



# Impact and Allocation Reporting

Helaba Green Bond Framework

Frankfurt/Main, June 2024



**Values with impact.**

# Dear Readers,

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We are pleased to present our Green Bond Impact and Allocation Reporting for 2023. As a responsible company, we consider it an integral obligation to ensure the protection of the environment, society and the livelihood of current and future generations. Sustainability is therefore a core part of our strategy and we consistently align our business activities accordingly.

Many important changes and innovations in reporting and regulations in the area of sustainability are being introduced on an ongoing basis. We welcome the ever-increasing transparency that results from these changes, even if their implementation is complex and challenging. We are continuously developing our ESG strategy.

Helaba is committed to its economic, ecological and social responsibility. We take measures both in our operations and in our core business to reduce any adverse environmental impacts and create social value. With our sustainability strategy, we have created a strategic framework which enables to manage our sustainability impact and risks.

Helaba approaches sustainability holistically along the three dimensions of ESG. Central to this is our Sustainable Lending Framework for classifying sustainable loans, which was finalized in 2022 and already successfully underwent an external audit. The Sustainable Lending Framework is a key tool for determining which share of our business volume is sustainable and for increasing this proportion to 50 percent by 2025 accordingly, which is a strategic goal.

In addition to the Sustainable Lending Framework, Helaba has developed a Sustainable Investment Framework and published it in January 2024. In this framework, we set the framework conditions for sustainability in asset management. This will create a comprehensive sustainable finance framework tailored to Helaba and its customers, enabling it to finance and invest specifically in economic activities and sectors that contribute to sustainable development.

## In line with our sustainability strategy,

we are also enhancing sustainability in Helaba's funding strategy. In light of this, as well as the growing need for sustainable investments, we have established a Green Bond Framework in 2021, which is aligned with the Green Bond Principles of the International Capital Market Association (ICMA).

Going forward, we intend to continue to comply with the "Best Market Practice" standards. The issuance proceeds of our Green Bonds exclusively benefit renewable energy and clean transport projects that support the transition to a low-emission and sustainable economy. These projects thus contribute towards the environmental goal of "mitigating climate change" in accordance with EU taxonomy.

In our current Green Bond Impact and Allocation Reporting as of the reporting date of December 31, 2023, we disclose the sustainable projects in which we have invested. Moreover, we focus on the associated impact - the effects of these projects. In doing so, we are guided by the standards of the ICMA Green Bond Principles and our Green Bond Framework. Our objective is to provide a clear picture of the environmental benefits of investing in the Helaba Green Bond.

We are certain that through joint action and committed cooperation at all levels, a sustainable future for all is possible.

