

LB  BW

Breaking new ground

# Annual financial statements 2022



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# 01

## Combined management report

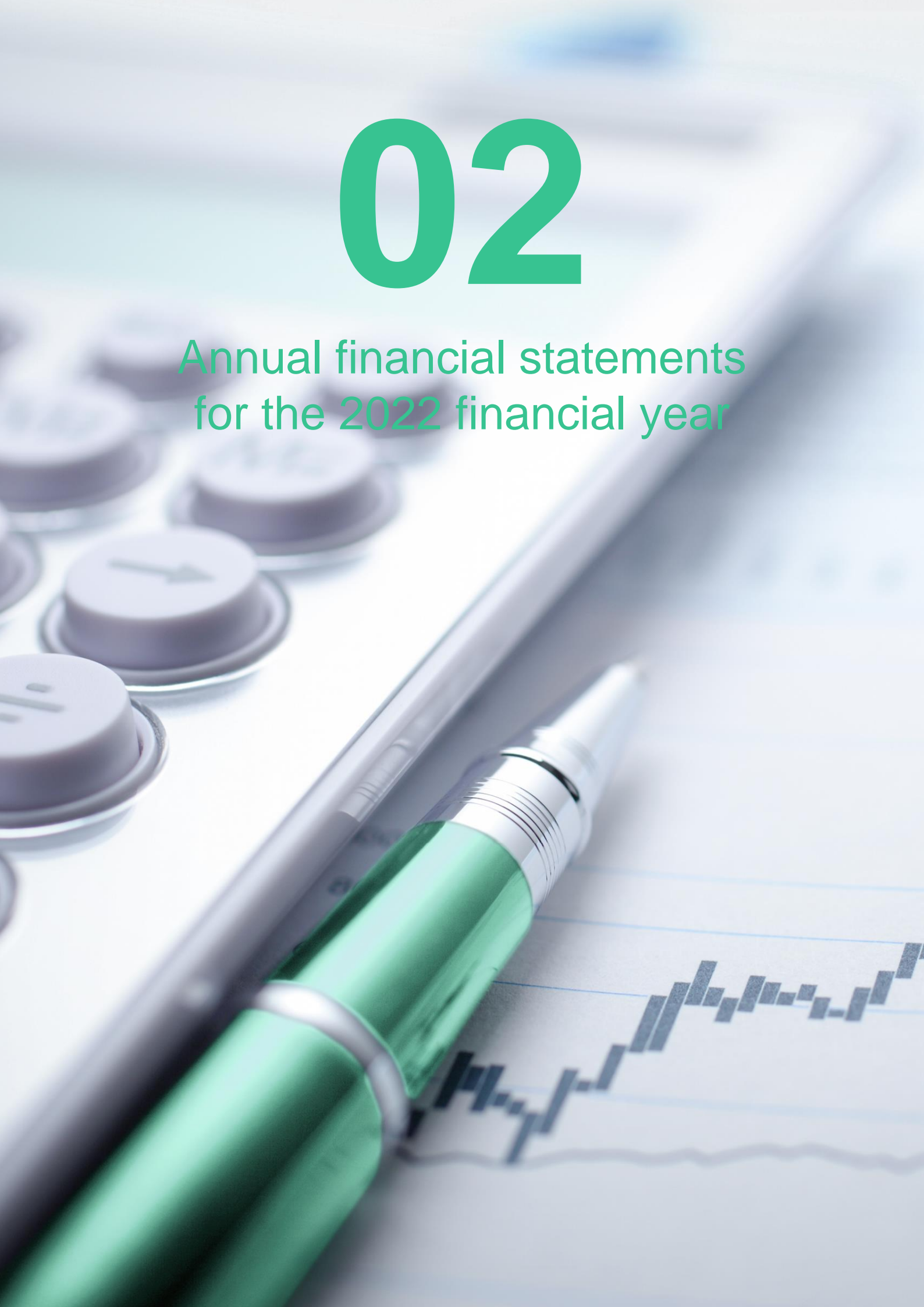
The management report of LBBW (Bank) and the group management report are combined in accordance with section 315 (5) of the Handelsgesetzbuch (HGB – German Commercial Code) in conjunction with section 298 (2) HGB and published in the 2022 annual report of LBBW.

The annual financial statements and the LBBW management report combined with the group management report for the 2022 financial year will be submitted to and published by the operator of the German Federal Gazette (Bundesanzeiger).

The annual financial statements of LBBW (Bank) and the annual report of LBBW are also available online at [www.LBBW.de](http://www.LBBW.de).

# 02

Annual financial statements  
for the 2022 financial year



# Balance sheet

as at 31 December 2022

## Assets

EUR million	Explanation in the Notes (chapter)			31/12/2022	31/12/2021
<i>Cash and cash equivalents</i>					
a) Cash			162		180
b) Balances with central banks			10,368		36,675
including: with Deutsche Bundesbank		557			24,072
				10,530	36,856
<i>Loans and advances to banks</i>					
	2, 3, 4, 5, 36				
b) Public-sector loans			69,531		33,755
c) Other receivables			13,964		10,940
				83,495	44,695
of which: payable on demand		38,257			3,227
of which: collateralized by securities		8,740			7,840
<i>Loans and advances to customers</i>					
	2, 3, 4, 5, 36				
a) Mortgage loans			38,232		36,577
b) Public-sector loans			16,330		17,323
c) Other receivables			66,239		66,483
				120,802	120,383
of which: collateralized by securities		7,257			9,042
<i>Debentures and other fixed-income securities</i>					
	2, 3, 4, 5, 7, 36				
a) Money market instruments					
aa) issued by public-sector borrowers		35			0
ab) issued by other borrowers		675			652
			710		652
b) bonds and debentures					
ba) issued by public-sector borrowers		3,973			4,338
of which: eligible as collateral with Deutsche Bundesbank		2,770			3,230
bb) issued by other borrowers		27,131			25,641
of which: eligible as collateral with Deutsche Bundesbank		18,737			20,307
			31,104		29,980
c) Own debentures					
Nominal amount		1,009			914
				32,797	31,553

Differences in the amount of +/- one unit in the balance sheet, income statement and in the Notes are due to rounding.

## Assets

EUR million	Explanation in the Notes (chapter)			31/12/2022	31/12/2021
<i>Equities and other non-fixed-income securities</i>	2, 7			147	183
<i>Trading portfolio</i>	2, 5, 9			26,149	29,014
<i>Equity investments</i>	2, 7, 12			187	191
of which: in banks		5			5
<i>Shares in affiliates</i>	2, 7, 12			2,879	1,614
of which: in banks		1,628			321
of which: in financial services companies		381			381
<i>Trust assets</i>	13			904	982
of which: trust loans		904			981
<i>Intangible assets</i>	2, 12				
a) Internally generated industrial property rights and similar rights and assets			21		32
b) Concessions, industrial property rights and similar rights and assets, and licenses to such rights and assets			81		90
d) Advances paid			5		3
				107	125
<i>Property and equipment</i>	2, 12			746	759
<i>Other assets</i>	14			10,020	2,033
<i>Deferred items</i>	15				
a) From issuing and lending business			806		920
b) Other			2,189		1,978
				2,996	2,897
Excess of plan assets over pension liabilities				13	0
<b>Total assets</b>				<b>291,772</b>	<b>271,285</b>

Differences in the amount of +/- one unit in the balance sheet, income statement and in the Notes are due to rounding.

## Equity and liabilities

EUR million	Explanation in the Notes (chapter)			31/12/2022	31/12/2021
<i>Deposits from banks</i>	2, 16, 17, 18, 35				
a) Mortgage-backed registered covered bonds issued			30		58
b) Public-sector registered covered bonds issued			339		429
c) Other liabilities			76,492		85,256
				76,862	85,742
of which: payable on demand		4,731			9,136
<i>Deposits from customers</i>	2, 16, 17, 18, 35				
a) Mortgage-backed registered covered bonds issued			206		187
b) Public-sector registered covered bonds issued			1,994		2,113
c) Savings deposits					
ca) with an agreed notice period of three months		4,280			4,769
cb) with an agreed notice period of more than three months		281			8
			4,560		4,777
d) Other liabilities			104,776		90,143
				111,537	97,220
of which: payable on demand		68,821			66,444
<i>Securitized liabilities</i>	2, 17				
a) Issued debentures					
aa) Pfandbriefe (mortgage-backed covered bonds)		7,847			7,261
ab) Pfandbriefe (public covered bonds)		5,086			4,093
ac) Other debentures		27,091			26,625
			40,024		37,979
b) Other securitized liabilities			9,072		8,229
				49,096	46,208
of which: money market instruments		9,072			8,229
<i>Trading portfolio</i>	2, 9, 18			19,346	15,147
<i>Trust liabilities</i>	13			904	982
of which: trust loans		904			981
<i>Other liabilities</i>	2, 19			9,083	1,202
<i>Deferred items</i>	15				
a) From issuing and lending business			347		298
b) Other			3,156		2,413
				3,504	2,710
<i>Provisions</i>	2, 20				
a) Provisions for pensions and other post-employment benefits			276		336
b) Tax provisions			158		327
c) Other provisions			854		744
				1,288	1,407
<i>Subordinated liabilities</i>	2, 21			4,447	4,616

Differences in the amount of +/- one unit in the balance sheet, income statement and in the Notes are due to rounding.

## Equity and liabilities

EUR million	Explanation in the Notes (chapter)			31/12/2022	31/12/2021
<i>Capital generated from profit-participation rights</i>	22			47	47
<i>Regulatory AT 1 capital instruments</i>	23			771	771
<i>Fund for general banking risks</i>				571	926
of which: special reserve in accordance with section 340e (4) HGB		141			141
<i>Equity</i>	24				
a) Subscribed capital					
aa) Share capital		3,484			3,484
ab) Silent partners' contributions		850			850
			4,334		4,334
b) Capital reserve			8,240		8,240
c) Retained earnings					
cd) Other retained earnings		1,501			1,501
			1,501		1,501
d) Unappropriated profit/loss			240		231
				14,317	14,307
<b><i>Total equity and liabilities</i></b>				<b>291,772</b>	<b>271,285</b>
<i>Contingent liabilities</i>	2, 10, 25				
b) Liabilities from guarantees and warranties			13,364		11,986
				13,364	11,986
<i>Other obligations</i>	25				
c) Irrevocable loan commitments			40,831		38,260
				40,831	38,260

Differences in the amount of +/- one unit in the balance sheet, income statement and in the Notes are due to rounding.



# Income statement

for the period 1 January to 31 December 2022

EUR million	Explanation in the Notes (chapter)			01/01– 31/12/2022	01/01– 31/12/2021
<i>Interest income from</i>	26, 27				
a) Credit and money market transactions		15,277			15,086
of which: negative interest income		– 262			– 355
b) Fixed income securities and book-entry securities		339			200
of which: negative interest income		– 9			– 12
			15,616		15,286
<i>Interest expenses</i>	26		– 13,828		– 13,530
of which: positive interest expenses			337		614
				1,788	1,756
<i>Current income from</i>	27				
a) Equities and other non-fixed-income securities			45		62
b) Equity investments			9		11
c) Shares in affiliates			39		44
				92	117
<i>Income from profit-pooling, profit transfer agreements or partial profit transfer agreements</i>				92	64
<i>Fee and commission income</i>	27, 28		597		565
<i>Fee and commission expenses</i>			– 107		– 99
				490	466
<i>Total operating income/expenses from the trading portfolio</i>	27			402	325
<i>Other operating income</i>	27, 29			199	119
<i>General administrative expenses</i>					
a) Staff costs					
aa) Wages and salaries		– 705			– 661
ab) Social security contributions and expenses for pension provision and other benefits		– 165			– 228
of which: pension costs		– 71			– 91
			– 870		– 890
b) Other administrative expenses			– 920		– 797
				– 1,790	– 1,687
<i>Depreciation and write-downs of intangible assets and property and equipment</i>				– 65	– 82

Differences in the amount of +/- one unit in the balance sheet, income statement and in the Notes are due to rounding.

EUR million	Explanation in the Notes (chapter)			01/01– 31/12/2022	01/01– 31/12/2021
Other operating expenses	29			– 197	– 159
Depreciation and write-downs of loans and certain securities, as well as additions to provisions for credit risks			– 711	– 711	– 288
Depreciation and write-downs of equity investments, shares in affiliates and securities treated as fixed assets			– 24		0
Income from reversals of impairment losses on equity investments, shares in affiliates and securities treated as fixed assets			0	– 24	47
Expenses from loss transfer				– 9	– 9
Reversal (+)/addition (-) to fund for general banking risks				355	0
Result from normal operations				622	669
Extraordinary income	31		1		0
Extraordinary expenses	31		– 26		– 27
Extraordinary result	31			– 25	– 26
Taxes on income	32		– 318	596	643
Other taxes, unless reported under “other operating expenses”			– 3	– 321	– 6
Profits transferred as a result of profit pooling, profit transfer agreement or a partial profit transfer agreement				– 35	– 35
<b>Net profit for the year</b>	<b>24</b>			<b>240</b>	<b>225</b>
Profit/loss carryforward from the previous year				1	6
<b>Unappropriated profit</b>				<b>241</b>	<b>231</b>

Differences in the amount of +/- one unit in the balance sheet, income statement and in the Notes are due to rounding.

# Notes

for the period 1 January to 31 December 2022

## General information

### 1. Principles governing the preparation of the annual financial statements

Landesbank Baden-Württemberg (LBBW (Bank)) is a public law institution (rechtsfähige Anstalt des öffentlichen Rechts) with registered offices in Stuttgart, Karlsruhe, Mannheim and Mainz. The commercial register numbers at the responsible district court are as follows: district court of Stuttgart HRA 12704, district court of Mannheim HRA 104440 (for Karlsruhe) and HRA 4356 (for Mannheim) and district court of Mainz HRA 40687.

The annual financial statements for the 2022 financial year were prepared on 28 February 2023 in compliance with the provisions of the German Commercial Code (Handelsgesetzbuch – HGB), in particular the Supplemental Regulations for Banks (sections 340 et seq. HGB), the German Accounting Regulation for Banks, Financial Service Institutions and Securities Institutions (Verordnung über die Rechnungslegung der Kreditinstitute, Finanzdienstleistungsinstitute und Wertpapierinstitute – RechKredV), the German Banking Act (Kreditwesengesetz – KWG) and the German Pfandbrief Act (Pfandbriefgesetz – PfandBG).

For the purpose of transparency, the values are stated in EUR millions.

### 2. General accounting and valuation methods

#### Receivables and allowances for losses on loans and advances

Loans and advances to banks and customers are stated at nominal value, where necessary after deduction of the applicable write-downs. Allowances for losses on loans and advances were deducted from the other receivables in the net amount. Differences between acquisition costs and nominal amount which are related to interest are allocated to deferred items and recognized proportionally in net interest income over the period. Deferred interest is reported directly in loans and advances to banks and customers.

Bills and forfeiting transactions held in the portfolio are stated at discounted face amount, less specific valuation allowances.

Securities repurchase transactions with central counterparties are presented in net terms. The transactions were concluded on the basis of framework agreements which provide for offsetting financial assets and financial liabilities.

Provisions for specific allowances for losses on loans and advances have been recognized for significant loans for which objective indications of impairment have been identified. The impairment loss is calculated as the carrying amount of the loan less the present value of expected payments received on account of the loan. To calculate the expected future payments, all expected payments from the receivable (principal and interest) and any payments from the liquidation of collateral are estimated in terms of amount and timing on the basis of various probability-weighted scenarios. In the case of insignificant loans, for which objective evidence indicating an impairment has been identified, portfolio valuation allowances for individual risks are recognized by using a statistically calculated default amount. General valuation allowances are recognized for relevant loans under HGB in accordance with the provisions of IFRS 9 (see BFA 7.26). Expected losses on this loan portfolio resulting from possible loss events over the next twelve months are recognized as at the balance sheet date. If loans show a significant increase in default risk since initial recognition, on the other hand, loss events are taken into account over the remaining period. This also applies to an increased loss risk due to macroeconomic turbulence (e.g. a sharp rise in energy prices or abrupt increase in interest rates), the impact of which on the financial instruments' credit quality cannot yet be specifically, individually estimated. The amount of expected loss is based on statistically calculated default probabilities, loss ratios relating to parts of the loan portfolio for which no other provisions have been set up and the expected exposure at default. Country risks in the form of transfer and/or conversion risks are taken into account.

In the 2022 financial year, reserves to the fund for general banking risks in accordance with Section 340g HGB of EUR 355 million (2021: EUR 0 million) were reversed. The main purpose of these reversals was to largely offset the change to the determination of allowances for losses on loans and securities in accordance with BFA 7.

If LBBW (Bank) is the assignee, stand-alone financial guarantee contracts, especially in the case of a 1:1 relationship with the secured loan, are taken into account when determining its allowances for losses on loans and securities. If lending portfolios are hedged, on the other hand, claims for compensation against the guarantor are capitalized through profit or loss. Related commission payments are recognized as a commission expense on an accrual basis.

LBBW (Bank) also issued a liability with an embedded financial guarantee to hedge a lending portfolio. In this case, the hedging effect is taken into account when measuring the liability recognized at the repayment amount. This is done by reducing the nominal of the liability once the amount of the right to reimbursement is finalized. The corresponding benefit is reflected in net interest income. As the risk premium for the hedge purchase is reflected in the liability's (variable) coupon, it is not disclosed separately in commission expense.

If LBBW (Bank) is the assignor, financial guarantee contracts are initially recognized at a fair value of zero (net method with equal present values of expected incoming commission payments and expected benefits at arm's length). As part of subsequent measurement, financial guarantee contracts issues are included in the BFA 7 impairment model and the related amounts for allowances for losses on loans and securities are recognized under "Provisions for lending business".

Given the current economic and geopolitical uncertainties at the end of 2022 (e.g. the Ukraine conflict), it is a great challenge to calculate the allowances for losses on loans and securities.

Statistical allowances for losses on loans and securities, which are based on normal economic situations and calibrated in line with cyclical averages, do not provide unlimited reliability in the current situation. For this reason, LBBW (Bank) determined allowances for losses on loans and securities at the end of 2022 using a multi-scenario approach that adequately represents the many possible economic developments. This involved forecasting single and multi-year probabilities of default on the basis of macrofactor projections using quantitative macromodels and making qualitative adjustments to default probability projections for customers in particularly energy-intensive industries competing outside Europe in order to account for the disruption to energy markets caused by Russia's invasion of Ukraine.

Furthermore, additional allowances for losses on loans and securities were recognized to quantify the effects of structural change towards e-mobility.

Overall, model adjustments increased allowances for losses on loans and securities by EUR 386 million (in part due to the implementation of BFA 7).

## Securities

Securities in the liquidity reserve are measured at cost observing the principle of strict lower-of-cost-or-market, or at the lower quoted/market price or fair value (if lower) as at the balance sheet date.

Securities held as long-term investments are carried at cost or the fair value on the reporting date (if lower) in the case of continued impairment losses. Provided the reasons for impairment in earlier financial years have elapsed, reversals of impairment losses up to the amount of the fair value are carried out to a maximum of the acquisition costs. In the case of impairments which are expected not to be permanent, the option of section 253(3) sentence 4 HGB is exercised in conjunction with section 340e (1) HGB, so that no write-downs are recognized on the lower fair value (less strict lower-of-cost-or-market principle).

The impairment of securities held as long-term investments is determined on the reporting date on the basis of published stock market price quotations, price quotations from market data providers or recognized valuation methods (e. g. net income value or discounted cash flow method). The assessment of whether impairment is expected to be permanent is carried out on the basis of LBBW's (Bank) rating classification. A distinction is drawn between equity instruments, ABS securitizations and other securities. The primary reason for a permanent impairment is the occurrence of a trigger event, such as interest loss or redemption default.

