

UniCredit Jelzálogbank successfully issues its inaugural Green Covered Bond for HUF 23.2 billion (EUR 63.8 million)

UniCredit Jelzálogbank (Mortgage Bank) Ltd. has successfully issued its inaugural fixed rate UCJBG 2031/A Green Covered Bond with a 10-year maturity on a public auction. The initially offered amount was HUF 20 billion, total bids amounted to HUF 37.05 billion (EUR 101.8 million), of which HUF 23.20 billion (EUR 63.8 million) was accepted. The auction's average yield was 3.66%, which means 10 bps below the HUF 10-year mid-swap rate.

The bond has been distributed to different institutional investor categories such as

- National Bank of Hungary – 34%;
- Commercial banks – 65%;
- Institutional investors – 1%.

The bond proceeds are dedicated to the refinancing of green assets which are selected following the criteria defined in the Sustainability Bond Framework of UniCredit, which is based on the Green Bond Principles, the Social Bond Principles as well as the Sustainability Bond Guidelines as administered by the International Capital Markets Association (“ICMA”). The Sustainability Bond Framework is also intended to align, on a best effort basis and to the extent currently possible, with the proposal for the EU Green Bond Standard (EU GBS) and the EU Taxonomy Delegated Act related to climate change mitigation and adaptation. By refinancing these assets, the Bank will support the United Nations Sustainable Development Goals (UN SDGs) number 7 (Affordable & Clean Energy) and number 13 (Climate Action).

The bond was issued under UniCredit Jelzálogbank's HUF 180 billion Mortgage Bond and Unsecured Bond Issue Program for 2021-2022 with an expected A1 rating from Moody's.

Listing will be on the Budapest Stock Exchange.

The inaugural green covered bond of UniCredit Jelzálogbank is aligned with the Group's Sustainability Bond Framework. This underlines the strong commitment to sustainability and the strategic importance of ESG to both UniCredit Group and UniCredit Jelzálogbank as local market player.

The Framework is in line with the 2021 version of the Green and Social Bond Principles and the Sustainability Bond Guidelines of the International Capital Market Association. Annual reporting will ensure the transparent allocation and tracking of proceeds also in terms of impact achieved.

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About UniCredit

UniCredit is a simple successful pan-European Commercial Bank, with a fully plugged in CIB, delivering a unique Western, Central and Eastern European network to its extensive client franchise. UniCredit offers both local and international expertise to its clients, providing them with unparalleled access to leading banks in its 13 core markets through its European banking network: Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Serbia, Slovakia and Slovenia. Leveraging on an international network of representative offices and branches, UniCredit serves clients in another 16 countries worldwide.