Yours sincerely



**Petra Sandner**  
Chief Sustainability Officer





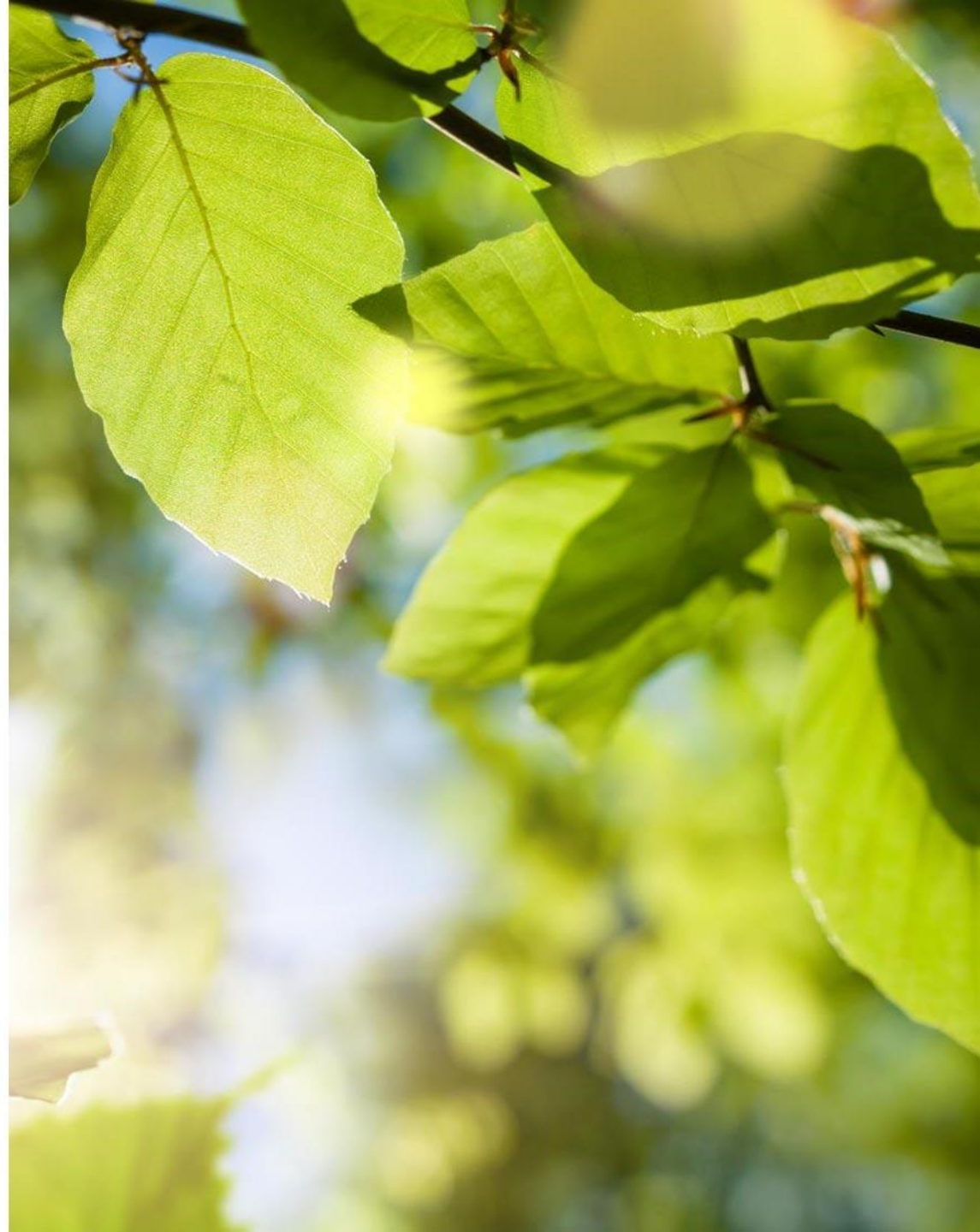
## Agenda

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- **Sustainability in the Helaba-Group**

Allocation & Impact

Project examples



## Initiatives / Memberships

Through our memberships in outstanding ESG initiatives, we aim to make a significant contribution to achieving these goals with **conviction, transparency and implementation** power.



### Market initiatives

- [UN Principles for Responsible Banking](#)
- [ESG Circle of Real Estate \(ECORE\)](#)
- [IMPACT on sustainable aviation](#)
- [ICMA \(International Capital Markets Association\)](#)
- [EeMAP \(Energy Efficient Mortgage Action Plan\)](#)
- [DSGV self-commitment](#)
- [Principles for Responsible Investments](#)



### Sustainability initiatives

- [GreenTech Hub](#)
- [UN Global Compact](#)
- [Diversity Charter](#)
- [CDP \(Investor Signatory\) \(Helaba Invest\)](#)

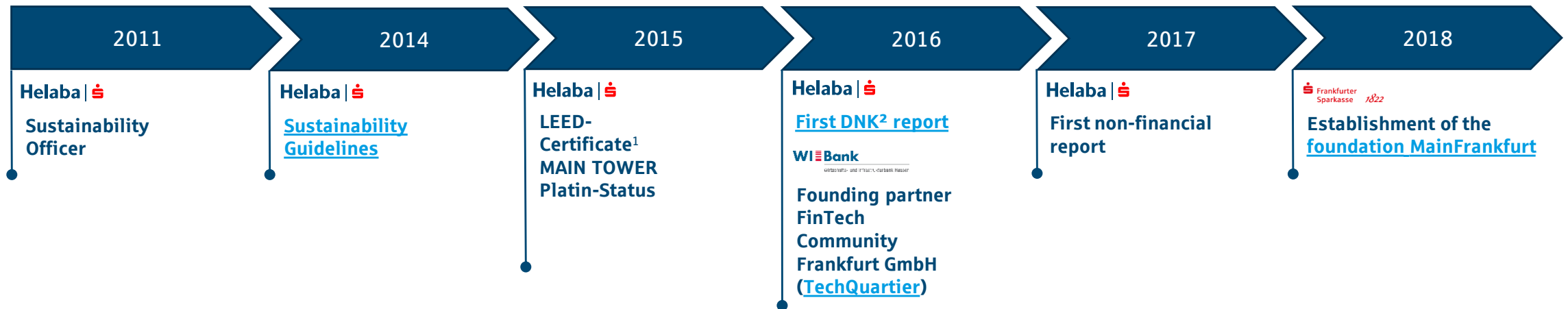


### Industry initiatives

- [German Investment and Asset Management Association \(BVI\)](#)
- [Green & Sustainable Finance Cluster](#)
- [Association for Environmental Management and Sustainability in Financial Institutions e.V. \(VfU\)](#)