Securities arising from asset swap combinations are valued as a valuation unit; for securities in the liquidity reserve from asset swap combinations, market-induced impairment losses due to credit risks are recognized in income.

In the case of securities lending agreements, economic ownership is not transferred to the borrower. Securities that are lent are therefore still shown in the securities portfolio and accounted for accordingly (analogous application of the corresponding regulations for transactions with firm repurchase agreements in section 340b (4) sentence 1 HGB).

As internal transactions only financial instruments are used. These internally contracted financial instruments are valued as transactions with external contracting parties. However, unlike external transactions, they are not recognized individually in the balance sheet but are offset under trading assets or trading liabilities.

## Financial instruments

Financial instruments of the trading portfolio are subject to fair value changes. Financial instruments in the trading portfolio traded on active markets are recognized at market prices. Financial transactions for which market prices are not available are recognized at prices determined with the help of valuation models or on the basis of indicative quotations and parameters obtained from market data providers. Market prices, quotations and parameters are validated by LBBW (Bank) by means of statistical methods or as part of the independent price verification process (IPV). The fair values are reduced by the value-at-risk for these portfolios determined in line with regulatory requirements (10-day holding period, 99.0 % confidence level, 250-day observation period). On the balance sheet, the reduction affects the balance sheet item of "trading assets".

The absolute amount of the risk discount is EUR 30 million for LBBW (Bank) as at 31 December 2022 (2021: EUR 10 million).

This procedure ensures that the income statement drawn up in line with the German Commercial Code takes into account any potentially remaining realization risks in line with the conservatism principle.

The addition to the extraordinary item "Fund for general banking risks" under section 340g is required by section 340e (4) HGB to be at least 50% of the average annual net income from the trading portfolio for the last five years. No addition to this extraordinary item was required for financial years 2021 and 2022.

Observable parameters are used for valuation methods for financial instruments in and outside the trading portfolio, if available. The application of these models and the use of these parameters require assumptions and estimates on the part of the management, the extent of which depends on the transparency and availability of market data information and the complexity of the instrument in question. These involve a certain level of uncertainty and may be subject to change. Therefore, actual results and values may differ from these assumptions and estimates.

The main parameters used in the valuation models of LBBW (Bank) are listed in the following table:

Derivatives/ financial instruments	Valuation models	Material parameters <sup>1</sup>
Interest rate swaps and options	Net present value method, Black-Scholes-model, replication and Copula models, Markov functional model and Libor market models	Yield curves, swaption volatility, cap volatility, correlations, mean reversion
Forward rate agreements	Net present value method	Yield curves
Forward commodity agreements, currency forwards	Net present value method	Commodity rates/exchange rates, yield curves
Stock/index options, equity index/dividend futures <sup>2</sup>	Black-Scholes-model, local volatility model, present value method	Equity prices, share volatility, dividends, interest rates (swap, repo)
Currency options	Garman-Kohlhagen model (modified Black-Scholes-model)	FX rates, yield curves, FX volatility
Commodity options	Garman-Kohlhagen model (modified Black-Scholes-model)	Commodity rates, yield curves, volatility
Credit derivatives	Intensity model	Credit spreads, yield curves
Money market transactions	Net present value method	Credit spreads, yield curves
Borrower's note loans, loans	Net present value method	Credit spreads, yield curves
Securities, forward security transactions	Net present value method	Securities prices, credit spreads, yield curves
Own bearer notes and borrower's note loans issued	Net present value method	Yield curves, own credit spread

<sup>1</sup> For the counterparty default risk of OTC derivatives a credit value adjustment is calculated using credit spreads, taking into account collateral and netting agreements.

<sup>2</sup> The valuation models for equity derivatives are based on OTC- as well as on exchange-traded derivatives.

The valuation methods include all factors and parameters which LBBW (Bank) believes would also be considered by other market participants. If the valuation methods do not take individual factors into account, valuation adjustments are conducted. Value adjustments are determined by Risk Controlling and documented in a valuation adjustment policy. Significant value adjustments affect, among other things, valuation adjustments for counterparty credit risk (credit valuation adjustment, CVA) and own credit risk (debt valuation adjustment, DVA) of OTC (Over-the-Counter) derivatives and valuation adjustments to take into account bid/ask spreads (close-out costs). LBBW (Bank) makes further valuation adjustments to take account of model weaknesses and valuation uncertainties (model valuation adjustments), including when determining the fair value of certain interest rate and credit derivatives. Differences arising between the price calculated by the model and the price traded on the transaction day are taken into account as day1 P&L valuation adjustment for those transactions categorized as level 3 according to the International Financial Reporting Standards (IFRS). Collateralized OTC derivatives are mostly discounted on the basis of ESTR rates (ESTR = Euro short-term rate).

Refinancing effects represent a price component for unsecured derivatives and are included in the fair value measurement as a funding valuation adjustment (FVA). At LBBW (Bank), refinancing effects are taken into account in the measurement when calculating the present value by way of premiums on the discount rates.

The key issue in recognizing derivative financial instruments in the annual financial statements of LBBW (Bank) is whether they are components of valuation units (micro hedges) or are used in the course of trading or are used for the (internal) management of the interest margin of the interest-bearing transactions of the banking book (loss-free valuation in the banking book). A method was also developed in the second half of 2022 to determine double counting effects from the funding valuation adjustments and for own default risk, resulting in an effect of EUR – 13 million at the end of the year.

With due regard to accounting practice statement IDW RS HFA 22, issued by the Main Committee (Hauptfachausschuss) of the Institute of Public Auditors in Germany (IDW), ancillary agreements of a derivative nature, whose market price risks are included in portfolio-related management of trading positions, are disclosed separately from the underlying transactions.

The tables exclude ancillary agreements of a derivative nature that are not reported separately on the balance sheet but that are instead components of structured instruments (structured financial instruments) and are therefore included as assets or liabilities in the corresponding balance sheet items. The tables exclude netting and collateral agreements which mitigate default risks.

In addition to the main measurement parameters already named, there are further influencing factors for derivatives which determine the extent, time and collateral of future cash flows.

In the case of options in particular, there are transaction-related payment terms (e. g. trigger for exotic options, redemption date for premiums, structuring the option as American or European). Upfront or balloon payments can be agreed for interest rate swaps. Furthermore, the creditworthiness of the counterparties and the Bank or the resulting default risk has a significant effect on future cash flows. For this purpose, the LBBW (Bank) draws up a credit valuation adjustment (CVA) or reaches collateral agreements with counterparties. Furthermore, LBBW (Bank) is a direct clearing member for the purposes of clearing interest rate swaps via central counterparties. The variation margin is offset against the fair values. In the case of standardized derivatives traded on derivatives exchanges, margining can be agreed which hedges payments between counterparties.

### **Credit derivatives outside the trading portfolio**

Credit derivatives outside the trading portfolio are used in the form of credit default swaps and products with ancillary agreements of a credit default swap nature for risk assumption, arbitrage, hedging and efficient portfolio management with regard to credit risks.

In accordance with statement IDW RS BFA 1, the treatment of credit derivatives differs depending on their purpose.

Protection seller transactions in the non-trading portfolio are shown in the item "Contingent liabilities", sub-item b) "Liabilities from guarantees and warranties".

Credit derivatives in the non-trading portfolio that were entered into by LBBW (Bank) as a protection buyer are then treated as credit collateral received, if a documented hedging purpose exists in relation to another transaction subject to credit risk and the derivatives are objectively appropriate for reducing risk. As credit collateral received, these credit derivatives are not recorded in the balance sheet (such as with guarantees received) but are taken into consideration when calculating the necessary allowances for losses on loans and advances for the hedged transaction.

Credit derivatives used for portfolio management purposes with regard to credit risks are not valued using the mark-to-market method provided the credit default swap constitutes an original lending transaction for LBBW (Bank). A prerequisite in this respect is the intention to hold the investment to maturity, and the credit default swap must not contain structures that cannot be part of the original lending transaction. Corresponding provisions for anticipated losses are created for credit derivatives for which there is no intention to hold.

Credit derivatives in the non-trading portfolio that do not fulfill these conditions are valued separately. Unrealized valuation gains are offset only if the credit risk relates to one and the same reference debtor. Provisions for anticipated losses from pending transactions are created for unrealized valuation losses, if necessary after netting unrealized valuation gains. The results are included in depreciations and write-downs of loans and certain securities, as well as additions to provisions for credit risks. Any valuation gains remaining after netting are not recognized. The combined management report (risk and opportunity report) contains information about the scope and development of the LBBW (Bank) market price risks.

### Equity investments and shares in affiliates

Equity investments and shares in affiliates are carried at cost or fair value on the reporting date (if lower) in the case of continued impairment losses. Provided the reasons for impairment in earlier financial years have elapsed, reversals of impairment losses up to the amount of the fair value are carried out to a maximum of the acquisition costs. In the case of impairments which are expected not to be permanent, the option of section 253(3) sentence 6 HGB is exercised in conjunction with section 340e (1) HGB, so that no write-downs are recognized on the lower fair value (less strict lower-of-cost-or-market principle).

Sales profit or loss from equity investment transactions is recorded in "other operating income or expenses" on the basis of section 340c (2) sentence 2 HGB. For a list of shareholdings in accordance with section 285 no. 11 HGB, refer to the chapter "List of shareholdings".

The value of equity investments and shares in affiliates is determined on the reporting date on the basis of published stock market price quotations, price quotations from market data providers or recognized valuation methods (e. g. net income value or discounted cash flow method).

### Intangible assets and property and equipment

Acquired intangible assets are valued at acquisition cost less scheduled depreciation and, where necessary, unscheduled write-downs.

Internally generated intangible assets held as long-term investments are recognized in accordance with section 248 (2) HGB and valued at production cost less scheduled depreciation and, where necessary, unscheduled write-downs.

Property and equipment are valued at acquisition or production cost less scheduled depreciation and, where necessary, unscheduled write-downs.

Scheduled depreciation is effected at the rates permitted by tax laws since, in the view of LBBW (Bank), these correspond to the economic life.

### Liabilities

Liabilities are recognized at the settlement amount as per section 253 (1) HGB. Differences between issue amount and settlement amount which are related to interest are allocated to deferred items and recognized proportionally in net interest income over the period. Deferred interest is reported directly in liabilities. Zero coupon bonds are recognized including the pro rata interest rate in accordance with section 22 (2) sentence 3 RechKredV.

Securities repurchase transactions with central counterparties are presented in net terms. The transactions were concluded on the basis of framework agreements which provide for offsetting financial assets and financial liabilities.

## Regulatory AT 1 capital instruments

The instruments issued qualify as liabilities and are recognized at settlement or nominal amount. Interest expense are recognized on the basis of the expected payments to the owners of the instruments.

## Provisions

In previous financial years, LBBW (Bank) transferred material portions of its pension obligations to indirect obligations, applying the disclosure option in accordance with Article 28 (1) sentence 2 of the Introductory Act to the German Commercial Code (Einführungsgesetz zum Handelsgesetzbuch – EGHGB). For meeting these indirect obligations, LBBW (Bank) continues to bear subsidiary liability in accordance with section 1 (1) sentence 3 of the German Company Pension Improvement Act (Betriebsrentengesetz – BetrAVG). As at 31 December 2022, due to not recognizing indirect obligations within the meaning of Article 28 (1) sentence 2 EGHGB, there is underfunding of EUR 1,286 million.

There is a unit-linked commitment (LBBW VorsorgeFonds Plus), which invests via a life-cycle model through a contractual trust arrangement (CTA), for new entrants after 31 December 2016. The new regulation applies from 1 January 2026 for employees of capital account plan 2000 and 2005 with entry dates before 1 January 2017. The amount of the obligation is determined by the fair value of the associated fund, provided that this exceeds the guaranteed minimum value.

The settlement amount for ongoing direct and indirect obligations are calculated on the basis of actuarial principles pursuant to section 253 HGB and the 2018 G mortality tables (Heubeck-Richttafeln-GmbH, Cologne). The projected unit credit method was used as an actuarial calculation method. Accrual allocation of benefit payments during employment and actuarial assumptions are used for the assessment. The existing plan assets were measured at fair value.

Actuarial assumptions	31/12/2022	31/12/2021
Discount rate pursuant to section 253 (2) HGB (ten-year average)	1.78%	1.87%
Discount rate pursuant to section 253 (2) HGB (seven-year average)	1.44%	1.35%
Expected wage and salary increases	2.85%	2.35%
Career trend (up to age of 50 in addition to wage and salary increases)	0.50%	0.50%
Annual pension increase	2.70% <sup>1</sup>	2.20%
Fluctuation	4.00%	4.00%
Payment of benefit payments/retirement probability	50%/20% <sup>2</sup>	50%/20% <sup>2</sup>

<sup>1</sup> Additional adjustments were made for inflation up to the reporting date based on the CPI.

<sup>2</sup> Depending on the benefit type, it is assumed that the remainder of the beneficiaries will decide for the single/installment payment.

There are obligations similar to pensions for some current and former employees entitled to aid (cost reimbursement for medical support). For employees still entitled to aid after entering retirement, relevant provisions were created. They are measured using the Brüggemann model. There are also obligations from settlement arrears from partial retirement contracts, from early retirement obligations and from FlexiWertKonten accounts. Provisions were also recognized for these obligations and were calculated using adjusted parameters to account for the shorter terms.

The difference in accordance with section 253 (6) sentence 1 HGB as a result of the switch from a pension provisions approach as determined by the corresponding average market interest rate from the last seven financial years to an approach based on ten financial years amounts to EUR 22 million.

According to Article 67 (1) sentence 1 EGHGB, the additions to the pension provisions can be spread out over 15 years as a consequence of the first time adoption of BilMoG (Bilanzrechtsmodernisierungsgesetz – German Act on the Modernization of Accounting). LBBW (Bank) used this option. As at the reporting date, the outstanding addition was EUR 53 million, of which EUR 48 million related to the indirect part of pension obligations.



For pensions and other post-employment benefits and for other provisions with plan assets (FlexiWertKonten accounts and partial retirement), the settlement amounts were offset with the plan assets as shown:

EUR million	31/12/2022	31/12/2021
Settlement amount for pension obligations and other post-employment benefits	512	438
Cost of plan assets	346	208
Fair value of plan assets	396	233
Income from plan assets or pension obligations and other post-employment benefits	44	42
Expenses from plan assets or pension obligations and other post-employment benefits	130	133

“Other provisions” which include provisions for credit risks, provisions for legal risks and restructuring are calculated under consideration of all contingent liabilities and anticipated losses from pending transactions on the basis of conservative commercial assessment. Provisions with a residual term over one year are discounted at the seven-year average discount rate published by Deutsche Bundesbank in accordance with section 253 (2) HGB.

### Loss-free valuation in the banking book

The business activities of the banks within the scope of the banking book do not permit regular immediate reciprocal allocation of individual financial instruments. However, regardless of this, there is an economic link between these transactions (funding partnership) due to their objective (achieving an interest margin). Accordingly, LBBW (Bank) manages the interest margin/change in present value of all interest-bearing transactions as a whole in the banking book. This (internal) management of the banking book also provides the framework for the application of the imparity principle in commercial law.

A provision that might be required in line with section 340a in conjunction with section 249 (1) sentence 1, 2nd alternative HGB (provision for onerous contracts) thus extends to all interest-bearing financial instruments in the banking book. The valuation of the interest rate position of the entire banking book and the associated risk and administrative costs must be included in the calculation of negative excess liability, if any, as part of the loss-free valuation of interest-bearing transactions of the banking book. The Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer – IDW) has answered individual questions on the procedure in a statement issued on this topic (IDW RS BFA 3 new version).

LBBW (Bank) applied statement IDW RS BFA 3 new version as at the reporting date. LBBW (Bank) uses the net present value method. No negative excess liability existed. Accordingly, no provisions were created.

### Valuation units

In the case of valuation units, underlying transactions (assets, debt and derivatives separable from the balance sheet) are linked with hedging transactions (derivative financial instruments and some on balance sheet assets) to hedge market price risks (hereinafter referred to as micro hedge).

The hedged risks include general and structured interest rate risks, equity risks, credit risks, currency risks and raw material risks.

The following methods of measuring effectiveness are used: When a valuation unit is formed and on each reporting date, a check is carried out prospectively as to whether effective hedging is in place. The micro hedges, in particular, which are created for the purpose of hedging structured interest-rate and other market price risks, are structured in such a way as to ensure that the main factors (hedged risk, nominal amount, currency and duration) receive the same or almost the same coverage. In the case of these valuation units and, in general, when a valuation unit is formed, a check is carried out for the compensatory settlement of hedged risks for underlying and hedging transactions; to this end, a comparison is carried out between these factors in the underlying and hedging transactions. In the case of micro hedges that hedge the general interest rate risk a regression analysis is carried out on each reporting date to investigate the compensatory effect. If the above mentioned comparison or regression analysis is positive, effectiveness (between the change in the value of the underlying transactions and hedging transactions with reference to the hedged risk) is also expected for the future (the remaining maturity of the transactions).

Retrospective valuation of effectiveness takes place on each reporting date with the help of the dollar offset method. According to this method, the underlying transaction is valued for the hedged risk and compared with the valuation of the hedging transaction for the hedged risk (e. g. interest rate risk). This also forms the basis for calculating the previous invalidity and any loss peak. The procedure is already applied for the majority of valuation units for the general interest rate risk. In case of all other valuation units formed for the structured interest rate risk or other market price risks, the valuation of the hedged risk of the underlying is derived from the valuation of the hedging transaction.

The changes in value of hedging and underlying transactions are calculated on the balance sheet for the effective part using the net hedge presentation method, with only a loss peak shown on the balance sheet as a provision for valuation units. The loss peak (ineffectiveness from the hedged risk) is taken into account in the income statement.

LBBW (Bank) applied the concept of the portfolio valuation unit to hedge changes in the price of emission allowances for the first time in 2022. Under hedged items, the portfolio valuation unit for emission allowances comprises both emission allowances held in the portfolio and pending purchase transactions (spot transactions and forwards) relating to emission allowances. Under hedging instruments, it comprises delivery obligations for emission allowances and pending sales transactions (spot transactions and forwards)

In line with LBBW (Bank)'s risk strategy, transactions are included in the portfolio valuation unit as soon as the transaction in question is acquired and always comprise the transaction in its entirety (no partial designations). This applies both to underlying transactions and to hedging instruments.

LBBW (Bank) provides evidence of the prospective effectiveness of the valuation unit through correlation analyses (correlation of spot and forward price development > 90 %).

As in the case of micro valuation units, LBBW (Bank) uses the net hedge presentation method for the portfolio valuation unit, i.e. a provision is recognized for the valuation unit under other operating expenses only if the portfolio's net valuation result is a loss. The net change in value from the hedged risk is the result of the total amount of fair value changes of the underlying and hedging transactions recognized in the valuation unit.

The original emission allowances and the corresponding derivative products (where reportable) are recognized under "Other assets" or "Other liabilities". In the income statement, realized net gains/losses are recognized under "Other operating income" or "Other operating expenses".

Brokered, structured derivatives, from which the market price risk is eliminated, are treated as economic hedges in risk management. These transactions are allocated to the trading book (so-called back-to-back operations) in the financial statements pursuant to German law.

For recognition of market price risks, refer to the chapter "Market price risks" in the combined management report (risk and opportunity report) for the 2022 annual financial statements.

## Net interest income

Net interest income also reports current interest income and expense in the trading portfolio. This procedure is in line with the LBBW (Bank) internal controlling. In addition, based on hedge items negative interest income from lending is reported as an of which item in the income statement item "Interest income" and positive interest expenses from borrowing as an of which item in the income statement item "Interest expenses". The presentation provides a net view.

## Other administrative expenses

"Other administrative expenses" include expenses for EDP costs, costs of premises, legal and consulting expenses as well as expenses for the bank levy and the deposit guarantee system of EUR 188 million (2021: EUR 137 million).

