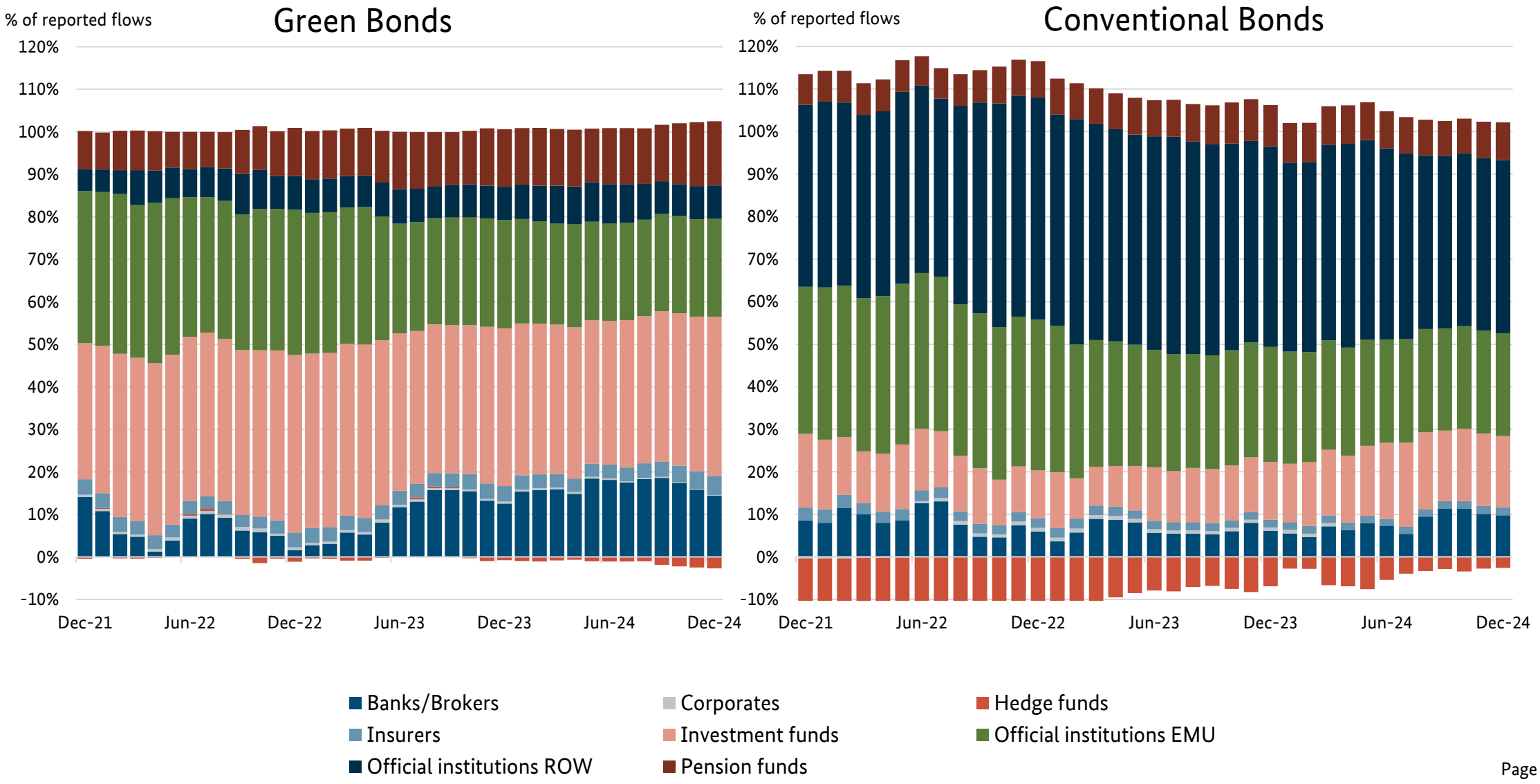
Germany's Green Bond Issuances: a Green Liquid Curve with Consistent Supply in all Tenors



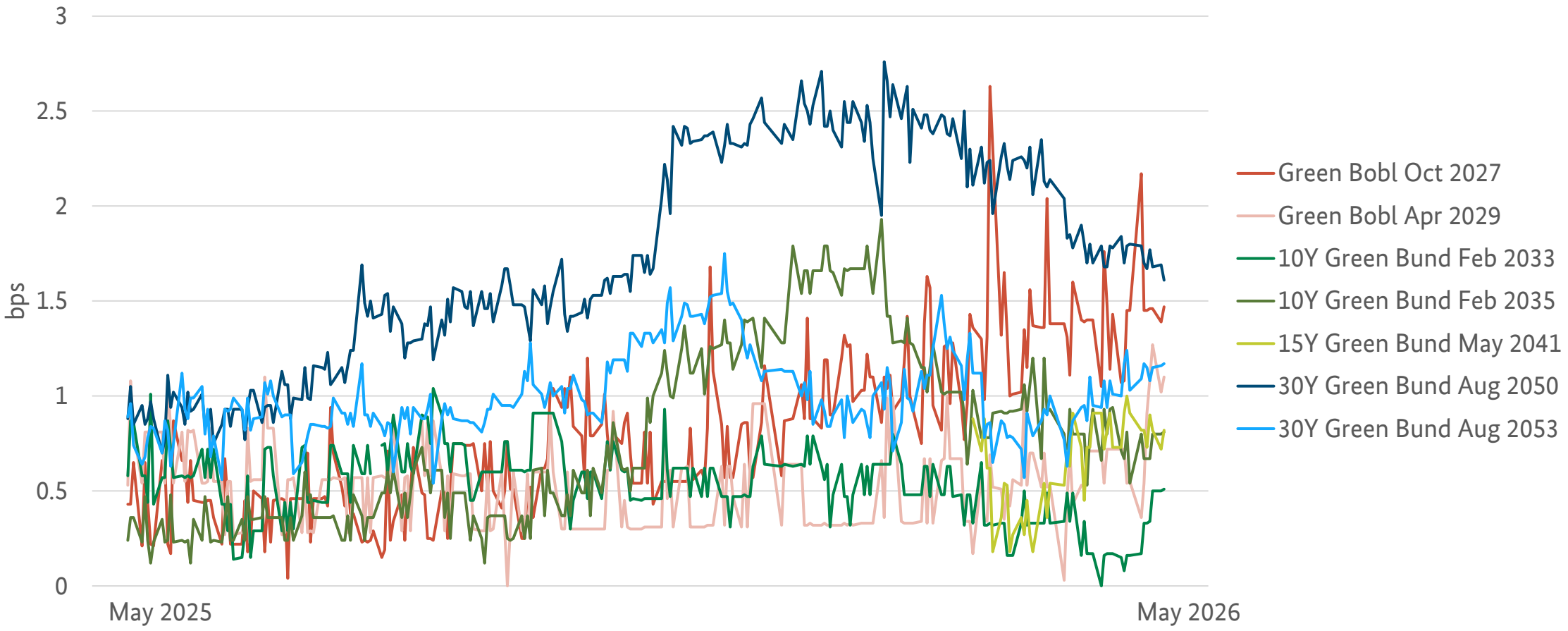




Investor Structure: green and conventional bond holders



Making the Greenium transparent



Source: https://www.deutsche-finanzagentur.de/en/federal-securities/types-of-federal-securities/green-federal-securities/twin-bond-concept
Greenium = yield spread between conventional and green bond at secondary market, based on Bundesbank reference prices; selected securities, last 12 months, as of May 2026

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