## Sustainability is an integrated part of Helaba Group for a long time

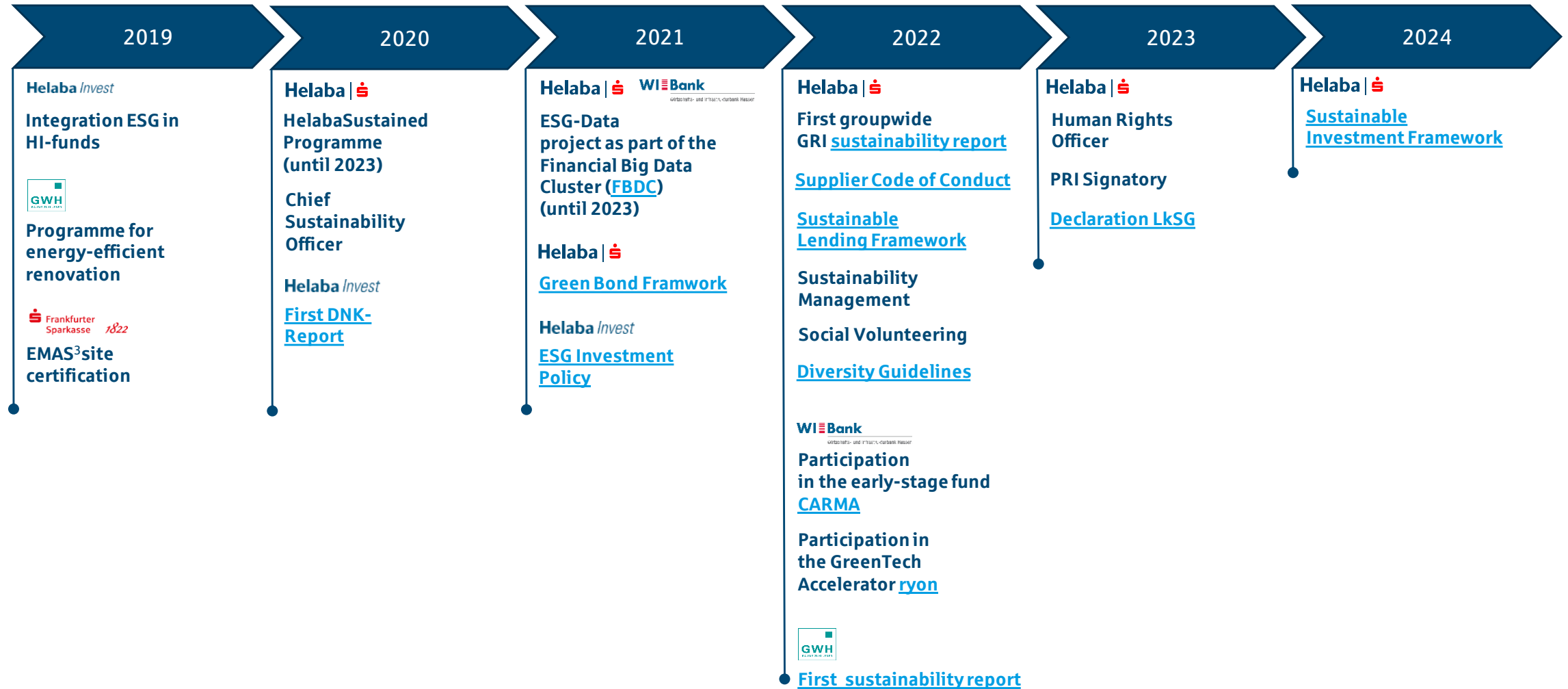
Promoting the common good and protecting natural resources has been in our DNA for almost 200 years. As the State bank and S-Group bank of the savings banks, we clearly see it as our **duty to set a good example, even beyond the regulatory requirements**. That is why Helaba-Group has already been **active in the area of sustainability** for a number of years and **has picked up speed since 2011 and in particular since 2019**.



1) LEED | Leadership in Energy and Environmental Design

2) DNK | German Sustainability Code

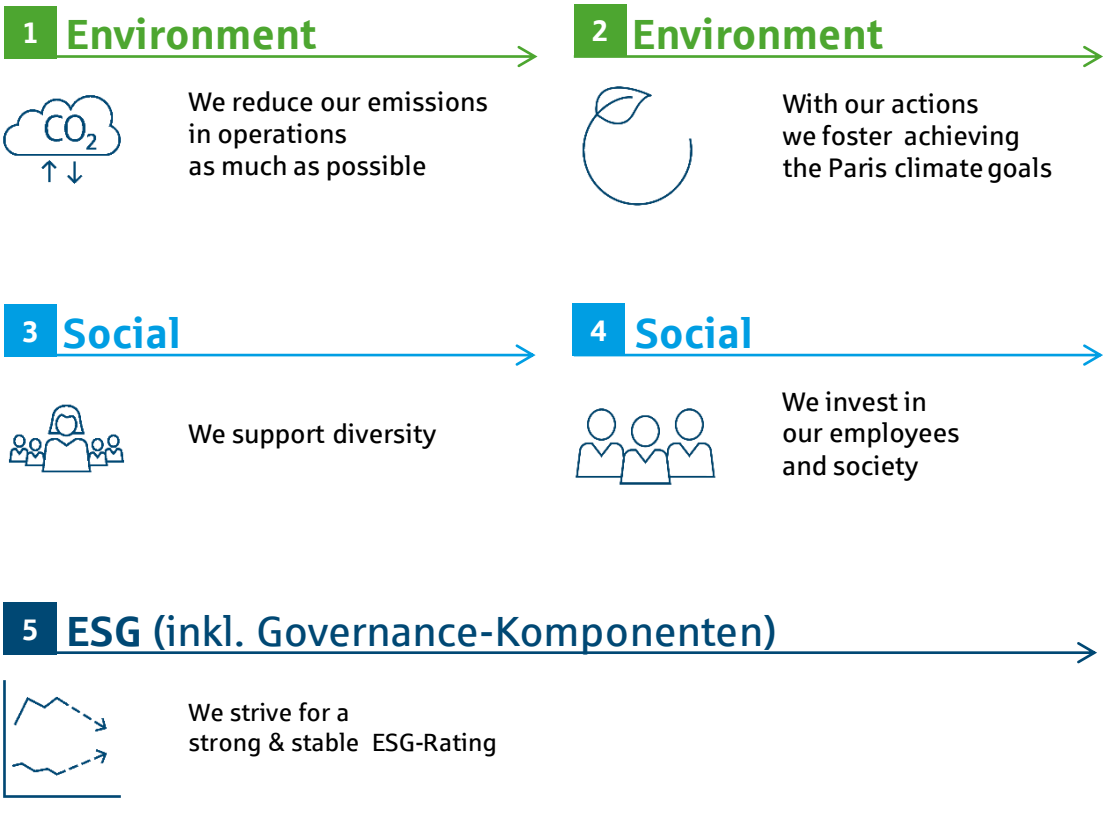
# Sustainability is an integrated part of Helaba Group for a long time