## IBOR transition effects

If the reference interest rate for variable rate financial instruments was transitioned in connection with the IBOR reform, the resulting settlement payments are accrued over the residual term. On the other hand, settlement payments due to transitions of discount curves were recognized immediately and fully in profit and loss.

## Currency translation

Currency translations takes place in line with the principles of sections 256a and 340h HGB and the IDW statement IDW RS BFA 4. In order to determine the currency position, it offsets foreign currency assets and foreign currency liabilities arising from on-balance transactions by currency. In line with the risk management of LBBW (Bank), the application of the particular cover for foreign currency translations of the non-trading portfolio is derived from the Bank's internal FX policy. This states that the open net current positions resulting from non-trading portfolios are transferred to the trading books and the relevant expenses and income ultimately recognized in net trading gains/losses.

Assets and liabilities are translated at the mid-spot exchange rate as at the reporting date. Differences resulting from the translation of hedged assets and liabilities at the mid-spot exchange rate are offset by the opposing effects of outstanding nominal payments from foreign exchange transactions, cross-currency/interest-rate swaps and currency swaps. Currency forwards, cross-currency/interest-rate swaps and currency swaps, provided that they are not part of a valuation unit and are not concluded for the purpose of liquidity management of the banking book, are allocated to the trading portfolio. In the balance sheet these derivatives are recognized at fair value as part of the positive or negative fair values in trading assets/liabilities.

The swap points are accrued and shown in interest income or interest expense for currency forwards.

## Deferred taxes

There is a recognition option for net lending positions resulting from the overall view of deferred tax assets and liabilities and a recognition obligation for net borrowing positions. Accordingly, LBBW (Bank) has not exercised the option in section 274 (1) sentence 2 HGB regarding the recognition of deferred tax assets.

Deferred tax liabilities from different temporary taxable differences between book value and the tax base, especially for property, plant and equipment, other assets and intangible assets were offset against deferred tax assets, particularly on deductible temporary differences on provisions (especially for pensions) and receivables measurement.

Company-specific tax rates were used in the recognition of deferred taxes. For the domestic tax group, the corporate income tax was recognized at 15.83 % including solidarity surcharge. An average trade tax rate of 14.70 % was used for the domestic tax group. Deferred taxes for the foreign branches were recognized at the statutory tax rates applicable in those locations, ranging from 13.50 % to 25.30 %.

## Notes to the balance sheet

### 3. Relationships with affiliates and companies in which equity interests are held, and with affiliated savings banks (Sparkassen), receivables and debentures

The following balance sheet items include receivables and debentures to affiliates or companies in which an equity investment is held:

EUR million	31/12/2022	31/12/2021
<i>Loans and advances to banks</i>	83,495	44,695
of which to affiliates	1,763	171
of which to affiliated savings banks (Sparkassen)	31,866	27,953
<i>Loans and advances to customers</i>	120,802	120,383
of which to affiliates	4,672	4,536
of which to companies in which equity interests are held	0	3

### 4. Maturity structure of the receivables and debentures

The following table contains a breakdown of the remaining maturity of the receivables and debentures (including pro rata interest):

EUR million	31/12/2022	31/12/2021
<i>Loans and advances to banks</i>	83,495	44,695
up to 3 months	46,562	9,227
more than 3 months to 1 year	5,893	5,668
more than 1 year to 5 years	12,203	13,771
more than 5 years	18,837	16,029
<i>Loans and advances to customers</i>	120,802	120,383
up to 3 months	18,093	18,115
more than 3 months to 1 year	17,918	15,154
more than 1 year to 5 years	50,446	50,499
more than 5 years	33,968	36,615
no specified maturity	377	1
<i>Debentures and other fixed-income securities</i>	32,797	31,553
of which due in the following year	5,264	4,925

### 5. Subordinated assets

Subordinated assets are included in the following asset items:

EUR million	31/12/2022	31/12/2021
Loans and advances to banks	345	225
Loans and advances to customers	94	116
Debentures and other fixed-income securities	134	124
Trading assets	23	105

### 6. Transactions with firm repurchase agreements

The carrying amount of securities sold to other banks and non-banks under repurchase agreements as at the balance sheet date was EUR 1,214 million (2021: EUR 1,730 million).

## 7. Securities and equity investments

The asset items below include marketable securities as well as securities, equity investments and shares in affiliates measured at the less strict lower-of-cost-or-market principle:

EUR million	31/12/2022	31/12/2021
<i>Debentures and other fixed-income securities</i>		
Marketable	32,797	31,553
of which listed	30,746	29,888
No write-down due to temporary impairment		
Carrying amount	16,772	7,547
Fair value	16,919	7,510
<i>Equities and other non-fixed-income securities</i>		
Marketable	147	183
of which listed	31	30
<i>Equity investments</i>		
Marketable	2	3
<i>Shares in affiliates</i>		
Marketable	1,340	9

With micro-hedged transactions, as a result of the net hedge presentation method, the carrying amounts shown above do not include any corresponding adjustments to the book values for hedged risks (please refer to the chapter "Valuation units"). If the carrying amounts had been adjusted, the omitted write-downs of the debentures and other fixed-income securities would amount to EUR – 834 million (2021: EUR – 82 million).

## 8. Shares in investment fund assets

The value of the shares in investment fund assets is determined on the reporting date on the basis of published redemption prices in the case of retail funds and the fair values provided in the case of special funds.

EUR million			Difference to carrying amount	Distribution for the financial year	Daily return possible	Unscheduled write-downs omitted
Investment goal	Name	Fair value				
Investment funds -closed-end fund investments	F&C European Cap. Partn. B L. P. <sup>1</sup>	0	– 28,440,000	0	No	No
Mixed fund	BNPP Flexi I - Mul.- Ass.Boost.Act. Nom.	12,599,809	0	0	Yes	No
Property fund	Germany Diversified Core+ bearer units	20,183,938	752,884	680,642	Yes	No
Bond fund	IPAM RentenWachstum bearer units	3,024,459	0	16,470	Yes	No
Bond fund	OP-Fonds SKP bearer units <sup>1</sup>	132,068,388	54,449,588	30,010,127	Yes	No
		167,876,594	26,762,472	30,707,239		

<sup>1</sup> The fund units are part of an asset-linked note i. e. performance from the fund units is attributable to the bearer of the associated issue by LBBW (Bank).

## 9. Trading portfolio

The trading portfolio is composed as follows:

EUR million	Trading assets		Trading liabilities	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Derivative financial instruments	6,236	8,656	11,157	5,092
Receivables/liabilities	11,034	12,518	1,836	3,440
Debentures and other fixed-income securities	8,164	7,284	6,337	6,523
Equities and other non-fixed-income securities	603	540	0	0
Other assets/other liabilities	111	15	15	93
	26,149	29,014	19,346	15,147

## 10. Derivatives

The following tables provide information on derivative financial instruments pursuant to section 285 nos. 19 and 20 HGB in conjunction with section 36 RechKredV that existed at LBBW (Bank) as at the balance sheet date.

### Derivative transactions – Product structure – Recognized at fair value

EUR million	Nominal values		Positive fair value <sup>1, 2, 3</sup>		Negative fair value <sup>1, 2, 3</sup>	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Interest rate swaps	1,700,993	1,899,910	2,596	5,490	6,679	1,252
Forward rate agreements	694,643	734,805	- 2	0	2	0
Interest rate options	56,611	54,907	38	18	69	48
Purchases	23,501	22,451	19	14	6	12
Sales	33,110	32,456	18	4	63	36
Caps, floors, collars	42,936	35,026	11	5	293	35
Other interest rate contracts	1,967	2,224	442	44	9	194
Exchange-traded interest rate products	1,104	45,674	0	0	0	0
<i>Interest rate risks – overall</i>	<i>2,498,255</i>	<i>2,772,546</i>	<i>3,085</i>	<i>5,557</i>	<i>7,052</i>	<i>1,530</i>
Foreign exchange transactions	183,537	195,054	1,102	1,056	1,193	834
Interest-rate/currency swaps	31,472	34,312	267	172	178	87
Currency options	3,795	4,527	47	21	24	18
Purchases	1,990	2,231	36	21	0	0
Sales	1,805	2,296	11	0	24	18
<i>Currency risks – total</i>	<i>218,804</i>	<i>233,893</i>	<i>1,416</i>	<i>1,250</i>	<i>1,395</i>	<i>939</i>
Stock options	165	120	- 14	- 10	1	2
Purchases	83	60	- 14	- 10	0	0
Sales	83	60	0	0	1	2
Exchange-traded equity and index products	16,911	20,070	701	1,009	957	995
Commodities	2,346	2,902	91	92	92	84
of which exchange-traded	1,091	1,455	54	66	52	39
Other equity derivatives	790	909	177	156	1,526	1,453
<i>Equity and other price risks – overall</i>	<i>20,213</i>	<i>24,001</i>	<i>955</i>	<i>1,247</i>	<i>2,576</i>	<i>2,534</i>
Credit derivatives – protection seller	4,952	4,699	- 6	6	1	1
Credit derivatives – protection buyer	7,415	5,820	1	2	134	132
<i>Credit derivatives</i>	<i>12,367</i>	<i>10,519</i>	<i>- 5</i>	<i>8</i>	<i>135</i>	<i>133</i>
<i>Risks – overall</i>	<i>2,749,638</i>	<i>3,040,959</i>	<i>5,450</i>	<i>8,062</i>	<i>11,158</i>	<i>5,137</i>

1 Including interest deferral ("dirty price").

2 The fair value of transactions concluded on the basis of framework agreements that provide for a daily exchange of the margin collateral will be presented in net terms. The net presentation includes the fair value of the derivatives and the margin collateral.

3 The positive and negative fair values do not include the premiums of internal transactions. This can, in individual cases, result in the reporting of negative values.

## Derivative transactions – Product structure – Not recognized at fair value

EUR million	Nominal values		Positive fair value <sup>1, 2</sup>		Negative fair value <sup>1, 2</sup>	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Interest rate swaps	748,881	589,584	939	181	618	356
Forward rate agreements	579,037	459,937	31	3	34	3
Interest rate options	1,732	1,322	103	16	2	0
Purchases	843	708	103	16	0	0
Sales	889	614	0	0	2	0
Other interest rate contracts	3,084	2,820	0	0	0	0
Exchange-traded interest rate products	170	60,101	0	0	0	0
<i>Interest rate risks – overall</i>	<i>1,332,904</i>	<i>1,113,764</i>	<i>1,072</i>	<i>200</i>	<i>654</i>	<i>359</i>
Interest-rate/currency swaps	1,470	1,706	1	1	1	0
<i>Currency risks – total</i>	<i>1,470</i>	<i>1,706</i>	<i>1</i>	<i>1</i>	<i>1</i>	<i>0</i>
Stock options	271	272	17	10	6	8
Purchases	95	95	17	10	0	0
Sales	176	177	0	0	6	8
<i>Equity and other price risks – overall</i>	<i>271</i>	<i>272</i>	<i>17</i>	<i>10</i>	<i>6</i>	<i>8</i>
Credit derivatives – protection seller	0	0	0	0	0	0
Credit derivatives – protection buyer	2,714	1,123	13	2	860	321
<i>Credit derivatives</i>	<i>2,714</i>	<i>1,123</i>	<i>13</i>	<i>2</i>	<i>860</i>	<i>321</i>
<i>Risks – overall</i>	<i>1,337,359</i>	<i>1,116,865</i>	<i>1,102</i>	<i>213</i>	<i>1,521</i>	<i>688</i>

<sup>1</sup> Including interest deferral ("dirty price").

<sup>2</sup> The positive and negative fair values do not include the premiums of internal transactions. This can, in individual cases, result in the reporting of negative values.

Most of the transactions previously referred to are concluded to cover interest rate, exchange rate or market price fluctuations, as well as for customer transactions and hedging these customer transactions.

With regard to the valuation models used, refer to the information under the chapter "General accounting and valuation methods".

Please refer to the data presented in the "Other assets" and "Other liabilities" items for information on the carrying amount of options in the form of option premiums.

## Derivative transactions – maturity structure (by remaining maturity)

Nominal values EUR million	up to 3 months	More than 3 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
<i>Interest rate risks</i>					
31/12/2022	259,456	1,298,428	1,338,082	935,193	3,831,159
31/12/2021	229,836	1,191,361	1,354,144	1,110,968	3,886,309
<i>Currency risks</i>					
31/12/2022	96,934	69,065	46,455	7,821	220,275
31/12/2021	113,565	67,306	44,737	9,990	235,598
<i>Equity and other price risks</i>					
31/12/2022	2,996	8,842	8,253	393	20,484
31/12/2021	3,303	10,028	10,438	504	24,273
<i>Credit derivatives</i>					
31/12/2022	87	1,699	11,648	1,646	15,080
31/12/2021	319	1,722	7,926	1,674	11,641
<i>Risks – overall</i>					
31/12/2022	359,473	1,378,034	1,404,436	945,054	4,086,997
31/12/2021	347,023	1,270,417	1,417,246	1,123,136	4,157,823

## Derivative transactions – by counterparty

EUR million	Nominal values		Positive fair value <sup>1</sup>		Negative fair value <sup>1</sup>	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Banks in the OECD	2,420,726	2,762,123	2,776	2,901	7,739	2,542
Banks outside the OECD	11,328	12,042	117	36	67	371
Public-sector agencies in OECD countries	32,434	37,501	672	3,234	318	74
Other counterparties	1,622,509	1,346,157	2,987	2,104	4,555	2,837
<b>Counterparties – total</b>	<b>4,086,997</b>	<b>4,157,823</b>	<b>6,552</b>	<b>8,275</b>	<b>12,679</b>	<b>5,824</b>

<sup>1</sup> Including interest deferral ("dirty price").

## 11. Currency translation

Foreign currency assets worth EUR 45.0 billion (2021: EUR 48.8 billion) and foreign currency liabilities worth EUR 48.2 billion (2021: EUR 53.4 billion), as well as income and expenses included in the financial statements were translated in compliance with section 256a and section 340h HGB and statement IDW RS BFA 4 from the Institute of Public Auditors in Germany (IDW). Assets and liabilities do not include any assets or liabilities from pending transactions. They are included in the derivatives tables in the chapter "Derivatives". The risk of exchange rate movements associated with balance sheet items denominated in foreign currencies, including precious metals, is primarily covered by off-balance sheet hedging transactions.

## 12. Fixed assets

### Changes in equity investments, shares in affiliates and securities

EUR million	01/01/2022	Changes <sup>1</sup>	31/12/2022
Equity investments	191	– 4	187
Shares in affiliates	1,614	1,265	2,879
Securities allocated to fixed assets	28,174	1,243	29,417

<sup>1</sup> The aggregation option under section 34 (3) RechKredV was used.

The change to shares in affiliates in the financial year is chiefly due to the acquisition of Berlin Hyp AG.

## Historical cost

EUR million	01/01/2022	Additions	Disposals	31/12/2022
Intangible assets	852	21	– 18	855
Land and buildings	992	2	– 18	976
of which land and buildings used commercially	916	2	– 4	914
Other facilities, operating and office equipment	341	16	– 15	342

## Depreciation/amortization, write-downs and carrying amounts

EUR million	01/01/2022	Current depreciation/amortization and write-downs	Disposals/additions	31/12/2022	Carrying amount 31/12/2022	Carrying amount 31/12/2021
Intangible assets	– 727	– 39	18	– 748	107	125
Land and buildings	– 320	– 17	12	– 325	651	672
of which land and buildings used commercially	– 260	– 17	3	– 273	641	656
Other facilities, operating and office equipment	– 254	– 8	15	– 247	94	87

The option described in section 248 (2) HGB is being exercised. Development costs in the 2022 financial year were accounted for fully by the internally generated intangible assets, which amounted to EUR 21 million (2021: EUR 32 million). Operating and office equipment amounted to EUR 50 million (2021: EUR 44 million).



### 13. Fiduciary transactions

The following table contains a breakdown of trust assets and trust liabilities:

EUR million	31/12/2022	31/12/2021
<i>Trust assets</i>	904	982
Loans and advances to banks	793	938
Loans and advances to customers	111	43
Equities and other non-fixed-income securities	0	2
<i>Trust liabilities</i>	904	982
Deposits from banks	904	981
Deposits from customers	0	2

### 14. Other assets

Items of particular significance included in the Other assets of LBBW (Bank) are margins and option premiums of EUR 9,282 million (2021: EUR 1,379 million), other assets in affiliates and companies in which an equity investment is held totaling EUR 259 million (2021: EUR 161 million) and tax refund claims of EUR 89 million (2021: EUR 142 million). The rise was essentially due to the increase in margin holdings as collateral to provided in advance in connection with derivative transactions.

The tax refund claims in Germany primarily include income tax assets from past financial years of EUR 38 million (2021: EUR 71 million) and other tax receivables of EUR 37 million (2021: EUR 58 million), comprising mainly interest receivables and VAT receivables.

The refund claims stand in contrast to the LBBW (Bank) tax provisions amounting to EUR 158 million (2021: EUR 327 million).

### 15. Deferred items

Deferred items include the following amounts:

EUR million	31/12/2022	31/12/2021
<i>Prepaid expenses</i>	2,996	2,897
Discount from liabilities in line with section 250 (3) HGB	233	213
Premium from receivables in line with section 340e (2) sentence 3 HGB	574	707
<i>Deferred income</i>	3,504	2,710
Discount from receivables in line with section 340e (2) sentence 2 HGB	219	91
Premium from liabilities in line with section 340e (2) sentence 2 HGB	128	206

Deferred items also include one-off payments from interest rate and cross-currency interest rate swaps of EUR 1,371 million (2021: EUR 998 million) on the assets side and EUR 1,299 million (2021: EUR 958 million) on the liabilities side. In addition, there are EUR 658 million (2021: EUR 761 million) discontinued valuation units on the assets side and EUR – 723 million (2021: EUR – 835 million) on the liabilities side. Liabilities also contain premiums on liabilities of EUR 128 million (2021: EUR 206 million).

### 16. Relationships with affiliates and companies in which equity interests are held, and with affiliated savings banks (Sparkassen) – liabilities

The following balance sheet items include liabilities to affiliates or companies in which an equity investment is held:

EUR million	31/12/2022	31/12/2021
<i>Deposits from banks</i>	76,862	85,742
of which to affiliates	2	0
of which from affiliated savings banks (Sparkassen)	3,610	3,520
<i>Deposits from customers</i>	111,537	97,220
of which from affiliates	561	656
of which from companies in which equity interests are held	6	8

## 17. Maturity structure of the liabilities

The remaining maturities of the liabilities (including pro rata interest) are as follows:

EUR million	31/12/2022	31/12/2021
<i>Deposits from banks with agreed duration or withdrawal notice</i>	72,130	76,606
up to 3 months	13,551	10,809
more than 3 months to 1 year	15,101	3,487
more than 1 year to 5 years	23,906	43,463
more than 5 years	19,572	18,848
<i>Savings deposits to customers with an agreed notice period of more than three months</i>	281	8
more than 3 months to 1 year	200	5
more than 1 year to 5 years	79	3
more than 5 years	2	0
<i>Other deposits from customers with an agreed duration or notice period, including mortgage-backed registered covered bonds issued and public-sector registered covered bonds issued</i>	38,156	25,999
up to 3 months	22,272	15,084
more than 3 months to 1 year	7,844	3,399
more than 1 year to 5 years	3,941	3,171
more than 5 years	4,099	4,345
<i>Securitized liabilities</i>	49,096	46,208
<i>a) Issued debentures</i>	40,024	37,979
of which due in the following year	9,758	12,862
<i>b) Other securitized liabilities</i>	9,072	8,229
up to 3 months	8,309	7,455
more than 3 months to 1 year	763	774

## 18. Assets assigned as collateral for own liabilities

Assets in the amounts stated below were assigned for the following liabilities.