<sup>3)</sup> EMAS | Eco Management and Audit Scheme

# Sustainability and ESG-Goals of Helaba

## ESG-Goals of Helaba Group



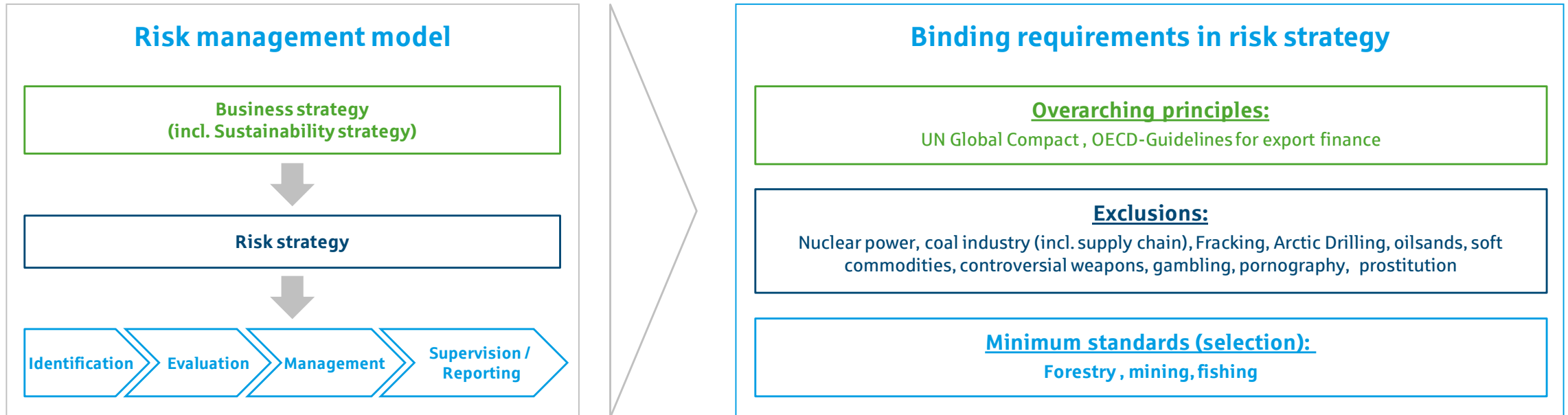
Specific targets and metrics are developed to achieve the group-wide goals, based on the existing sustainable KPI system

## Selection of sustainability KPIs of Helaba Group

Annual CO2-emissions	~ 10,000 Tons
Share of renewable energy consumption	> 90%
Proportion of female managers	25.7 %
average period of service	12.7 years
absenteeism rate caused of illness	5.3 %
Share of part-time workers	23.3 %
Number of notified corruption proceedings	0



## Helaba has integrated binding sustainability criteria in risk management



- ✓ **Binding:** Every new business must comply with defined requirements
- ✓ **Complete:** Criteria apply to all forms of engagements group-wide
- ✓ **Systematic:** Annual evaluation process as part of regular risk strategy update
- ✓ **Transparent:** Criteria are publicly disclosed on website ([sustainability.helaba.com](https://sustainability.helaba.com))

# Holistic sustainability approach based on the Sustainable Lending Framework

The Sustainable Lending Framework serves the classification of sustainable finance