EUR million	31/12/2022	31/12/2021
Deposits from banks	44,777	44,207
Deposits from customers	1,134	1,476
Trading liabilities	14	131
<i>Total amount of collateral transferred</i>	45,925	45,814

## 19. Other liabilities

The most important individual components of the "Other liabilities" item are margins and option premiums totaling EUR 8,909 million (2021: EUR 996 million), distributions from silent partners' contributions amounting to EUR 35 million (2021: EUR 35 million) and taxes to be transferred amounting to EUR 38 million (2021: EUR 54 million). These are essentially liabilities from provisional capital gains tax and VAT tax returns. The rise was essentially due to the increase in margin holdings as collateral to provided in advance in connection with derivative transactions.

## 20. Valuation units

The following table illustrates the amount by which assets and liabilities are incorporated to hedge which risks in valuation units as at 31 December 2022.

EUR million	Carrying amount <sup>UT</sup>	Micro hedge					
		Negative change in value			Positive change in value		
		Change in value <sup>UT</sup>	Change in value <sup>HT</sup>	Loss peak	Change in value <sup>UT</sup>	Change in value <sup>HT</sup>	Profit peak
<b>Assets</b>							
General interest rate risk	22,502	- 477	477	0	- 1,653	1,653	0
Structured interest rate risk and other market price risk	1,403	- 74	74	0	0	0	0
<b>Liabilities</b>							
General interest rate risk	- 6,732	90	- 91	- 1	517	- 513	4
Structured interest rate risk and other market price risk	- 3,162	- 40	40	0	0	0	0
<b>Contracts in progress</b>							
Structured interest rate risk and other market price risk	- 25	376	- 376	0	0	0	0
<b>Total</b>				- 1			4

UT = hedged item; HT = hedge.

There was thus a profit peak of EUR 4 million (2020: EUR 1 million) and a loss peak of EUR - 1 million (2021: EUR - 0 million) as at 31 December 2022. This resulted in a provision from valuation units of EUR 1 million as at 31 December 2022.

LBBW (Bank) includes two types of hedge relationships under micro hedges. In the first, individual underlying transactions are hedged by individual hedging transactions. In the other, one or more underlying transactions are hedged by one or more hedging transactions.

Both types of micro hedge are documented by means of clear referencing of the underlying and hedging transactions.

## 21. Subordinated liabilities

The "Subordinated liabilities" were raised in the form of borrower's note loans and issues denominated in EUR, USD, AUD and JPY. There were no new issues in the current and previous financial years.

Nominal amounts of EUR 512 million (2021: EUR 506 million) will mature within the next two years. The last "Subordinated liabilities" will be repaid in 2041. The rate of interest ranges between 0.53 % and 7.63 %.

Subordinated liabilities, which in each case exceed 10 % of the total subordinated liabilities position, are structured as follows:

The XS1246732249 issue of EUR 500 million bears interest of 3.625 % and is due in 2025. There is no call option for the creditor or LBBW (Bank). The subordinated liabilities comply with the requirements of CRR (Capital Requirements Regulation).

The DE000LB1B2E5 issue of EUR 500 million bears interest of 2.875 % and is due in 2026. There is no call option for the creditor or LBBW (Bank). The subordination condition complies with CRR requirements.

The DE000LB13HZ5 issue of EUR 500 million bears interest of 2.2 % and is due in 2029. There is no call option for the creditor or LBBW (Bank). The subordination condition complies with CRR requirements.

With the exception of issues with a nominal volume of EUR 36,000, the subordinated liabilities complied with the requirements of Article 63 CRR. Pursuant to Article 64 CRR, amortization of the Tier 2 instruments shall occur on the basis of the number of days that have passed in the last five years of their term.

In the year under review, interest expense of EUR - 182 million (2021: EUR - 183 million) was incurred for "Subordinated liabilities".

## 22. Capital generated from profit-participation rights

The capital generated by profit-participation rights comprises ten registered participation rights.

The creditors' rights are dependent on LBBW (Bank)'s unappropriated profit/loss pursuant to HGB and are guaranteed only until maturity.

The creditors receive an annual distribution provided there is no or no increase in the unappropriated loss pursuant to HGB. In addition, no distribution is made if the capital generated from profit-participation rights that was reduced in the past by losses has yet to be replenished in full again.

If the capital generated from profit-participation rights was lowered in the past, all agreements include the right to replenishment of the capital from net profit for the year or unappropriated profit pursuant to HGB. Provided the capital has been replenished again, the agreements provide for unpaid dividends to be carried forward if net profit for the year or unappropriated profit pursuant to HGB is available.

## 23. Regulatory AT 1 capital instruments

The AT1 bonds (AT1 = Additional Tier 1) are unsecured and subordinated bonds of LBBW (Bank). The repayment and nominal amount of the bonds can be reduced by a trigger event. An example of such a trigger event is if the core equity Tier 1 ratio of the LBBW Group, calculated on a consolidated basis, drops below 5.125 %. After such a trigger event, the bonds can be written up under certain conditions. There are fixed interest payments. However, in line with supervisory regulations or at the sole discretion of LBBW (Bank), these can be canceled. Lost interest is not reinstated. The bonds have perpetual maturity but can be called at pre-defined dates. Fixed interest ends at the first call date, and if the call is not exercised, adjusted.

## 24. Equity

The equity of LBBW (Bank) developed as follows in the financial year 2022:

EUR million	
Equity as at 31 December 2021	14,307
– Distribution to shareholders	– 230
+ Net profit for the year 2022	240
Equity as at 31 December 2022	14,317

The creditors' rights of 41 "Silent partners' contribution" are dependent on LBBW (Bank) net profit/loss for the year or unappropriated profit/loss pursuant to HGB and are guaranteed only until maturity.

The creditors receive an annual distribution, provided the distribution does not lead to a net loss for the year (35 agreements) or unappropriated loss (six agreements) pursuant to HGB, or that such a loss is increased as a result of the distribution. In addition, a distribution is not made if capital from "Silent partners' contributions" that was reduced in the past has yet to be replenished in full again.

If the "Silent partners' contributions" were reduced in the past, 41 agreements include the right to a replenishment of capital from net profit or unappropriated capital pursuant to HGB. Provided the capital is replenished, twelve agreements also provide for a repayment of suspended distributions if net profit for the year or unappropriated profit pursuant to HGB is available.

## 25. Items below the line

### Contingent liabilities

EUR million	31/12/2022	31/12/2021
Contingent liabilities	13,364	11,986
of which liabilities from guarantees and warranties	13,364	11,986

If a guarantee is drawn on, there is a risk for the LBBW (Bank) that its claim (for recourse) against the guarantee holder less the collateral is not valuable. If there are valid reasons for an expected claim, LBBW (Bank) creates specific provisions at the level of individual transactions, provided that imminent loss is expected. Provisioning on a portfolio basis is created for latent risks.

The following letters of comfort had been issued as at the balance sheet date:

LBBW has issued a letter of comfort, which reads as follows, in favor of the wholly owned subsidiaries LBBW Asset Management Investmentgesellschaft mbH, Stuttgart, and SüdFactoring GmbH, Stuttgart:

“Except for political risks and for the duration of an equity investment, for the companies listed in the list of shareholdings of LBBW, LBBW ensures that the companies are in a position to cover their liabilities, regardless of the amount of the interest held by LBBW.”

Obligations from the guarantor’s liability:

LBBW (Bank) is liable indefinitely for the liabilities of DekaBank Deutsche Girozentrale, Berlin and Frankfurt am Main, and of former LBS Landesbausparkasse Baden-Württemberg, Stuttgart and Karlsruhe created up to 18 July 2001.

This also applies externally to the liabilities of Landesbank Schleswig-Holstein Girozentrale, Kiel, arising up to July 18, 2001 resulting from the period of its participation in the former Landesbank Schleswig-Holstein Girozentrale, Kiel.

## Other obligations

EUR million	31/12/2022	31/12/2021
Other obligations	40,831	38,260
of which irrevocable loan commitments	40,831	38,260

The following matters within the item “Other obligations” are of material importance for total business activity: due to the conclusion of traded forward securities repurchase transactions, LBBW (Bank) has irrevocable loan commitments to a central counterparty of EUR 3,322 million. In addition, one special purpose entity that purchases and securitizes trading, lease and bank receivables was provided with liquidity amounting to EUR 3,274 million as at 31 December 2022. A commitment of EUR 1,409 million was granted to another central counterparty based in Germany and a commitment of EUR 1,116 million to a special purpose entity also based on Germany.

The item “Other obligations” comprises the amount of commitment granted not but yet drawn on that the Bank may not revoke. If a guarantee is drawn on, there is a risk for the LBBW (Bank) that its claim against the borrower less the collateral is not valuable. If there are valid reasons for an expected claim, LBBW (Bank) creates specific provisions at the level of individual transactions, provided that imminent loss is expected. Provisioning on a portfolio basis is created for latent risks.

## Notes on the income statement

### 26. Net interest income

The negative interest income results from reserve holdings with the ECB, banks and institutional customers that exceed the bank's reserve requirement. These customer groups also generate income through positive interest expenses.

Net interest income includes the effects of interest on other provisions with a term of more than twelve months amounting to EUR – 1 million (2021: EUR – 2 million) and discounting effects of EUR 1 million (2021: EUR 1 million).

### 27. Breakdown of income according to geographic markets

The total amount from the income statement items

- interest income
- current income from shares and other non-fixed-income securities, equity investments and shares in affiliates,
- fee and commission income,
- net income from the trading portfolio and
- Other operating income

is distributed across the geographical markets below as follows:

EUR million	31/12/2022	31/12/2021
Federal Republic of Germany	15,703	15,950
Europe (EU states excluding Germany)	11	1
Asia	209	72
America	749	237
Other countries	234	153
<i>Total</i>	16,906	16,413

### 28. Administrative and intermediary services

Services rendered for third parties relate in particular to the administration and intermediation of securities transactions, (trustee) loans, warranties and guarantees, payments and other bank services.

### 29. Other operating income and expenses

"Other operating income" essentially comprises reversals of provisions of EUR 52 million (2021: EUR 30 million) and income from renting, leasing and selling land and buildings of EUR 40 million (2021: EUR 23 million). In addition, income from refunds of expenses from third parties amounted to EUR 26 million (2021: EUR 23 million) and from services charged to third parties to EUR 15 million (2021: EUR 17 million).

Other operating expenses largely comprised allocations to provisions of EUR – 94 million (2021: EUR – 105 million), comprising mainly allocations to provisions for tax matters and litigation and recourse risks. Expenses for non-banking business essentially consist of operating expenses amounting to EUR – 16 million (2021: EUR – 14 million) and expenses for land and buildings held as long-term investments of EUR – 9 million (2021: EUR – 8 million).

Other operating income and expenses was also generated in connection with the agreement with Helaba to pool expertise in the savings banks business and the related merger of the custodian business and the interest rate, currency and commodities management for savings banks customers at LBBW (Bank).

### 30. Auditors' fee

The following information relates to Landesbank Baden-Württemberg and the companies it controls. Information on auditor's fees is provided in the notes to the consolidated financial statements in LBBW's 2022 annual report.

The audit services related above all to the audits of the annual financial statements and the consolidated financial statements of the parent company, as well as various audits of the annual financial statements of its subsidiaries including mandatory extensions of contract. Audit reviews of interim financial statements and clarification of specialist accounting and regulatory matters.

The other audit-related services concern mandatory or contractually-agreed audits, such as the audit pursuant to Section 89 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) and Section 68 (7) of the German Capital Investment Code (Kapitalanlagegesetzbuch – KAGB), the audit pursuant to Section 16j (2) sentence 2 of the German Act Establishing the Federal Financial Supervisory Authority (Gesetz über die Bundesanstalt für Finanzdienstleistungsaufsicht – FinDAG), the review of financial statements, the audit for assessing the contribution for the bank-related guarantee system of the Sparkassen-Finanzgruppe, which is recognized as a deposit guarantee system under Section 5 (1) of the German Deposit Guarantee Act (Einlagensicherungsgesetz – EinSiG) and the audit of the combined non-financial report.

Other services include quality assurance activities and training seminars.

### 31. Extraordinary result

The negative "Extraordinary result" of EUR – 25 million (2021: EUR – 26 million) comprises extraordinary income in the amount of EUR 1 million (2021: EUR 0 million) and extraordinary expenditure of EUR – 26 million (2021: EUR – 27 million).

Extraordinary expenditure includes additions of EUR – 26 million (2021: EUR – 26 million) made to pension provisions from the BilMoG conversion.

### 32. Taxes on income

The periodic tax expense of EUR – 246 million (2021: EUR – 243 million) is essentially attributable to expenses from corporation tax and trade tax. The prior-period tax expense of EUR – 72 million for financial year 2022 (2021: tax expense of EUR – 134 million) is due in particular to changes in tax assessments for previous years.

The total tax expense for taxes on income amounts to EUR – 318 million (2021: EUR – 377 million).

## Other information

### 33. Transactions and other financial obligations that do not appear on the balance sheet

There are other financial obligations of EUR 805 million (2021: EUR 1,067 million); of which EUR 453 million (2021: EUR 697 million) are obligations to make an additional contribution to central counterparties.

Other financial obligations include payment obligations to the restructuring fund ("bank levy") which shall be met in full or in part at first request in case of resolution measures and for which cash collateral has been provided.

The German Deposit Guarantee Act (Einlagensicherungsgesetz – EinSiG), which became effective on 3 July 2015, governs the future financial resources of statutory and bank-related guarantee systems, including the bank-related guarantee system of the Sparkassen-Finanzgruppe.

LBBW (Bank) makes an irrevocable commitment to the owner of the bank-related guarantee system, German Savings Bank Association (Deutscher Sparkassen- und Giroverband – DSGV), to make further payments on first demand e. g. in the compensation case pursuant to section 10 EinSiG, in addition to the annual contribution. Other financial obligations include the guarantee payments made in this context.

In addition, pursuant to section 5 (10) of the bylaws of the German Deposit Protection Fund, LBBW (Bank) undertook to indemnify Bundesverband Deutscher Banken e. V., Berlin, against any and all losses incurred by the latter as a result of assistance provided to credit institutions that are majority-owned by Landesbank Baden-Württemberg.

Annual payment obligations also arise from long-term rental, lease and IT service contracts. These amount to EUR 255 million (2021: EUR 270 million), with EUR 4 million (2021: EUR 8 million) relating to affiliates and associates.

### 34. Distribution block

LBBW (Bank) reported a restriction on distribution of EUR 56 million (2021: EUR 57 million) on the balance sheet in the 2022 financial year, with the difference in accordance with section 253 (6) sentence 2 HGB accounting for EUR 22 million (2021: EUR 25 million), the surplus of assets over liabilities for pension obligations in accordance with section 246 (2) sentence 3 HGB accounting for EUR 13 million (2021: EUR 0 million) and internally generated intangible assets for EUR 21 million (2021: EUR 32 million). The restriction on distribution codified for such amounts in accordance with section 268 (8) HGB does not apply, as the freely available reserves remaining following a possible pay-out far exceed the restriction on distribution.

### 35. Appropriated funds

Deposits from banks and customers include appropriated funds of EUR 36,007 million (2021: EUR 34,110 million) from the development loan business (transmitted loans).

### 36. Coverage for the mortgage and public-sector lending business

The liabilities below are covered as follows:

EUR million	31/12/2022	31/12/2021
Public covered bonds issued pursuant to PfandBG	10,142	10,812
Assets serving as cover	12,465	12,151
Loans and advances to banks	1,263	1,158
Loans and advances to customers	10,821	10,639
Debentures and other fixed-income securities	380	354
<i>Depth of coverage</i>	2,323	1,339
Mortgage-backed covered bonds issued pursuant to PfandBG	12,558	12,378
Assets serving as cover	17,335	15,976
Loans and advances to customers	16,521	15,234
Debentures and other fixed-income securities	814	742
<i>Depth of coverage</i>	4,777	3,598



### 37. Transparency provisions for public covered bonds (öffentliche Pfandbriefe) and mortgage backed covered bonds (Hypothekenpfandbriefe) pursuant to section 28 PfandBG

#### A) Transparency provisions for public covered bonds (öffentliche Pfandbriefe) pursuant to section 28 PfandBG<sup>1</sup>

EUR million	31/12/2022	31/12/2021
<b>Cover fund for public covered bonds</b>		
Nominal value	12,465	12,151
Proportion of fixed-income cover funds in %	74	78
Present value	12,446	13,886
Present value of risk <sup>1</sup>	11,209	12,275
<b>Circulation of public covered bonds</b>		
Nominal value	10,142	10,812
Proportion of fixed-income covered bonds in %	70	59
Present value	9,986	11,648
Present value of risk <sup>1</sup>	9,273	10,802
<b>Depth of coverage</b>		
Nominal value	2,323	1,339
Statutory overcollateralization <sup>3,4</sup>	415	-
Voluntary overcollateralization <sup>3,5</sup>	1,908	-
as a % of outstanding volume of public covered bonds	23	12
Present value	2,460	2,238
Statutory overcollateralization <sup>3,4</sup>	200	-
Voluntary overcollateralization <sup>3,5</sup>	2,260	-
as a % of outstanding volume of public covered bonds	25	19
Net present value in CHF	7	1
Net present value in USD	184	108
Present value of risk <sup>1</sup>	1,936	1,473
Depth of coverage/proportion of circulation – nominal value <sup>2</sup>	2,323	1,339
Depth of coverage/proportion of circulation – present value <sup>2</sup>	2,460	2,238

1 Calculated using the static approach in accordance with section 5 (1) no. 1 PfandBarwertV.

2 Use of vdp credit quality differentiation model for EU and EEA countries

3 Prior year data are not published until Q3 2023 in accordance with section 55 PfandBG.

4 After nominal value: Sum of the nominal value of the securing overcollateralization in accordance with section 4 (2) PfandBG and the nominal value of the present-value securing overcollateralization in accordance with section 4 (1) PfandBG.

After present value: present value securing overcollateralization in accordance with section 4 (1) PfandBG.

5 Residual, depending on statutory and contractual overcollateralization; present value includes the present value of the nominal value of the securing overcollateralization in accordance with section 4 (2) PfandBG.

Note: The overcollateralization taking account of the vdp credit quality differentiation model is optional.

Structure of outstanding public covered bonds and the cover funds:

EUR million	Up to 0.5 years	More than 0.5 years to 1 year	More than 1 year to 1.5 years	More than 1.5 years to 2 years	More than 2 years to 3 years	More than 3 years to 4 years	More than 4 years to 5 years	More than 5 years to 10 years	More than 10 years	Total
Cover fund <sup>1</sup>										
31/12/2022	731	693	609	725	1,145	1,505	1,375	3,172	2,510	12,465
31/12/2021	907	819	474	609	1,118	916	1,347	3,568	2,392	12,151
Outstanding public covered bonds <sup>2</sup>										
31/12/2022	567	635	77	1,259	1,182	1,243	1,440	2,481	1,259	10,142
31/12/2021	308	1,237	592	336	1,043	1,182	1,226	3,242	1,646	10,812
Deferral of maturity (12 months) <sup>3</sup>										
31/12/2022	-	-	567	635	1,336	1,182	1,243	3,707	1,472	10,142
31/12/2021	-	-	-	-	-	-	-	-	-	-

1 The fixed-interest periods are stated for fixed-income loans and the fixed margin periods for variable rate loans.

2 The terms of the covered bonds are stated.

3 Prior year data are not published until Q3 2023 in accordance with section 55 PfandBG.

Information on deferring the maturity of covered bonds:

**Information on deferring the maturity of covered bonds**

Requirements for deferring the maturity of covered bonds

**31/12/2022**

It is necessary to defer the maturity to avoid the risk of the covered bond bank with limited business activities being unable to meet payment obligations. The covered bond bank with limited business activities is not overindebted and there are grounds to believe that the covered bond bank with limited business activities will in any case be able to cover its liabilities that fall due after the end of the maximum possible deferral period, taking account of further deferment options (positive settlement forecast).  
See also section 30 (2b) PfandBG.