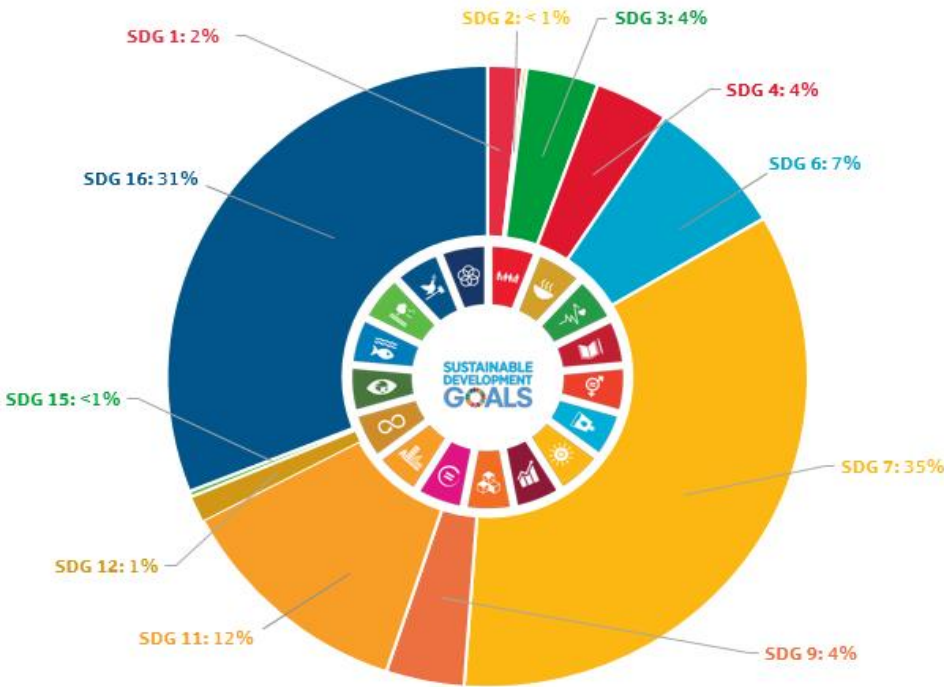
„robust“  
ISS ESG

Second Party Opinion:  
ISS ESG classifies the  
framework as “robust”

„This Framework puts forward a plausible sustainability strategy and objectives defined by Helaba for its entire activities and lending activities specifically, which are relevant for its business model.“

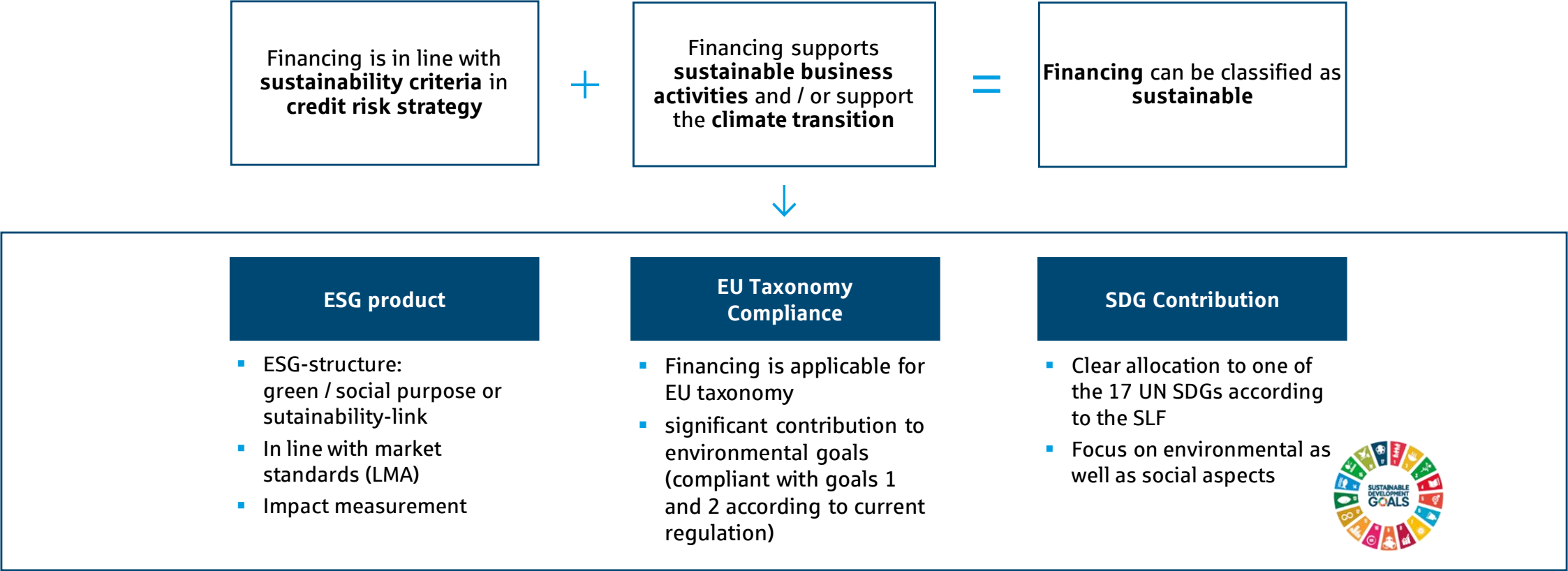
COMPANY	SECTOR	DECILE RANK	TRANSPARENCY LEVEL
HELABA	PUBLIC & REGIONAL BANKS	1	VERY HIGH

Distribution of Helaba's sustainable financing according to Sustainable Development Goals



# Beyond climate – possibilities to define sustainable lending

## Classification methodology for sustainable lending



# Sustainability in the investment business: Details on the core elements of the Sustainable Investment Framework



➤ The range of applications of the Sustainable Investment Framework is continuously being expanded in line with regulatory requirements and our own ambitious targets.