**31/12/2021<sup>1</sup>**

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Powers of the administrator in the event of deferring the maturity of covered bonds

The administrator may defer the maturities of repayments if the relevant requirements for this under section 30 (2b) PfandBG are met. The administrator decides the deferment period, which must not exceed 12 months, according to requirements.

The administrator can defer the maturities of payments of principal and interest that fall due within one month of being appointed to the end of this month. If the administrator decides to do so, it is irrefutably assumed that the requirements under section 30 (2b) PfandBG are met. This deferment must be taken into account within the maximum deferment period of 12 months.

The administrator must exercise its authority for all covered bonds in an issue. The maturities may be deferred in full or on a pro rata basis. The administrator must defer the maturity for a covered bond issue in such a way that the original order in which the covered bonds are serviced, which could be overtaken by the deferment, does not change. This may mean deferring the maturities of issues that fall due at a later date.

See also section 30 (2a) and (2b) PfandBG.

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1 Prior year data are not published until Q3 2023 in accordance with section 55 PfandBG.

Total nominal value of the ordinary cover for public covered bonds by amount

EUR million	31/12/2022	31/12/2021
Up to EUR 10 million	2,865	2,978
More than EUR 10 million to EUR 100 million	3,399	3,176
Over EUR 100 million	6,200	5,996
<b>Total</b>	<b>12,465</b>	<b>12,151</b>

Total nominal value of the ordinary cover of public covered bonds according to country/type:

31/12/2022	Central state		Regional government		Local government		Other debtors <sup>1</sup>		Total	of which export credit receivables
	Owed	Guaranteed	Owed	Guaranteed	Owed	Guaranteed	Owed	Guaranteed		
EUR million										
Belgium	0	33	0	0	0	0	0	0	33	33
Denmark	0	142	0	0	0	0	0	0	142	142
Germany	0	2,083	2,088	216	4,749	893	1,585	0	11,614	2,083
EU institutions	0	95	0	0	0	0	0	0	95	0
France incl. Monaco	0	69	0	0	0	0	0	0	69	69
Great Britain	0	2	0	0	0	0	0	0	2	2
Croatia	20	0	0	0	0	0	0	0	20	0
Netherlands	0	69	0	0	0	0	0	0	69	69
Austria	13	54	24	0	0	0	0	0	91	54
Poland	18	0	0	0	0	0	0	0	18	0
Sweden	0	87	0	0	0	0	0	0	87	87
Switzerland	0	169	0	0	0	0	0	0	169	169
Slovenia	10	0	0	0	0	0	0	0	10	0
Spain	0	0	40	0	0	0	0	0	40	0
USA	0	0	6	0	0	0	0	0	6	0
<b>Total</b>	<b>61</b>	<b>2,803</b>	<b>2,158</b>	<b>216</b>	<b>4,749</b>	<b>893</b>	<b>1,585</b>	<b>0</b>	<b>12,465</b>	<b>2,709</b>

<sup>1</sup> This item includes the development banks in the amount of EUR 728 million.

31/12/2021	Central state		Regional government		Local government		Other debtors <sup>1</sup>		Total	of which export credit receivables
	Owed	Guaranteed	Owed	Guaranteed	Owed	Guaranteed	Owed	Guaranteed		
EUR million										
Belgium	0	28	0	0	0	0	0	0	28	28
Denmark	0	89	0	0	0	0	0	0	89	89
Germany	0	1,546	2,331	168	4,833	1,122	1,571	0	11,571	1,546
EU institutions	0	50	0	0	0	0	0	0	50	0
France incl. Monaco	0	41	0	0	0	0	0	0	41	41
Great Britain	0	3	0	0	0	0	0	0	3	3
Croatia	0	0	0	0	0	0	0	0	0	0
Netherlands	0	13	0	0	0	0	0	0	13	13
Austria	13	60	27	0	0	0	0	0	100	60
Poland	38	0	0	0	0	0	0	0	38	0
Sweden	0	82	0	0	0	0	0	0	82	82
Switzerland	0	66	0	0	0	0	0	0	66	66
Slovenia	20	0	0	0	0	0	0	0	20	0
Spain	0	0	40	0	0	0	0	0	40	0
USA	0	0	10	0	0	0	0	0	10	0
<b>Total</b>	<b>71</b>	<b>1,978</b>	<b>2,408</b>	<b>168</b>	<b>4,833</b>	<b>1,122</b>	<b>1,571</b>	<b>0</b>	<b>12,151</b>	<b>1,928</b>

<sup>1</sup> This item includes the development banks in the amount of EUR 728 million.

Further information:

There were no payments outstanding by at least 90 days as at either 31 December 2022 or 31 December 2021.

The largest negative amount within the meaning of section 4 (1a) sentence 3 PfandBG for covered bonds (liquidity requirement) that will arise within the next 180 days is EUR 32 million as at 31 December 2022.

Day 17 sees the largest negative sum and the total amount of cover assets that meet the requirements of section 4 (1a) sentence 3 PfandBG (liquidity coverage) amounts to EUR 1,385 million as at 31 December 2022.

List of international securities identification number by the International Organization for Standardization (ISIN) by Pfandbrief (covered bond) category:

**Pfandbriefe  
(public  
covered  
bonds)**

	31/12/2022	31/12/2021 <sup>1</sup>
ISIN	DE000LBW0HZ8, DE000LBW3Q77, DE000LBW6PJ2, DE000LBW7JJ3, DE000LBW7YY1, DE000LB0BF02, DE000LB0R058, DE000LB00C85, DE000LB00DA4, DE000LB009J7, DE000LB01R04, DE000LB01WY2, DE000LB01WZ9, DE000LB06CF2, DE000LB1B1G2, DE000LB1B1S7, DE000LB1DQ71, DE000LB1DR96, DE000LB1D0B3, DE000LB1D064, DE000LB1D1B1, DE000LB1M0Z1, DE000LB1P2X9, DE000LB13AH8, DE000LB13A41, DE000LB2CKN7, DE000LB2CLB0, DE000LB2CMY0, DE000LB2CRR3, DE000LB2CRU7, DE000LB2CRZ6, DE000LB2CSN0, DE000LB2CSV3, DE000LB2CTH0, DE000LB2CYQ1, DE000LB2CYR9, DE000LB2CYS7, DE000LB2CYT5, DE000LB2CYU3, DE000LB2CYV1, DE000LB2WAH8, DE000LB2WAK2, DE000LB2WAL0, DE000LB2WAM8, DE000LB2WAN6, DE000LB2ZSL5, DE000LB2ZS31, DE000LB2ZVB0, DE000LB2ZVE4, DE000LB2ZXF7, DE000LB38077, DE000LB381U7, DE0002823911, DE0003413266, DE0003413308, DE0003443032, DE0003453106, DE0003453148, DE0003453197	-

<sup>1</sup> Prior year data are not published until Q3 2023 in accordance with section 55 PfandBG.

**B) Transparency provisions for mortgage-backed covered bonds (Hypothekendarlehenbriefe) pursuant to section 28 PfandBG<sup>1</sup>**

EUR million	31/12/2022	31/12/2021
<b>Cover fund for mortgage-backed covered bonds</b>		
Nominal value	17,335	15,976
Proportion of fixed-income cover funds in %	81	79
Present value	16,475	17,163
Present value of risk <sup>1</sup>	14,612	15,142
<b>Circulation of mortgage-backed covered bonds</b>		
Nominal value	12,558	12,378
Proportion of fixed-income covered bonds in %	64	60
Present value	12,152	12,692
Present value of risk <sup>1</sup>	11,513	12,091
<b>Depth of coverage</b>		
Nominal value	4,777	3,598
Statutory overcollateralization <sup>3,4</sup>	518	-
Voluntary overcollateralization <sup>3,5</sup>	4,259	-
as a % of outstanding volume of mortgage-backed covered bonds	38	29
Present value	4,323	4,472
Statutory overcollateralization <sup>3,4</sup>	243	-
Voluntary overcollateralization <sup>3,5</sup>	4,080	-
as a % of outstanding volume of mortgage-backed covered bonds	36	35
Net present value in CAD	150	151
Net present value in CHF	23	25
Net present value in GBP	915	897
Net present value in JPY	0	1
Net present value in USD	734	720
Present value of risk <sup>1</sup>	3,099	3,051
Depth of coverage/proportion of circulation – nominal value <sup>2</sup>	4,777	3,598
Depth of coverage/proportion of circulation – present value <sup>2</sup>	4,323	4,472
<b>Additional cover assets</b>		
	814	-
Receivables pursuant to section 19 (1) no. 3 a) to c) PfandBG <sup>3</sup>	96	-
Sweden	96	-
Receivables pursuant to section 19 (1) no. 2 a) and b) PfandBG <sup>3</sup>	20	-
Austria	20	-
Receivables pursuant to section 19 (1) no. 4 PfandBG <sup>3</sup>	698	-
Germany	261	-
Italy	32	-
Croatia	45	-
Austria	115	-
Poland	45	-
Slovenia	33	-
Spain	37	-
EU institutions	130	-

<sup>1</sup> Calculated using the static approach in accordance with section 5 (1) no. 1 PfandBarwertV.

<sup>2</sup> Use of vdp credit quality differentiation model for EU and EEA countries

<sup>3</sup> Prior year data are not published until Q3 2023 in accordance with section 55 PfandBG.

<sup>4</sup> After nominal value: Sum of the nominal value of the securing overcollateralization in accordance with section 4 (2) PfandBG and the nominal value of the present-value securing overcollateralization in accordance with section 4 (1) PfandBG.

After present value: present value securing overcollateralization in accordance with section 4 (1) PfandBG.

<sup>5</sup> Residual, depending on statutory and contractual overcollateralization; present value includes the present value of the nominal value of the securing overcollateralization in accordance with section 4 (2) PfandBG.  
Note: The overcollateralization taking account of the vdp credit quality differentiation model is optional

<sup>1</sup> Rows containing zeros are not shown in the following section.

Structure of outstanding mortgage-backed covered bonds and cover funds:

EUR million	Up to 0.5 years	More than 0.5 years to 1 year	More than 1 year to 1.5 years	More than 1.5 years to 2 years	More than 2 years to 3 years	More than 3 years to 4 years	More than 4 years to 5 years	More than 5 years to 10 years	More than 10 years	Total
Cover fund <sup>1</sup>										
31/12/2022	997	1,397	905	1,168	3,017	1,821	1,575	4,857	1,599	17,335
31/12/2021	1,596	917	536	1,080	1,922	2,619	1,522	4,450	1,335	15,976
Outstanding mortgage-backed covered bonds <sup>2</sup>										
31/12/2022	1,047	148	1,522	155	2,791	1,338	895	4,074	588	12,558
31/12/2021	1,263	732	1,046	146	1,830	2,487	1,138	3,429	307	12,378
Deferral of maturity (12 months) <sup>3</sup>										
31/12/2022	-	-	1,047	148	1,677	2,791	1,338	4,939	617	12,558
31/12/2021	-	-	-	-	-	-	-	-	-	-

1 The fixed-interest periods are stated for fixed-income loans and the fixed margin periods for variable rate loans.

2 The terms of the covered bonds are stated.

3 Prior year data are not published until Q3 2023 in accordance with section 55 PfandBG.

Information on deferring the maturity of covered bonds:

**Information on deferring the maturity of covered bonds**

**31/12/2022**

**31/12/2021<sup>1</sup>**

Requirements for deferring the maturity of covered bonds

It is necessary to defer the maturity to avoid the risk of the covered bond bank with limited business activities being unable to meet payment obligations. The covered bond bank with limited business activities is not overindebted and there are grounds to believe that the covered bond bank with limited business activities will in any case be able to cover its liabilities that fall due after the end of the maximum possible deferral period, taking account of further deferment options (positive settlement forecast).  
See also section 30 (2b) PfandBG.

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Powers of the administrator in the event of deferring the maturity of covered bonds

The administrator may defer the maturities of repayments if the relevant requirements for this under section 30 (2b) PfandBG are met. The administrator decides the deferment period, which must not exceed 12 months, according to requirements.

The administrator can defer the maturities of payments of principal and interest that fall due within one month of being appointed to the end of this month. If the administrator decides to do so, it is irrefutably assumed that the requirements under section 30 (2b) PfandBG are met. This deferment must be taken into account within the maximum deferment period of 12 months.

The administrator must exercise its authority for all covered bonds in an issue. The maturities may be deferred in full or on a pro rata basis. The administrator must defer the maturity for a covered bond issue in such a way that the original order in which the covered bonds are serviced, which could be overtaken by the deferment, does not change. This may mean deferring the maturities of issues that fall due at a later date.

See also section 30 (2a) and (2b) PfandBG.

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1 Prior year data are not published until Q3 2023 in accordance with section 55 PfandBG.

Total nominal value of the ordinary cover of mortgage-backed covered bonds by amount:

EUR million	31/12/2022	31/12/2021
Up to EUR 300,000	2,593	2,787
More than EUR 300,000 to EUR 1 million	1,160	947
More than EUR 1 million to EUR 10 million	2,738	2,724
Over EUR 10 million	10,030	8,775
<i>Total</i>	<i>16,521</i>	<i>15,233</i>

Total nominal value of the ordinary cover of mortgage-backed covered bonds by type/country:

31/12/2022	Germany	Netherlands	France	Belgium	USA	Canada	Great Britain	Total
EUR million								
Apartments	1,071	0	0	0	0	0	0	1,071
Single- and two-family houses	1,876	0	0	0	0	0	0	1,876
Apartment blocks (including two family houses)	4,017	0	0	0	197	0	0	4,214
Office buildings	3,037	232	190	20	907	112	910	5,407
Trade buildings	1,582	6	0	0	289	59	6	1,943
Industrial buildings	1,017	7	8	0	0	0	0	1,033
Other commercially used buildings	748	70	0	0	0	0	91	910
Incomplete and not profitable new buildings	48	0	0	0	0	0	0	48
Building plots	21	0	0	0	0	0	0	21
<i>Total</i>	<i>13,418</i>	<i>315</i>	<i>198</i>	<i>20</i>	<i>1,393</i>	<i>171</i>	<i>1,007</i>	<i>16,521</i>

31/12/2021	Germany	Netherlands	France	Belgium	USA	Canada	Great Britain	Total
EUR million								
Apartments	1,059	0	0	0	0	0	0	1,059
Single-family homes	1,754	0	0	0	0	0	0	1,754
Apartment blocks (including two family houses)	3,558	0	0	0	185	0	0	3,743
Office buildings	2,567	225	124	20	848	72	795	4,681
Trade buildings	1,734	6	0	0	310	0	7	2,116
Industrial buildings	976	0	0	0	0	0	0	976
Other commercially used buildings	711	70	0	0	0	0	96	877
Incomplete and not profitable new buildings	8	0	0	0	0	0	0	8
Building plots	19	0	0	0	0	0	0	19
<i>Total</i>	<i>12,386</i>	<i>301</i>	<i>124</i>	<i>20</i>	<i>1,345</i>	<i>72</i>	<i>898</i>	<i>15,233</i>

Further information:

The average weighted term of the ordinary cover was 5.6 years (2021: 5.8 years), while the weighted loan-to-value ratio was 55 % (2021: 55 %).

There were no payments outstanding by at least 90 days as at either 31 December 2022 or 31 December 2021.

There were no foreclosures or compulsory administration procedures pending as at either 31 December 2022 or 31 December 2021. No foreclosures were carried out in the 2022 and 2021 financial year, nor was any land acquired to avoid losses.

There was no outstanding interest in either the 2022 or 2021 financial year.

The total amount of cover assets that meet the requirements of section 4 (1a) sentence 3 PfandBG (liquidity coverage) amounts to EUR 746 million as at 31 December 2022.

List of international securities identification number by the International Organization for Standardization (ISIN) by Pfandbrief (covered bond) category:

**Pfandbriefe  
(mortgage-  
backed  
covered  
bonds)**

	31/12/2022	31/12/2021 <sup>1</sup>
ISIN	DE000LBW6CA9, DE000LBW6CB7, DE000LBW6CC5, DE000LBW6CD3, DE000LBW6CE1, DE000LBW6CF8, DE000LBW6CG6, DE000LBW6CH4, DE000LBW6CJ0, DE000LBW6CK8, DE000LBW6CL6, DE000LBW6CM4, DE000LBW6CN2, DE000LBW6CP7, DE000LBW6CQ5, DE000LBW6CR3, DE000LBW6CS1, DE000LBW6CT9, DE000LBW6CU7, DE000LBW6CV5, DE000LBW6CW3, DE000LBW6CZ6, DE000LB0Q803, DE000LB0R082, DE000LB0SYX7, DE000LB0SZ17, DE000LB0UXK2, DE000LB0UX31, DE000LB0V7F3, DE000LB0VPR1, DE000LB0VQ39, DE000LB0VQ54, DE000LB0V9T5, DE000LB0WA44, DE000LB0WA51, DE000LB0WA77, DE000LB0WW30, DE000LB0XYZ2, DE000LB0Z0X2, DE000LB00DG1, DE000LB00MU3, DE000LB01RP0, DE000LB01WS4, DE000LB06C06, DE000LB06FA6, DE000LB09PQ5, DE000LB1A706, DE000LB1B0U5, DE000LB1B0V3, DE000LB1B2S5, DE000LB1DRM4, DE000LB1DRN2, DE000LB1DRT9, DE000LB1DSM2, DE000LB1DSZ4, DE000LB1DVW5, DE000LB1DVX3, DE000LB1M2X2, DE000LB1P2E9, DE000LB1P6B6, DE000LB1P8N7, DE000LB1P8P2, DE000LB1P9C8, DE000LB125N3, DE000LB2CHJ1, DE000LB2CJQ2, DE000LB2CJR0, DE000LB2CJS8, DE000LB2CPG0, DE000LB2CQG8, DE000LB2CR05, DE000LB2CR21, DE000LB2CS87, DE000LB2CTZ2, DE000LB2CYY5, DE000LB2CY22, DE000LB2CY06, DE000LB2CY14, DE000LB2CY22, DE000LB2CY30, DE000LB2CY48, DE000LB2CY55, DE000LB2CY97, DE000LB2CZA2, DE000LB2CZB0, DE000LB2CZC8, DE000LB2CZD6, DE000LB2CZE4, DE000LB2C0B3, DE000LB2V502, DE000LB2V6L6, DE000LB2V6M4, DE000LB2WAB1, DE000LB2WAF2, DE000LB2ZSM3, DE000LB2ZS07, DE000LB2ZTL3, DE000LB2ZTR0, DE000LB2ZT55, DE000LB2ZT63, DE000LB2ZUX6, DE000LB2ZUY4, DE000LB2ZVN5, DE000LB2ZV93, DE000LB2ZWR4, DE000LB2ZWS2, DE000LB2ZWT0, DE000LB2ZX91, DE000LB38168, DE000LB382K6, DE000LB382L4, DE000LB383H0, DE000LB383J6, DE0002050572, DE0002050598, DE0002050622, DE0002050630, DE0002050655, DE0002050663, DE0002050671, DE0002050705, DE0002050721, DE0002060167, DE0002060175, DE0002060209, DE0002060217, DE0002060233, DE0002060241, DE0002820693, DE0003440350, DE0003440368, DE0003440392, DE0003440426, DE0003450417, DE0003450433, DE0003450474, DE0003450490, DE0003450532, DE0003450581, DE0003450615, DE0003450623, DE0003450631, DE0003450649, DE0003450656, DE0003450664, DE0003450672, DE0003450714, XF0002050478, XF0002820128, XF0002820201, XF0002820367, XF0003440157, XF0003440165, XF0003440199, XF0003440306, XF0003440462, XF0003450248, XF0003450263, XF0003450271, XF0003450693, XF0003450701	

<sup>1</sup> Prior year data are not published until Q3 2023 in accordance with section 55 PfandBG.