## Own investment & asset management\*

### Exclusion criteria

- Minimum standards for investments
- Exclusion of e.g. controversial weapons and food speculation
- Turnover limits for coal and oil and gas extraction, among others



## Own investment

### Classification of sustainable investments

- Definition of sustainable investments for own investments
- Orientation towards the classification logic of the Sustainable Lending Framework

## Asset Management

### Classification of sustainable investments (Art. 8 SFDR)

Helaba Invest

- Definition of sustainable investments for asset managementDefinition in accordance with SFDR incl. additional substantive requirements
- Requirements include governance criteria, sustainability-related exclusions and positive criteria

## Asset Management

### Active Ownership

Helaba Invest

- Consisting of corporate dialog (engagement) and exercise of voting rights (proxy voting)
- Definition of engagement process and escalation mechanismRegulations on the exercise of voting rights

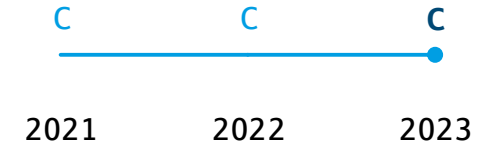


# Overview ESG Ratings



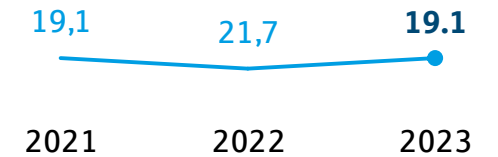
## Among the top 10 % in peer group of 271 banks

- Rating C+ for sub-rating „Social & Governance“
- Scale from D- to A+



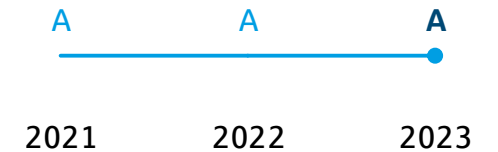
## Among top 16 % in peer group of 362 banks