### 38. Total remuneration of the corporate bodies

In 2022, total remuneration for the Board of Managing Directors came to EUR 7 million (2021: EUR 6 million). Former members of the Board of Managing Directors and their surviving dependents received EUR 13 million in 2022 (2021: EUR 14 million). The Supervisory Board received fixed remuneration (including fees per meeting) of EUR 1 million in 2022 (2021: EUR 1 million).

There were provisions for pensions for former members of the Board of Managing Directors and their surviving dependents of EUR 14 million as at 31 December 2022 (2021: EUR 16 million).



### 39. Advances and loans granted to and contingent liabilities assumed in favor of the corporate bodies of LBBW (Bank) and their predecessors

As at 31 December 2022, loans granted to and contingent liabilities assumed in favor of members of the Board of Managing Directors and members of the Supervisory Board came to EUR 4 million (2021: EUR 4 million), of which EUR 3 million (2021: EUR 3 million) related to the Board of Managing Directors.

No advances were made to members of the Board of Managing Directors in 2022, as was also the case in 2021. No advances were made either to members of the Supervisory Board as at the balance sheet date.

### 40. Employees (annual averages)

	2022			2021		
	Male	Female	Total	Male	Female	Total
German headquarters/regional offices	3,658	3,910	7,568	3,738	4,013	7,750
Company officers	203	52	255	207	45	252
Other staff	3,455	3,859	7,313	3,531	3,968	7,498
Foreign branches	124	106	229	123	93	215
Company officers	6	0	6	6	0	6
Other staff	118	106	223	117	93	209
Representative offices	20	16	36	20	17	37
Company officers	1	0	1	1	0	1
Other staff	19	16	35	19	17	36
<b>LBBW (Bank) total</b>	<b>3,801</b>	<b>4,031</b>	<b>7,833</b>	<b>3,880</b>	<b>4,122</b>	<b>8,003</b>
For information purposes:						
Trainees <sup>1</sup>	132	103	235	140	152	293

<sup>1</sup> Including students at universities of cooperative education.

## 41. List of shareholdings

In the annual financial statements as at 31 December 2022 and pursuant to section 285 no. 11 HGB, Landesbank Baden-Württemberg lists the shareholdings with details pursuant to section 285 no. 11a HGB in the Notes:

No.	Name	Place of business	Share of capital	Non-prop. voting rights	Currency	Equity EUR th.	Result EUR th.
I. Companies included in the consolidated financial statements							
1. Subsidiaries							
a. Fully-consolidated subsidiaries (authority over the voting rights)							
1	Acteum Investment GmbH <sup>1, 6, 27</sup>	Düsseldorf	100.00		EUR	1,022.20	919.90
2	ALVG Anlagenvermietung GmbH <sup>1, 6, 7, 27</sup>	Stuttgart	100.00		EUR	19,000.00	0.00
3	Austria Beteiligungsgesellschaft mbH <sup>27</sup>	Stuttgart	66.70		EUR	36,498.40	901.50
4	Berlin Hyp AG <sup>5, 7, 13</sup>	Berlin	100.00		EUR	935,903.20	0.00
5	Berlin Lützowstraße GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	60.00		EUR	11,739.10	16,411.00
6	Centro Alemán de Industria y Comercio de México S.de R.L.de C.V. <sup>2, 27</sup>	Mexico City, Mexico	100.00		MXN	- 10,338.00	- 266.10
7	Dritte Industriefabrik Objekt-GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	701.90	0.00
8	Eberhardstraße Stuttgart GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 4,262.80	- 580.80
9	Employrion Komplementär GmbH <sup>1, 9, 27</sup>	Weil	100.00		EUR	34.90	0.60
10	Entwicklungsgesellschaft Grunewaldstraße 61 – 62 mbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 3,368.50	47.00
11	Entwicklungsgesellschaft Umlandstraße 187 GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 2,208.80	- 6.50
12	Erste IMBW Capital & Consulting Komplementär GmbH <sup>1, 27</sup>	Weil	100.00		EUR	29.80	0.90
13	Erste IMBW Capital & Consulting Objektgesellschaft mbH & Co. KG <sup>1, 27</sup>	Weil	100.00		EUR	- 10.30	0.00
14	Erste Industriefabrik Objekt-GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	475.00	0.00
15	EuroCityCenterWest GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	1,814.70	1,355.40
16	EuroCityCenterWest Verwaltungs-GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	33.90	- 0.50
17	FLANTIR PROPERTIES LIMITED i.L. <sup>1, 27</sup>	Nicosia, Cyprus	100.00		RUB	7,096.50	- 90.60
18	FOM/LEG Generalübernehmer GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 9,882.90	- 2,005.40
19	Fünfte Industriefabrik Objekt-GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	575.00	0.00
20	German Centre for Industry and Trade GmbH, Beteiligungsgesellschaft <sup>5, 27</sup>	Stuttgart	100.00		EUR	7,720.60	0.00
21	German Centre for Industry and Trade Pte. Ltd. <sup>1, 27</sup>	Singapore, Singapore	100.00		SGD	21,531.00	2,057.60
22	IMBW Capital & Consulting GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	250.00	0.00
23	Immobilienvermittlung BW GmbH <sup>27</sup>	Stuttgart	100.00		EUR	3,201.40	433.80
24	Industriefabrik-Aktiengesellschaft <sup>1, 6, 27</sup>	Stuttgart	93.60		EUR	23,281.60	0.00
25	KI Campus 1 GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 26.10	27.10
26	KI Campus 2 GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 26.10	27.10
27	Kiesel Finance Management GmbH <sup>1, 27</sup>	Baienfurt	90.00		EUR	48.40	2.10
28	Kommunalbau Rheinland-Pfalz GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	2,433.60	399.00
29	LBBW Asset Management Investmentgesellschaft mbH <sup>3, 7, 27</sup>	Stuttgart	100.00		EUR	55,677.30	23,646.60
30	LBBW Corporate Real Estate Management GmbH <sup>27</sup>	Stuttgart	100.00		EUR	2,614.30	- 651.80
31	LBBW Immobilien Asset Management GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	1,305.00	0.00
32	LBBW Immobilien Capital Fischertor GmbH & Co. KG <sup>1, 6, 27</sup>	Munich	100.00		EUR	- 5,230.70	- 14.90
33	LBBW Immobilien Capital GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 2,176.00	0.00
34	LBBW Immobilien Development GmbH <sup>1, 4, 6, 27</sup>	Stuttgart	94.90		EUR	15,394.90	0.00
35	LBBW Immobilien Development Komplementär GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 741.40	- 4.20
36	LBBW Immobilien Investment Management GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 2.80	- 5.60
37	LBBW Immobilien Kommunalentwicklung GmbH <sup>1, 4, 6, 7, 27</sup>	Stuttgart	81.60		EUR	2,016.50	0.00
38	LBBW Immobilien Management Gewerbe GmbH <sup>1, 6, 27</sup>	Stuttgart	94.90		EUR	3,304.00	0.00
39	LBBW Immobilien Management GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	375,715.70	0.00
40	LBBW Immobilien Romania S.R.L. <sup>1, 25</sup>	Bucharest, Romania	100.00		RON	34,552.60	- 648.30

No.	Name	Place of business	Share of capital	Non-prop. voting rights	Currency	Equity EUR th.	Result EUR th.
41	LBBW Immobilien Süd GmbH & Co. KG <sup>1, 27</sup>	Munich	100.00		EUR	- 29,460.50	4,140.10
42	LBBW Immobilien-Holding GmbH <sup>5, 27</sup>	Stuttgart	100.00		EUR	402,050.50	0.00
43	LBBW Leasing GmbH i.L. <sup>27</sup>	Mannheim	100.00		EUR	24,958.20	- 25.00
44	LBBW México <sup>2, 27</sup>	Mexico City, Mexico	100.00		USD	5,614.20	3,025.50
45	LBBW Service GmbH <sup>5, 27</sup>	Stuttgart	100.00		EUR	224.70	0.00
46	LBBW US Real Estate Investment LLC <sup>26</sup>	Wilmington, USA	100.00		USD	55,223.20	4,175.00
47	LBBW Venture Capital Gesellschaft mit beschränkter Haftung <sup>27</sup>	Stuttgart	100.00		EUR	44,003.10	- 6,558.80
48	LEG Projektgesellschaft 2 GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	2,947.10	1,094.40
49	LEG Verwaltungsgesellschaft 2 mbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	26.40	- 0.40
50	LIAM Horizont Stuttgart GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	30.20	- 0.20
51	LOOP GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	198.20	- 60.80
52	Löwentor Stuttgart Komplementär GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	29.80	1.00
53	Löwentor Stuttgart Projekt GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	70.00		EUR	8,092.30	- 197.30
54	LRP Capital GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	3,240.30	- 88.30
55	Mainz Marina A + B GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 68.60	- 69.40
56	MMV Bank GmbH <sup>7, 27</sup>	Koblenz	100.00		EUR	51,339.80	10,134.10
57	MMV Leasing Gesellschaft mit beschränkter Haftung <sup>1, 6, 7, 27</sup>	Koblenz	100.00		EUR	21,000.00	0.00
58	MMV Versicherungsdienst GmbH <sup>1, 6, 27</sup>	Koblenz	100.00		EUR	27.00	0.00
59	MMV-Mobilien Verwaltungs- und Vermietungsgesellschaft mbH <sup>1, 6, 7, 27</sup>	Koblenz	100.00		EUR	26.00	0.00
60	Nymphenburger Straße München GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	800.90	352.50
61	Nymphenburger Straße München Komplementär GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	18.00	- 1.10
62	Projekt 20 Verwaltungs GmbH <sup>1, 27</sup>	Munich	100.00		EUR	45.40	1.20
63	Projektgesellschaft SMK 69 mbH <sup>1, 27</sup>	Eschborn	60.00		EUR	- 3,030.40	- 2,466.90
64	Revaler Straße Grundbesitz GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 759.20	110.60
65	Schlossgartenbau Objekt-GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	18,560.60	0.00
66	Schlossgartenbau-Aktiengesellschaft <sup>1, 6, 27</sup>	Stuttgart	92.70		EUR	6,592.40	0.00
67	SG Management GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	12,454.80	- 563.40
68	Signaris GmbH <sup>1, 27</sup>	Stuttgart	94.90		EUR	2,204.00	- 1,425.00
69	SLN Maschinen-Leasing Verwaltungs-GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	1,908.50	320.50
70	SLP Mobilien-Leasing Verwaltungs GmbH <sup>1, 27</sup>	Mannheim	100.00		EUR	389.40	42.80
71	Süd Beteiligungen GmbH <sup>27</sup>	Stuttgart	100.00		EUR	138,229.90	783.80
72	Süd KB Sachsen GmbH <sup>1, 27</sup>	Leipzig	100.00		EUR	10,875.50	1,049.70
73	Süd KB Unternehmensbeteiligungsgesellschaft mbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	43,714.60	- 1,009.30
74	Süd-Kapitalbeteiligungs-Gesellschaft mbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	61,181.90	0.00
75	SüdFactoring GmbH <sup>3, 5, 7, 27</sup>	Stuttgart	100.00		EUR	70,000.00	0.00
76	SüdLeasing Agrar GmbH <sup>1, 7, 27</sup>	Mannheim	100.00		EUR	3,666.50	354.90
77	SüdLeasing GmbH <sup>5, 7, 27</sup>	Stuttgart	100.00		EUR	33,837.90	195.60
78	targens GmbH <sup>27</sup>	Stuttgart	100.00		EUR	6,375.50	3,144.50
79	Turtle 1. Verwaltungs-GmbH <sup>1, 27</sup>	Frankfurt am Main	100.00		EUR	- 26.00	1.80
80	Turtle Portfolio GmbH & Co. KG <sup>1, 27</sup>	Frankfurt am Main	100.00		EUR	- 23,847.20	412.10
81	Turtle Vermögensverwaltungs-GmbH & Co. KG <sup>1, 27</sup>	Frankfurt am Main	100.00		EUR	- 19,737.80	428.40
82	Ungererstraße München GmbH & Co. KG <sup>1, 27</sup>	Stuttgart	100.00		EUR	- 550.60	- 446.70
83	Vierte Industriehof Objekt-GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	1,176.80	0.00
84	zob Esslingen Grundbesitz GmbH <sup>1, 4, 27</sup>	Stuttgart	100.00		EUR	1,965.40	247.60
85	Zweite IMBW Capital & Consulting Komplementär GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	25.40	1.10
86	Zweite Industriehof Objekt-GmbH <sup>1, 6, 27</sup>	Stuttgart	100.00		EUR	19,825.70	0.00
87	Zweite LBBW US Real Estate GmbH <sup>27</sup>	Leipzig	100.00		EUR	56,539.50	1,943.70

No.	Name	Place of business	Share of capital	Non-prop. voting rights	Currency	Equity EUR th.	Result EUR th.
b. Consolidated subsidiaries (control through contractual agreements)							
88	Employrion Immobilien GmbH & Co. KG <sup>1, 27</sup>	Weil	35.00	50.00	EUR	8.00	0.00
89	Grundstücksgesellschaft Einkaufszentrum Kröpeliner-Tor-Center Rostock mbH & Co. KG <sup>1, 25</sup>	Berlin	39.90	50.00	EUR	- 8,925.70	- 170.40
90	Weinberg Capital Designated Activity Company <sup>9, 27</sup>	Dublin, Ireland			EUR	39.00	- 10.00
91	Weinberg Funding Ltd. <sup>9, 27</sup>	St. Helier, Jersey, United Kingdom			EUR	3.60	0.00
2. Joint ventures accounted for using the equity method							
92	ARGE ParkQuartier Berg <sup>1, 27</sup>	Stuttgart	50.00		EUR	- 1,194.30	- 11.90
93	Bad Kreuznacher Entwicklungsgesellschaft mbH (BKEG) <sup>1, 27</sup>	Bad Kreuznach	50.00		EUR	737.50	- 204.00
94	GIZS GmbH & Co. KG <sup>27</sup>	Frankfurt am Main	33.30		EUR	13,570.90	- 2,376.30
95	OVG MK6 Komplementär GmbH i. L. <sup>1, 27</sup>	Berlin	50.00		EUR	111.90	2.10
96	Parcul Banatului SRL <sup>1, 25</sup>	Bucharest, Romania	50.00		RON	60.70	- 134.20
3. Associates accounted for using the equity method							
97	Altstadt-Palais Immobilien GmbH & Co. KG <sup>1, 25</sup>	Weil	40.00	50.00	EUR	- 61.20	- 4.10
98	BWK GmbH Unternehmensbeteiligungsgesellschaft <sup>27</sup>	Stuttgart	40.00		EUR	227,900.70	20,982.00
99	BWK Holding GmbH Unternehmensbeteiligungsgesellschaft <sup>27</sup>	Stuttgart	40.00		EUR	14,252.00	1,987.90
100	EGH Entwicklungsgesellschaft Heidelberg GmbH & Co. KG <sup>1, 27</sup>	Heidelberg	33.30		EUR	6,463.60	104.00
101	Hypo Vorarlberg Bank AG <sup>1, 7, 27</sup>	Bregenz, Austria	23.10		EUR	1,217,329.20	67,755.60
II. Companies not included in the consolidated financial statements due to being of minor influence							
1. Subsidiaries							
a. Subsidiaries not included (authority over the voting rights)							
102	Berlin Hyp Immobilien GmbH <sup>1, 27</sup>	Berlin	100.00		EUR	122.30	- 27.40
103	Berlin Lützowstraße Komplementär GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	10.70	- 4.20
104	DEBTVISION GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	2,951.70	- 1,275.50
105	German Centre for Industry and Trade Beijing Co., Ltd. <sup>27</sup>	Beijing, China	100.00		CNY	5,232.90	- 441.20
106	Heurika Mobilien-Leasing GmbH <sup>1, 27</sup>	Mannheim	100.00		EUR	247.30	- 4.00
107	Karin Mobilien-Leasing GmbH i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	884.30	0.00
108	Kröpeliner-Tor-Center Rostock Verwaltungsgesellschaft mbH <sup>1, 9, 25</sup>	Berlin	100.00		EUR	31.70	1.50
109	Laurus Grundstücksverwaltungsgesellschaft mbH i.L. <sup>1, 27</sup>	Stuttgart	100.00		EUR	1,293.80	- 8.50
110	LBBW (Schweiz) AG <sup>27</sup>	Zurich, Switzerland	100.00		CHF	8,543.00	- 342.10
111	LBBW Gastro Event GmbH <sup>5, 27</sup>	Stuttgart	100.00		EUR	130.00	0.00
112	LBBW Pensionsmanagement GmbH <sup>5, 27</sup>	Stuttgart	100.00		EUR	25.00	0.00
113	LBBW REPRESENTAÇÃO LTDA. <sup>2, 27</sup>	São Paulo, Brazil	100.00		BRL	185.80	4.20
114	LEG Osiris 4 GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	24.40	- 1.00
115	LGZ-Anlagen-Gesellschaft mit beschränkter Haftung i.L. <sup>1, 27</sup>	Mainz	100.00		EUR	2,836.10	- 7.60
116	LLC German Centre for Industry and Trade <sup>27</sup>	Moscow, Russia	100.00		RUB	1,924.30	- 202.50
117	MLP Verwaltungs GmbH i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	106.30	0.00
118	MMV-Mittelrheinische Leasing Gesellschaft mit beschränkter Haftung <sup>1, 6, 24</sup>	Koblenz	100.00		EUR	26.40	0.00

No.	Name	Place of business	Share of capital	Non-prop. voting rights	Currency	Equity EUR th.	Result EUR th.
119	Pollux Vierte Beteiligungsgesellschaft mbH <sup>27</sup>	Stuttgart	100.00		EUR	2,294.90	- 140.10
120	SL Bayern Verwaltungs GmbH i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	65.00	0.00
121	SL Bremen Verwaltungs GmbH <sup>1, 27</sup>	Mannheim	100.00		EUR	1,248.00	146.00
122	SL BW Verwaltungs GmbH i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	39.60	0.00
123	SL Düsseldorf Verwaltungs GmbH <sup>1, 27</sup>	Mannheim	100.00		EUR	594.90	- 3.30
124	SL Operating Services GmbH i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	80.40	0.00
125	SL RheinMainSaar Verwaltungs GmbH <sup>1, 27</sup>	Mannheim	100.00		EUR	56.30	- 0.60
126	SL Schleswig-Holstein Verwaltungs GmbH i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	91.60	0.00
127	SL Ventus GmbH & Co. KG i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	462.10	- 3.90
128	Städtische Pfandleihe Stuttgart GmbH <sup>27</sup>	Stuttgart	100.00		EUR	3,865.80	287.00
129	Süd Mobilien-Leasing GmbH i.L. <sup>1, 27</sup>	Stuttgart	100.00		EUR	28.30	0.00
130	Süd Verwaltung Schweiz GmbH i.L. <sup>27</sup>	Zurich, Switzerland	100.00		CHF	155.00	25.10
131	SüdLeasing Finance GmbH <sup>1, 27</sup>	Stuttgart	100.00		EUR	22.90	- 0.30
132	SüdLeasing Finance-Holding GmbH i.L. <sup>1, 27</sup>	Stuttgart	100.00		EUR	174.60	0.00
133	targens Suisse SA i.L. <sup>1, 27</sup>	Appenzell, Switzerland	100.00		CHF	89.70	- 417.70
134	Yankee Properties II LLC <sup>9</sup>	Wilmington, USA		100.00	n/s	n/s	n/s
135	Yankee Properties LLC <sup>21</sup>	New York, USA	100.00		USD	609.20	- 24.70
136	Zenon Mobilien-Leasing GmbH i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	36.60	0.00
137	Zorilla Mobilien-Leasing GmbH i.L. <sup>1, 27</sup>	Mannheim	100.00		EUR	33.80	0.00
138	Zweite Karl-Scharnagl-Ring Immobilien Verwaltung GmbH <sup>1, 25</sup>	Munich	100.00		EUR	45.40	1.50

## b. Subsidiaries not included (authority over contractual agreements)

139	Humboldt Multi Invest B SICAV-FIS Sachsen LB Depot A i.L. <sup>16</sup>	Luxembourg, Luxembourg	100.00		EUR	5,897.90	- 248.70
140	LBBW AM-Start <sup>9, 17</sup>	Stuttgart			EUR	61,291.30	4,034.90
141	LBBW Internet der Zukunft <sup>9</sup>	Stuttgart			n/s	n/s	n/s
142	Sparkasse Vorderpfalz Select Deutschland N <sup>9</sup>	Stuttgart			n/s	n/s	n/s
143	Weinberg Capital LLC <sup>9</sup>	Wilmington, USA			n/s	n/s	n/s

## 2. Joint ventures not accounted for using the equity method

144	German Centre for Industry and Trade India Holding-GmbH i.L. <sup>1, 27</sup>	Munich	50.00		EUR	11.50	- 18.60
145	GIZS Verwaltungs-GmbH <sup>27</sup>	Frankfurt am Main	33.30		EUR	48.90	8.50
146	Projektgesellschaft Hangweide GbR <sup>1, 9</sup>	Stuttgart		33.30	n/s	n/s	n/s
147	SHS Gesellschaft für Beteiligungen mbH & Co. Mittelstand KG <sup>1, 27</sup>	Tübingen	75.00		EUR	1,629.30	3,619.40

## 3. Associates not accounted for using the equity method

148	21st Real Estate GmbH <sup>1, 27</sup>	Berlin	24.50		EUR	775.20	- 1,870.90
149	AGVS Holding GmbH <sup>1, 27</sup>	Villingen-Schwenningen	45.00		EUR	22,275.70	1,090.10
150	Deharde GmbH <sup>1, 7, 27</sup>	Varel	39.50		EUR	978.50	- 1,907.40
151	EURAMCO Immobilien GmbH <sup>1, 27</sup>	Aschheim-Dornach	49.00		EUR	5.90	- 0.70
152	FABMATICS Holding GmbH <sup>1, 27</sup>	Dresden	50.00		EUR	10,017.00	1,553.10
153	Fischer Panda GmbH <sup>1, 27</sup>	Paderborn	49.00		EUR	13,519.60	3,604.40
154	Grundstücks- Vermögens- und Verwaltungs-GbR Stuttgart/Leinfelden-Echterdingen <sup>1, 25</sup>	Stuttgart	29.10		EUR	213.70	- 66.40
155	Grundstücks-, Vermögens- und Verwaltungs-GbR Wolfstor 2, Esslingen i.L. <sup>1, 25</sup>	Stuttgart	31.00		EUR	115.00	- 2.20

No.	Name	Place of business	Share of capital	Non-prop. voting rights	Currency	Equity EUR th.	Result EUR th.
156	Grundstücks-, Vermögens- und Verwaltungs-GbR Ludwigsburg "Am Schloßpark" i.L. <sup>1, 25</sup>	Stuttgart	44.60		EUR	143.80	- 59.80
157	Grundstücks-, Vermögens- und Verwaltungs-GbR Stuttgart/Fellbach i.L. <sup>1, 25</sup>	Stuttgart	42.60		EUR	161.00	5.10
158	Janoschka AG <sup>1, 27</sup>	Kippenheim	39.80		EUR	23,884.50	4,959.40
159	Kiesel Finance GmbH & Co. KG <sup>1, 9, 27</sup>	Baienfurt		75.00	EUR	1,156.50	0.00
160	KKL Holding GmbH <sup>1, 27</sup>	Düsseldorf	48.30	47.20	EUR	22,083.60	2,010.20
161	Kreditgarantiegemeinschaft in Baden-Württemberg Verwaltungs-GmbH <sup>27</sup>	Stuttgart	20.00		EUR	1,022.60	0.00
162	Mittelständische Beteiligungsgesellschaft Sachsen mbH <sup>27</sup>	Dresden	25.30		EUR	49,447.10	1.00
163	OnSite ImmoAgent GmbH <sup>1, 27</sup>	Berlin	49.00		EUR	756.50	- 321.70
164	Siedlungswerk GmbH Wohnungs- und Städtebau <sup>7, 27</sup>	Stuttgart	25.00	25.00	EUR	300,825.60	39,387.20
165	SL Mobilien-Leasing GmbH & Co. ENERCON KG <sup>1, 9, 27</sup>	Mannheim		80.00	EUR	18,123.10	- 2.30
166	SLN Maschinen Leasing GmbH & Co. OHG <sup>1, 9, 27</sup>	Stuttgart		75.00	EUR	- 3,084.10	1,211.60
167	SLP Mobilien-Leasing GmbH & Co. OHG <sup>1, 9, 27</sup>	Mannheim		75.00	EUR	706.80	89.90
168	Sovereign Speed Holding GmbH <sup>1, 27</sup>	Hamburg	35.00		EUR	15,049.00	3,092.30
169	Xavin GmbH <sup>1, 25</sup>	Stuttgart	29.30		EUR	- 144.00	- 329.60

III. Equity investments within the meaning of Section 271 (1) HGB<sup>B</sup>

170	1701 JFK Boulevard Philadelphia L.P. i.L. <sup>1, 19</sup>	Wilmington, USA	0.00		USD	103,452.10	2,335.90
171	3YOURMIND GmbH <sup>1, 27</sup>	Berlin	4.70		EUR	3,709.60	- 2,989.70
172	ABE Clearing S.A.S. à capital variable <sup>27</sup>	Paris, France	2.10		EUR	42,641.40	6,108.00
173	Abingworth Bioventures III L. P. <sup>1, 27</sup>	London, Great Britain	0.40		USD	2,674.00	0.00
174	Achte Real Estate Poolgesellschaft mbH & Co. Wohnungs-KG i.L. <sup>1, 27</sup>	Berlin	0.40		EUR	10,180.30	575.80
175	Acousia Therapeutics GmbH <sup>1, 27</sup>	Tübingen	12.30		EUR	627.40	- 2,857.40
176	ActiTrex GmbH <sup>1, 27</sup>	Mainz	19.40		EUR	1,818.90	- 430.40
177	ADLATUS Robotics GmbH <sup>1, 27</sup>	Ulm	0.70		EUR	- 909.80	- 1,659.90
178	African Export-Import Bank <sup>26</sup>	Cairo, Egypt	0.00		USD	3,714,591.90	362,941.60
179	AKA Ausfuhrkredit-Gesellschaft mit beschränkter Haftung <sup>27</sup>	Frankfurt am Main	3.30		EUR	273,601.10	14,936.00
180	ALPHA CEE II L.P. i.L. <sup>1, 27</sup>	Grand Cayman, Cayman Islands	2.40		EUR	43,010.00	6,078.00
181	amcure GmbH <sup>1, 27</sup>	Eggenstein-Leopoldshafen	18.30		EUR	- 3,378.20	- 911.50
182	Biametrics GmbH i.L. <sup>1, 22</sup>	Tübingen	17.50		EUR	- 508.60	- 1,218.80
183	BrickVest Ltd. i.L. <sup>1, 22</sup>	London, Great Britain	13.80	13.80	GBP	2,169.90	- 2,199.00
184	Bürgschaftsbank Sachsen GmbH <sup>27</sup>	Dresden	28.00	18.40	EUR	44,436.50	176.60
185	CCP Systems AG i.L. <sup>1, 20</sup>	Stuttgart	1.00		EUR	9,182.80	- 10,654.40
186	Cedalo GmbH <sup>1, 27</sup>	Freiburg im Breisgau	17.00		EUR	535.70	- 96.60
187	CME Group Inc. <sup>28</sup>	Wilmington, USA	0.00		USD	25,676,412.70	2,471,089.90
188	Code Intelligence GmbH <sup>1, 27</sup>	Bonn	15.50		EUR	442.80	- 2,077.90
189	Computomics GmbH <sup>1, 27</sup>	Tübingen	0.90		EUR	1,366.70	- 20.60
190	CorTec GmbH <sup>1, 27</sup>	Freiburg	5.70		EUR	- 1,099.60	- 5,670.70
191	crealytics GmbH <sup>1, 27</sup>	Berlin	9.90		EUR	10,018.00	1,904.90
192	CVC European Equity Partners IV (A). L. P. <sup>1, 27</sup>	Grand Cayman, Cayman Islands	0.30		EUR	1,452.30	462.90

No.	Name	Place of business	Share of capital	Non-prop. voting rights	Currency	Equity EUR th.	Result EUR th.
193	Depository Trust & Clearing Corporation <sup>28</sup>	New York, USA	0.00	0.00	USD	2,886,642.30	273,546.10
194	Deutscher Sparkassen Verlag Gesellschaft mit beschränkter Haftung <sup>7, 27</sup>	Stuttgart	8.10		EUR	219,461.90	12,557.10
195	Doughty Hanson & Co. IV Partnership 2 <sup>1, 27</sup>	Surrey, Great Britain	4.00		EUR	14,478.90	- 317.40
196	Dritte SHS Technologiefonds GmbH & Co. KG i.L. <sup>1, 27</sup>	Tübingen	4.90		EUR	27,497.30	1,674.40
197	Erste IFD geschlossener Immobilienfonds für Deutschland GmbH & Co. KG i.L. <sup>1, 24</sup>	Hamburg	0.20		EUR	1,662.10	0.00
198	EXCIVA GmbH <sup>1, 27</sup>	Heidelberg	15.80		EUR	3,715.70	- 3,131.90
199	FL FINANZ-LEASING GmbH <sup>27</sup>	Wiesbaden	17.00		EUR	- 597.20	- 101.00
200	Fludicon GmbH i.L. <sup>1, 20</sup>	Darmstadt	7.90		EUR	516.90	- 2,184.40
201	GbR VÖB-ImmobilienAnalyse <sup>11</sup>	Bonn	25.00	20.00	n/s	n/s	n/s
202	GLB GmbH & Co. OHG <sup>10, 25</sup>	Frankfurt am Main	30.10		EUR	2,776.80	- 61.40
203	GLB-Verwaltungs-GmbH <sup>10, 25</sup>	Frankfurt am Main	30.00		EUR	59.60	2.00
204	Grundstücks- Vermögens- und Verwaltungs-GbR Leonberg/Ditzingen i.L. <sup>1, 25</sup>	Stuttgart	0.40		EUR	460.00	- 7.80
205	Grundstücks-, Vermögens- und Verwaltungs-GbR Esslingen-Stuttgart i.L. <sup>1, 25</sup>	Stuttgart	13.60		EUR	166.20	- 2.10
206	Grundstücks-, Vermögens- und Verwaltungs-GbR Sillenbacher Markt i.L. <sup>1, 25</sup>	Stuttgart	0.00		EUR	848.00	144.90
207	Grundstücks-, Vermögens- und Verwaltungs-GbR Stuttgart-Mitte II i.L. <sup>1, 24</sup>	Stuttgart	0.10		EUR	484.60	- 0.30
208	Grundstücks-Vermögens- und Verwaltungs-GbR, Leinfelden-Echterdingen/Stuttgart-Möhringen i.L. <sup>1, 25</sup>	Stuttgart	0.10		EUR	352.60	- 20.90
209	HANSA TREUHAND Dritter Beteiligungsfonds GmbH & Co. KG i.L. <sup>1, 27</sup>	Hamburg	0.00		EUR	645.50	- 1.40
210	HANSA TREUHAND Zweiter Beteiligungsfonds GmbH & Co. KG i.L. <sup>1, 12</sup>	Hamburg	0.20		EUR	- 1,784.70	- 528.00
211	Heidelberg Innovation BioScience Venture II GmbH & Co. KG i.L. <sup>1, 27</sup>	Heidelberg	3.80		EUR	845.70	- 905.30
212	Icon Brickell LLC <sup>1</sup>	Miami, USA	13.30		n/s	n/s	n/s
213	Kreditgarantiegemeinschaft der Freien Berufe Baden-Württemberg Verwaltungs-GmbH <sup>27</sup>	Stuttgart	4.80		EUR	153.40	0.00
214	Kreditgarantiegemeinschaft der Industrie, des Verkehrsgewerbes und des Gastgewerbes Baden-Württemberg Verwaltungs-GmbH <sup>27</sup>	Stuttgart	15.30		EUR	1,299.90	0.00
215	Kreditgarantiegemeinschaft des Gartenbaues Baden-Württemberg Verwaltungs-GmbH <sup>27</sup>	Stuttgart	4.50		EUR	138.30	0.00
216	Kreditgarantiegemeinschaft des Handels Baden-Württemberg Verwaltungs-GmbH <sup>27</sup>	Stuttgart	9.10		EUR	1,021.90	0.00
217	Kreditgarantiegemeinschaft des Handwerks Baden-Württemberg Verwaltungs-GmbH <sup>27</sup>	Stuttgart	9.80		EUR	1,001.10	0.00
218	Kunststiftung Baden-Württemberg gGmbH <sup>27</sup>	Stuttgart	2.10	0.60	EUR	11,378.70	808.80
219	Maehler & Kaege AG i. I. <sup>1, 18</sup>	Ingelheim	7.50	9.30	EUR	- 2,041.60	67.10
220	Marco Polo Network Operations (Ireland Limited) <sup>1, 27</sup>	Cork, Ireland	1.70		USD	5,235.40	- 27,777.00
221	MBG Mittelständische Beteiligungsgesellschaft Baden-Württemberg Gesellschaft mit beschränkter Haftung <sup>27</sup>	Stuttgart	9.90	8.30	EUR	92,210.50	8,858.70
222	MFP Munich Film Partners New Century GmbH & Co. HAM Productions KG i.L. <sup>1, 24</sup>	Grünwald	0.50		EUR	3,779.70	141.20
223	PARAMOUNT GROUP, INC. <sup>1, 28</sup>	Lutherville, USA	3.20	3.50	USD	4,174,896.40	- 19,074.10
224	Phenex Pharmaceuticals AG <sup>1, 27</sup>	Heidelberg	8.90		EUR	9,886.00	32,727.40
225	Poldergesellschaft Neumühlen-Westkai mbH <sup>1, 25</sup>	Hamburg	16.70		EUR	192.80	0.00

No.	Name	Place of business	Share of capital	Non-prop. voting rights	Currency	Equity EUR th.	Result EUR th.
226	PropTech1 Fund I GmbH & Co. KG <sup>1, 27</sup>	Berlin	7.00		EUR	22,079.70	- 2,325.50
227	Reha-Klinik Aukammtal GmbH & Co Betriebs-KG i.L. <sup>1</sup>	Wiesbaden	5.50		n/s	n/s	n/s
228	RSU GmbH & Co. KG <sup>27</sup>	Munich	18.80		EUR	10,678.40	985.30
229	RWSO-Grundstücksgesellschaft TBS der Württembergischen Sparkassenorganisation <sup>27</sup>	Stuttgart	10.00	8.50	EUR	5,391.20	367.40
230	Schiffahrts-Gesellschaft "HS ALCINA" mbH & Co. KG i.L. <sup>1, 15</sup>	Hamburg	0.00		EUR	351.20	- 3,497.00
231	Schiffahrts-Gesellschaft "HS MEDEA" mbH & Co. KG i.L. <sup>1, 23</sup>	Hamburg	0.20		EUR	648.40	- 9.50
232	Schiffahrts-Gesellschaft "HS MOZART" mbH & Co. KG i.L. <sup>1, 21</sup>	Hamburg	0.20		EUR	- 7,619.60	0.00
233	Schiffahrts-Gesellschaft "HS ONORE" mbH & Co. KG i.L. <sup>1, 21</sup>	Hamburg	0.00		EUR	16,149.90	- 2,644.00
234	SE.M.LABS GmbH i.L. <sup>1, 22</sup>	Stuttgart	0.80		EUR	- 474.90	- 331.60
235	SI-BW Beteiligungsgesellschaft mbH & Co. KG <sup>27</sup>	Stuttgart	4.00	4.00	EUR	42,532.20	- 14.50
236	stimOS GmbH <sup>1, 27</sup>	Konstanz	1.00		EUR	- 618.10	- 502.30
237	Synapticon GmbH <sup>1, 27</sup>	Schönaich	0.40		EUR	3,794.60	- 5,032.10
238	tado GmbH <sup>1, 25</sup>	Munich	1.10		EUR	1,386.70	- 10,627.10
239	Technologiegründerfonds Sachsen Plus GmbH & Co. KG <sup>1, 27</sup>	Leipzig	7.10	7.10	EUR	23,600.10	43.50
240	Technologiegründerfonds Sachsen Seed GmbH & Co. KG <sup>1, 27</sup>	Leipzig	3.30		EUR	4,064.00	- 399.70
241	Technologiegründerfonds Sachsen Start up GmbH & Co. KG <sup>1, 27</sup>	Leipzig	10.80		EUR	9,332.60	1,744.00
242	Teralytics Holding AG <sup>1</sup>	Zurich, Switzerland	6.10		n/s	n/s	n/s
243	VCM Golding Mezzanine GmbH & Co. KG <sup>1, 27</sup>	Munich	3.90		EUR	2,776.80	- 252.70
244	Visa Inc. <sup>14</sup>	San Francisco, USA	0.00		USD	35,225,377.20	11,536,875.60
245	VRP Venture Capital Rheinland-Pfalz GmbH & Co. KG i.L. <sup>1, 27</sup>	Mainz	16.70		EUR	894.60	- 13.20
246	VRP Venture Capital Rheinland-Pfalz Nr. 2 GmbH & Co. KG i.L. <sup>1, 27</sup>	Mainz	16.70		EUR	649.00	- 16.10
247	Wachstumsfonds Mittelstand Sachsen Plus GmbH & Co. KG <sup>1, 27</sup>	Leipzig	12.70	13.70	EUR	13,045.70	- 301.70
248	Wirtschaftsförderung Region Stuttgart GmbH <sup>1, 27</sup>	Stuttgart	16.10		EUR	3,047.00	- 3,879.40
249	Zweiundfünfzigste IFH geschlossener Immobilienfonds für Holland GmbH & Co. KG i.L. <sup>1, 19</sup>	Hamburg	1.10		EUR	25,654.00	- 14,921.30

1 Held indirectly.

2 Including shares held indirectly.

3 A letter of comfort exists.

4 A letter of comfort exists on the part of a Group subsidiary.

5 A profit transfer and/or control agreement has been concluded with the company.

6 A profit transfer and/or control agreement has been concluded with another company.

7 Equity investment in a large corporation (Kapitalgesellschaft) with a share of over 5% in voting rights (Section 340a (4) no. 2 HGB).

8 Financial instruments pursuant to IFRS.

9 No shareholdings within the meaning of section 285 no. 11 HGB.

10 Classification as equity investment, as no relevant decisions are made any longer and liquidation is expected.

11 Classification as equity investment, as the company does not generate any commercial activities.

12 The information is based on the last available annual financial statements as at 25/07/2017.

13 The information is based on the last available annual financial statements as at 30/06/2022. Short financial year from 01/01/2022 to 30/06/2022

14 The information is based on the last available annual financial statements as at 30/09/2021. Consolidated financial statements.