- Top score for sub-rating “Corporate Governance”
- Scale from 0 (best) to 100



## In midfield in peer group of 197 banks

- Top score for sub-rating „Human Capital Development“
- Scale from CCC to AAA



As of 14 March 2024

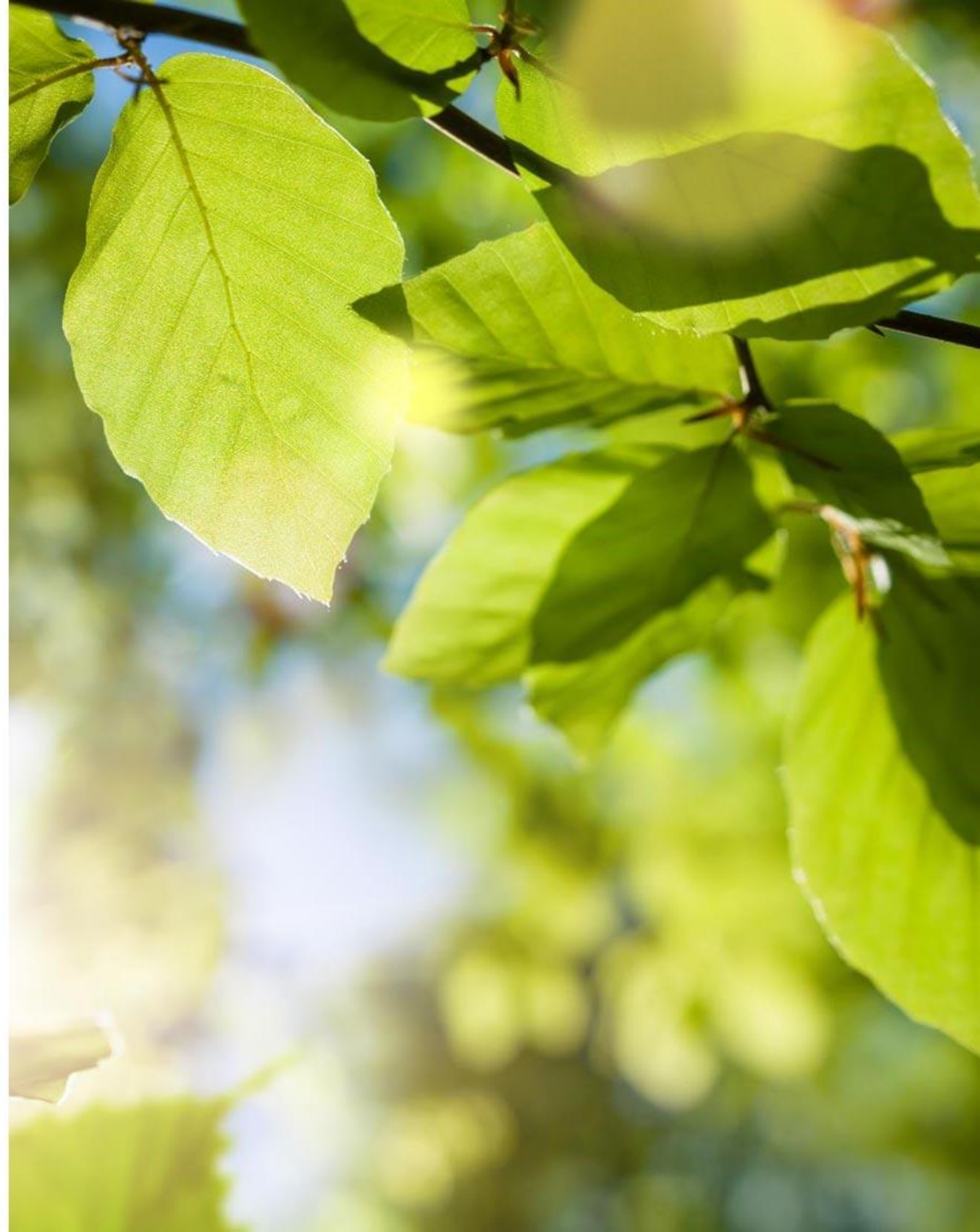
# Agenda

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Sustainability in the Helaba-Group

- **Allocation & Impact**

Project examples



## Green Bonds Outstanding

### Total Volume of Green Bonds outstanding as of 31. December 2023: € 2,594,759.000

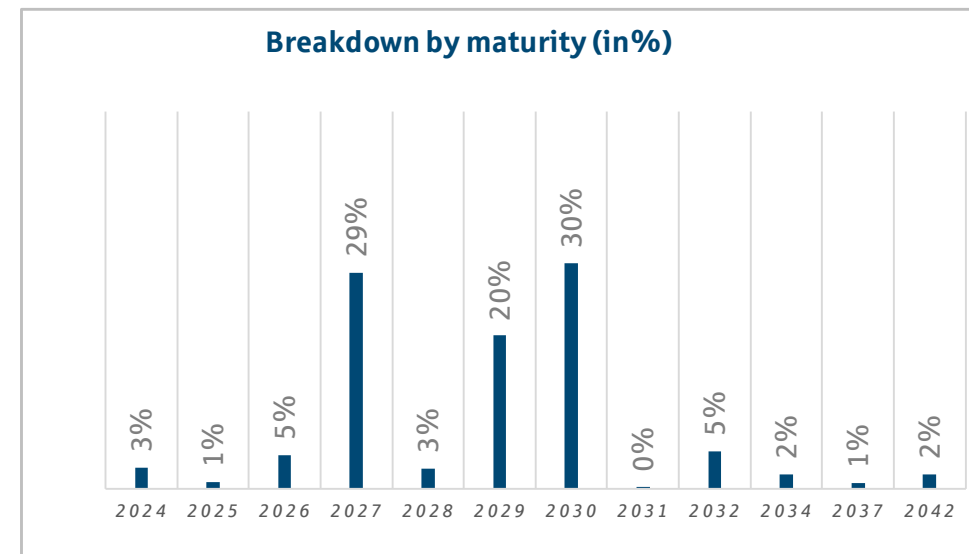
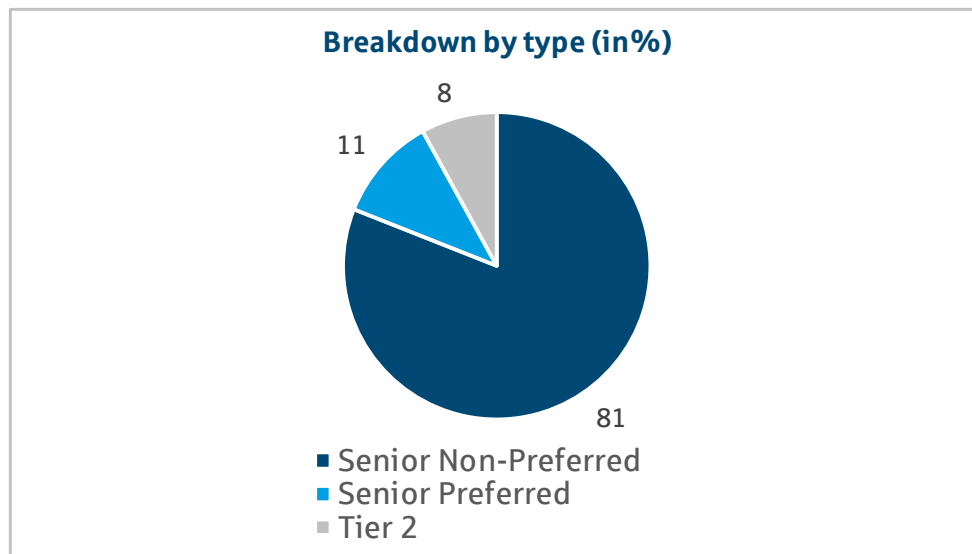
thereof issued in 2021: € 604,327,000

thereof issued in 2022: € 1,187,532,000

thereof issued in 2023: € 757,900,000

### The entire amount issued is used to refinance Helaba's eligible Green Loan Portfolio

- 75 individual issues
- Senior Preferred, Senior Non-Preferred and Tier 2 format
- Benchmark-issues / Private Placements / Retail Certificates