15 The information is based on the last available annual financial statements as at 30/11/2018.

16 The information is based on the last available annual financial statements as at 31/07/2014.

17 The information is based on the last available annual financial statements as at 31/10/2021.

18 The information is based on the last available annual financial statements as at 31/12/2004.

19 The information is based on the last available annual financial statements as at 31/12/2012.

20 The information is based on the last available annual financial statements as at 31/12/2014.

21 The information is based on the last available annual financial statements as at 31/12/2015.

22 The information is based on the last available annual financial statements as at 31/12/2017.

23 The information is based on the last available annual financial statements as at 31/12/2018. Short financial year from 01/12/2018 to 31/12/2018

24 The information is based on the last available annual financial statements as at 31/12/2019.

25 The information is based on the last available annual financial statements as at 31/12/2020.

26 The information is based on the last available annual financial statements as at 31/12/2021 in accordance with IFRS.

27 The information is based on the last available annual financial statements as at 31/12/2021.

28 The information is based on the last available annual financial statements as at 31/12/2021. Consolidated financial statements.



## 42. Positions held

Offices held by legal representatives of LBBW and members of the AidA<sup>1</sup> Board of Managing Directors on statutory supervisory boards and similar supervisory bodies of large companies and banks, as well as offices held by employees of LBBW (Bank) on statutory supervisory boards of large companies and banks are listed below:

Company	Position	Incumbent
AVAG Holding SE, Augsburg	Supervisory Board	Karl Manfred Lochner
Berlin Hyp AG, Berlin	Chairman of the Supervisory Board	Thorsten Schönenberger member since 01/07/2022; Chairman of the Supervisory Board since 04/07/2022
	Deputy Chairwoman of the Supervisory Board	Andrea Schlenzig
	Supervisory Board	Dr. Christian Ricken since 01/07/2022
	Supervisory Board	Anastasios Agathagelidis since 01/07/2022
	Supervisory Board	Stefanie Münz since 01/07/2022
	Supervisory Board	Thomas Weiß since 01/07/2022
	Supervisory Board	Jana Papst
Deutscher Sparkassenverlag GmbH, Stuttgart	Supervisory Board	Thomas Meister
Deutscher Sparkassenverlag GmbH, Stuttgart	Supervisory Board	Andreas Götz
Eurex Clearing Aktiengesellschaft, Frankfurt am Main	Supervisory Board	Dr. Thilo Roßberg
EUWAX AG, Stuttgart	Chairman of the Supervisory Board	Dr. Christian Ricken
HAMBORNER REIT AG, Duisburg	Supervisory Board	María Teresa Dreó-Tempsch
HERRENKNECHT AKTIENGESELLSCHAFT, Schwanau	Supervisory Board	Karl Manfred Lochner since 21/12/2022
KIC InnoEnergy SE, Eindhoven	Supervisory Board	Axel Weisheit
Kreditanstalt für Wiederaufbau, Frankfurt am Main	Administrative Board	Rainer Neske
Landeskreditbank Baden-Württemberg – Förderbank –, Karlsruhe	Administrative Board	Claudia Diem
LBBW Asset Management Investmentgesellschaft mbH, Stuttgart	Chairman of the Supervisory Board	Dr. Christian Ricken
	Supervisory Board	Cara Friederike Schulze
	Supervisory Board	Andreas Götz since 14/02/2022
LRI Invest S.A., Munsbach, Luxembourg	Supervisory Board	Dr. Dirk Franz
Mainzer Stadtwerke AG, Mainz	Supervisory Board	Hannsgeorg Schöning
MMV Bank GmbH, Koblenz	Chairman of the Supervisory Board	Karl Manfred Lochner
	Deputy Chairman of the Supervisory Board	Anastasios Agathagelidis
	Supervisory Board	Peter Hähner
MMV Leasing GmbH, Koblenz	Chairman of the Advisory Board	Karl Manfred Lochner
	Deputy Chairman of the Advisory Board	Anastasios Agathagelidis
	Advisory Board	Peter Hähner
Siedlungswerk GmbH Wohnungs- und Städtebau, Stuttgart	Deputy Chairman of the Supervisory Board	Thorsten Schönenberger
	Supervisory Board	Andreas Götz
	Supervisory Board	Thomas Christian Schulz
SüdFactoring GmbH, Stuttgart	Chairman of the Supervisory Board	Karl Manfred Lochner
	Deputy Chairman of the Supervisory Board	Anastasios Agathagelidis
	Supervisory Board	Norwin Graf Leutrum von Ertingen
SüdLeasing GmbH, Stuttgart	Chairman of the Supervisory Board	Karl Manfred Lochner
	Deputy Chairman of the Supervisory Board	Anastasios Agathagelidis
	Supervisory Board	Norwin Graf Leutrum von Ertingen
VPV Lebensversicherungs-Aktiengesellschaft, Stuttgart	Supervisory Board	Claudia Diem
Württembergische Versicherung Aktiengesellschaft, Stuttgart	Supervisory Board	Claudia Diem

<sup>1</sup> Anstalt in der Anstalt (AidA = "Institution within the institution").

### 43. Events after the end of the reporting period

On 22 February 2023, LBBW (Bank) signed an agreement to sell the subsidiary targens GmbH. The transaction is still subject to approval from antitrust authorities. It is planned to close the transaction at the start of the second quarter of 2023. After all conditions are met, the sale is expected to generate net income in the mid double-digit million range.

Beyond that, after the end of the financial year, there were no further significant events as a result of which LBBW (Bank) expected a material influence on the net assets, financial position and result of operations.

## 44. LBBW (Bank) Board of Managing Directors and Supervisory Board

### Board of Managing Directors

#### Chairman

**Rainer Neske**  
Central Divisions

#### Members

**Anastasios Agathagelidis**  
Risk Management and  
Compliance

**Andreas Götz**  
Private and Business Customers/  
Savings Banks

**Karl Manfred Lochner**  
Corporate Customers

**Stefanie Münz**  
Finance and Operations

**Dr. Christian Ricken**  
Capital Markets Business and  
Asset Management/  
International Business

**Thorsten Schönenberger**  
Real Estate and Project Finance

## Supervisory Board

### Chairman

#### **Christian Brand**

Former Chairman of the Board of Management of L-Bank

### Deputy Chairman

#### **Dr. Danyal Bayaz**

Minister of Finance of the State of Baden-Württemberg

### Members

#### **Jörg Armbrorst**

Employee Representative of Landesbank Baden-Württemberg

#### **Jens Baumgarten**

Employee Representative of Landesbank Baden-Württemberg

#### **Wolfgang Dietz**

Lord Mayor of the town of Weil am Rhein

#### **Christian Hirsch**

(since 22/02/2023)  
Employee Representative of Landesbank Baden-Württemberg

#### **Bernhard Ilg**

Lord Mayor (retired)

#### **Gabriele Kellermann**

Deputy Chairman of the Board of Managing Directors at BBBank eG

#### **Marc Oliver Kiefer**

(since 22/02/2023)  
Employee Representative of Landesbank Baden-Württemberg

#### **Bettina Kies-Hartmann**

Employee Representative of Landesbank Baden-Württemberg

#### **Sabine Lehmann**

(until 31/12/2022)  
Employee Representative of Landesbank Baden-Württemberg

#### **Dr. Frank Nopper**

Lord Mayor of the state capital of Stuttgart

#### **Dr. Fritz Oesterle**

Attorney at law

#### **Martin Peters**

Managing Partner; Chairman of the Board Eberspächer Gruppe GmbH & Co. KG

#### **Christian Rogg**

(until 31/12/2022)  
Employee Representative of Landesbank Baden-Württemberg

#### **B. Jutta Schneider**

Executive Vice President T&I  
Chief Transformation Officer  
SAP SE

#### **Peter Schneider**

President of the Sparkassenverband Baden-Württemberg (Savings Bank Association of Baden-Württemberg)

#### **Wiebke Sommer**

Employee Representative of Landesbank Baden-Württemberg

#### **Dr. Florian Stegmann**

State secretary at the Baden-Württemberg State Ministry, Head of the State Chancellery

#### **Thomas Strobl**

(since 21/02/2022)  
Minister of the Interior, Digitalisation and Local Government for the State of Baden-Württemberg

#### **Dr. Jutta Stuible-Treder**

Attorney at law, German Public Auditor, Tax Consultant

#### **Burkhard Wittmacher**

Chairman of the Board of Managing Directors of Kreissparkasse Esslingen-Nürtingen

#### **Norbert Zipf**

Employee Representative of Landesbank Baden-Württemberg

# 03

Further information



# Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of Landesbank Baden-Württemberg, and the combined management report includes a fair review of the development and performance of the business and the position of Landesbank Baden-Württemberg, together with a description of the principal opportunities and risks associated with the expected future development of Landesbank Baden-Württemberg.

Stuttgart, Karlsruhe, Mannheim and Mainz, 28 February 2023

The Board of Managing Directors

**Rainer Neske**

Chairman

**Anastasios Agathagelidis**

**Andreas Götz**

**Karl Manfred Lochner**

**Stefanie Münz**

**Dr. Christian Ricken**

**Thorsten Schönenberger**

# Independent Auditor's Report

To Landesbank Baden-Württemberg, Stuttgart, Karlsruhe, Mannheim and Mainz/Germany

## Report on the audit of the annual financial statements and of the combined management report

### Audit Opinions

We have audited the annual financial statements of Landesbank Baden-Württemberg, Stuttgart, Karlsruhe, Mannheim and Mainz/Germany, which comprise the balance sheet as at 31 December 2022, and the income statement for the financial year from 1 January to 31 December 2022, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the combined management report for the Company and the group of Landesbank Baden-Württemberg, Stuttgart, Karlsruhe, Mannheim and Mainz/Germany, for the financial year from 1 January to 31 December 2022. In accordance with the German legal requirements, we have not audited the content of the combined non-financial report contained in the "Combined non-financial report" section of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2022 and of its financial performance for the financial year from 1 January to 31 December 2022 in compliance with German Legally Required Accounting Principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the combined non-financial report contained in the "Combined non-financial report" section of the combined management report.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

### Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

## Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2022. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. Determination of fair values of trading transactions using generally accepted measurement methods
2. Determination of allowances for credit losses
3. Valuation of shares in Berlin Hyp

Our presentation of these key audit matters has been structured as follows:

- a) Description (including reference to corresponding information in the annual financial statements)
- b) Auditor's response

### Determination of fair values of trading transactions using generally accepted measurement methods

- a) Landesbank Baden-Württemberg concludes trading transactions, particularly for securities, borrower's note loans, securities repurchase transactions and derivative financial instruments which are measured in the annual financial statements at fair value minus a risk premium pursuant to Section 340e (3) sentence 1 HGB and recognized in the "Trading portfolio" item on the assets side of the balance sheet at EUR 26.1 billion and on the liabilities side at EUR 19.3 billion. For the purposes of accounting and measurement and the disclosures in the notes, Landesbank Baden-Württemberg determines the fair values for these portfolios largely on the basis of generally accepted measurement methods as no market prices are observable. If no market prices are observable, Landesbank Baden-Württemberg determines the fair value using measurement models or on the basis of indicative quotations and parameters obtained from market data providers.

In the case of model-based measurements, there are increased risks from valuation uncertainties (e. g. due to the use of inappropriate measurement models and/or inappropriate characteristics of input factors) and from different acceptable ranges of the judgments and assumptions needed in measuring the trading transactions. For this reason, we identified the determination of fair values to be a key audit matter.

The statements on determining fair values of trading transactions are included in the notes in section 2 "General accounting and valuation methods" in the subsection "Financial instruments".

- b) In the context of our risk-based audit approach, we audited both the relevant internal control system and also performed substantive audit procedures based on our risk assessment. In so doing, we analyzed the trading transactions measured using models. For this purpose, we assessed the appropriateness and effectiveness of the internal controls relevant for measuring these trading transactions, especially with respect to the controls relating to the Independent Price Verification (IPV) and the model validation. Calling in our internal valuation specialists, who are part of the audit team, we assessed the suitability of the used measurement models for products selected according to risk-based criteria.

As at the reporting date, on a sample basis, our internal valuation specialists performed an additional separate, independent remeasurement and/or plausibility check on the fair values calculated on the basis of measurement models and compared them with the measurement results of Landesbank Baden-Württemberg.



## Determination of allowances for credit losses

- a) As at 31 December 2022, in its annual financial statements Landesbank Baden-Württemberg reported loans and advances to banks and customers totaling EUR 204.3 billion, corresponding to 70.0 % of total assets. Existing allowances for credit losses have already been deducted from these loans and advances. Allowances for credit losses contain both specific valuation allowances and model-based general valuation allowances and portfolio valuation allowances. There are also contingent liabilities and other obligations of EUR 54.2 billion, for which credit business-related provisions have been set up. In 2022, the allowances for credit losses (including credit business-related provisions) include net additions to loss allowance adjustments totaling EUR 386.0 million.

Landesbank Baden-Württemberg checks regularly, and in the case of objective indications, as to whether there is ongoing recoverability of the receivables in the lending business. A possible impairment loss, i. e. the write-down to the lower of cost or market value, is calculated using the method stipulated by the Bank from the difference of the current carrying amount of the receivable and the expected future payments. The expected future payments derived in at least two probability-weighted scenarios are discounted at the original effective interest rate of the respective loan or advance. Relevant provisions are set up for off-balance-sheet transactions that are either subject to the risk of utilization by doubtful debtors (guarantees, warranties) or that are expected to be impaired due to payment obligations (irrevocable loan commitments).

The lending business is a core business activity at Landesbank Baden-Württemberg. For both the individual and the model-based measurement of loans and advances and the calculation of the necessary settlement amount of provisions according to sound business judgment, there is an increased risk that the amount of potentially necessary allowances for credit losses is not appropriate. Judgments of the executive directors of the Bank are made, for example, with regard to modeling the measurement models, to the estimates of assumptions and input factors such as expected future incoming payments and with regard to the valuation of collateral or of expected defaults. As the recoverability of loans and advances in the credit business and thus the appropriate calculation of allowances for credit losses is subject to uncertainty, this matter was particularly important in our audit.

The statements on determining the allowances for credit losses are included in the notes in section 2 "General accounting and valuation methods" in the subsection "Receivables and allowances for losses on loans and advances".

- b) In the context of our risk-based audit approach, we audited both the relevant internal control system and also performed substantive audit procedures based on our risk assessment. The tests of design and implementation and of operating effectiveness covered the processes of identifying indications of an impairment (risk early recognition), of assessing customer credit ratings, of measuring collateral and of determining impairments based on cash flows (calculation of specific value adjustment). In addition, we implemented a test of design and implementation and of operating effectiveness of the processes for calculating the general valuation allowance and the portfolio valuation allowances.

On the basis of risk-based perspectives and representatively selected samples, we also examined and assessed the appropriate identification of indications of an impairment and the measurement of loans and advances that needed to be tested for impairment according to an evaluation of Landesbank Baden-Württemberg, including the appropriateness of the estimated values. For measuring loans and advances, we inspected the underlying assumptions, particularly the amount and time of the expected future payments, including the returns from existing collateral and the discounting of the payments in the respective scenarios, including the scenario weighting.

In addition, we verified the calculated general valuation allowances and portfolio valuation allowances on the basis of a randomly selected sample and assessed the derivation of the loss allowance adjustments established and the appropriateness of the amount of allowances on the basis of evidence. In addition, we checked the disclosures in the notes for completeness and accuracy.

## Valuation of shares in Berlin Hyp

- a) In its annual financial statements as at 31 December 2022 Landesbank Baden-Württemberg, Stuttgart, Karlsruhe, Mannheim and Mainz/Germany (hereafter referred to as "LBBW"), reports shares in affiliates of EUR 2.9 billion, of which EUR 1.3 billion relate to shares in Berlin Hyp AG, Berlin/Germany (hereafter referred to as "Berlin Hyp"). On 26 January 2022, LBBW signed a contract with Landesbank Berlin Holding AG, Berlin/Germany, to acquire 100 % of the shares in Berlin Hyp. The shares were transferred after the contractual and supervisory preconditions had been fulfilled on 1 July 2022. The shares in Berlin Hyp were measured at acquisition cost of EUR 1,330 million. As at the reporting date, the Bank tested whether the shares were expected to be permanently impaired and, therefore, needed to be written down to the lower fair value of the shares. For this evaluation, the Bank determined an earnings value according to the Accounting Statement of the Main Technical Committee of the Institute of Public Auditors in Germany IDW RS HFA 10.

The future surplus income for earnings value calculation was derived on the basis of Berlin Hyp's company planning and then discounted at a company-specific interest rate as at the valuation date. The resulting earnings value was compared to the carrying amount as at the valuation date. The first-time forecast of surplus income required to obtain an extensive amount of information and, using this as a basis, carry out historical, reporting-date and forward-looking company analyses.

Because the valuation of the shares in Berlin Hyp was carried out by the Bank for the first time and there is an increased risk arising from judgmental estimations and assumptions regarding the separate valuation parameters for earnings value calculation, we identified the valuation of shares in Berlin Hyp to be a key audit matter.

The statements on the valuation of shares in Berlin Hyp are included in the notes in section 2 "General accounting and valuation methods" in the subsection "Equity investments and shares in affiliates".

- b) We obtained an understanding of the process established by the Company and, based on our risk assessment, we examined the relevant internal controls and conducted substantive procedures. The related tests of design and implementation and of operating effectiveness especially covered the process for checking the plausibility of the company planning, the derivation of surplus income and the calculation of the fair value of shares in Berlin Hyp. Furthermore, we obtained an understanding of the relevant methods, assumptions and data used by the executive directors regarding the valuation of shares in Berlin Hyp. We examined the appropriateness of the valuation methodology and the valuation parameters applied in measuring the shares. In the process, we compared the parameters used for determining the fair value, if available, with the parameters observable on the market. We conducted plausibility and consistency checks regarding Berlin Hyp's company planning and the derivation of surplus income; these checks also included target-actual analyses. We examined whether the fair value for the shares in Berlin Hyp was accurately calculated.

We examined the disclosures in the notes to the financial statements regarding the investment in Berlin Hyp AG, Berlin/Germany, for correctness and completeness.

## Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the combined non-financial report pursuant to Sections 289b to 289e in conjunction with 315b and 315c HGB contained in the "Combined non-financial report" section of the combined management report,
- the executive directors' confirmation regarding the annual financial statements and the combined management report pursuant to Section 264 (2) sentence 3 and Section 289 (1) sentence 5 HGB, and
- all other parts of the annual report,
- but not the annual financial statements, not the audited content of the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

## Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i. e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

## Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

## Other Legal and Regulatory Requirements

### **Report on the Audit of the Electronic Reproductions of the Annual Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB**

#### **Audit Opinion**

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value: 493b987df0ff4943f0bd77d8de6db813ad625d89abe2408174270ba983019e18, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the annual financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying annual financial statements and on the accompanying combined management report for the financial year from 1 January to 31 December 2022 contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

#### **Basis for the Audit Opinion**

We conducted our audit of the electronic reproductions of the annual financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1).

## Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

## Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i. e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the reporting date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable a XHTML reproduction with content equivalent to the audited annual financial statements and to the audited combined management report.

## Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the annual general meeting on 8 April 2022. We were engaged by the supervisory board on 22 June 2022. We have been the auditor of Landesbank Baden-Württemberg, Stuttgart, Karlsruhe, Mannheim and Mainz/Germany, without interruption since the financial year 2020.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

## Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as with the audited ESEF documents. The annual financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

## German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Herbert Apweiler.

Stuttgart/Germany, 3 March 2023

### **Deloitte GmbH**

Wirtschaftsprüfungsgesellschaft

Signed:

Klaus Löffler

Wirtschaftsprüfer

(German Public Auditor)

Signed:

Herbert Apweiler

Wirtschaftsprüfer

(German Public Auditor)

## FURTHER INFORMATION ON LANDESBANK BADEN-WÜRTTEMBERG

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The Annual Financial Statements is also available in German. The German version is the authoritative version and only the German version of the Combined Management Report and the Annual Financial Statements was audited by the auditors.



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