## Eligible Green Loan Portfolio

### Portfolio of renewable energy projects:

- **Wind energy**
  - Onshore and
  - Offshore wind energy generation facilities
- **Solar energy**
  - Photovoltaics
  - Concentrated solar power
- **Clean Transport**
  - Electric and battery electric multiple units (EMU's, BEMU's)
  - Trams and light rail used in public transport
  - Other zero emission regional rail passenger transport vehicles

### Sustainable Development Goals of the UN



**Affordable and clean energy**



**Climate action**



**Sustainable Cities and communities**

### Eligibility requirements under the EU Taxonomy

- Substantial contribution to climate mitigation objective to ensure alignment with focused environmental objective
- Compliance with “do-no significant harm” criteria and the minimum social safeguards on a best effort basis

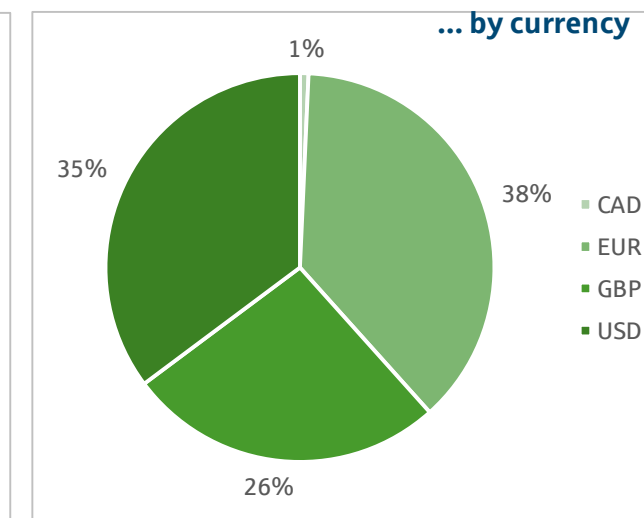
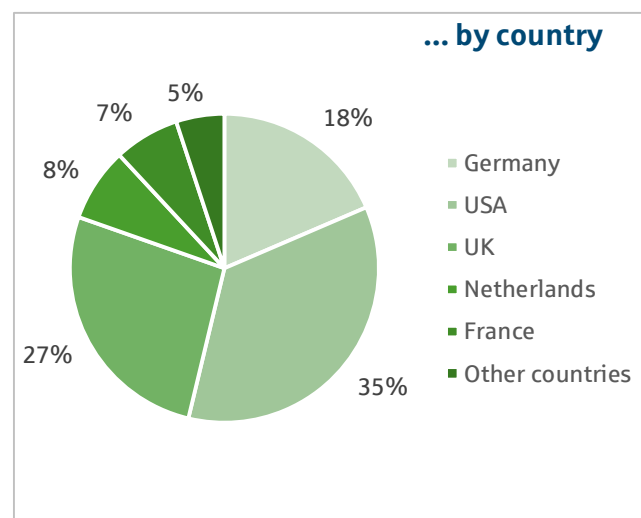
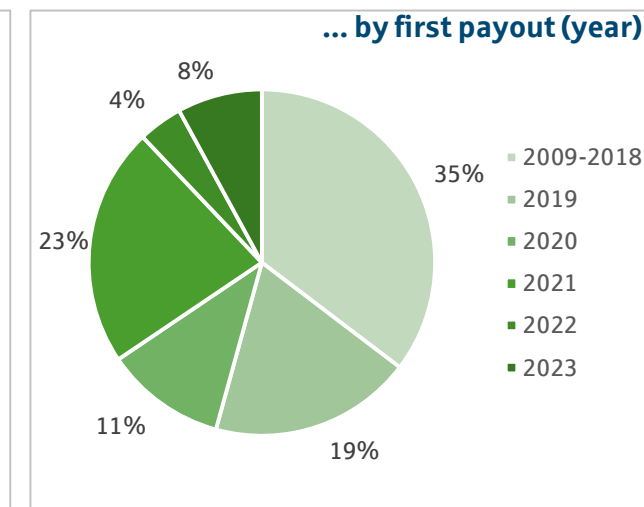
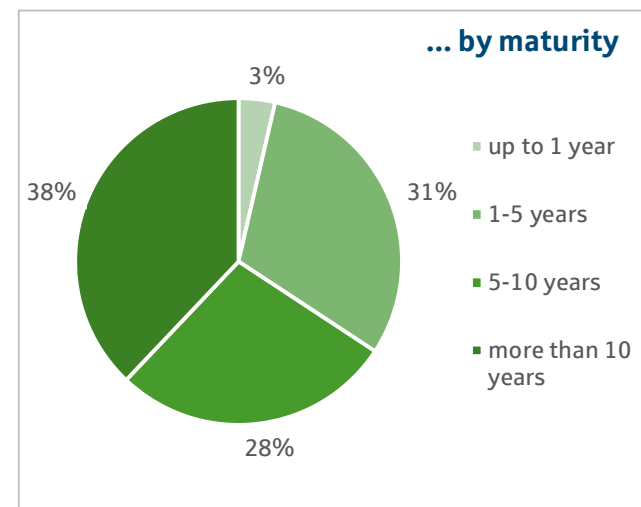
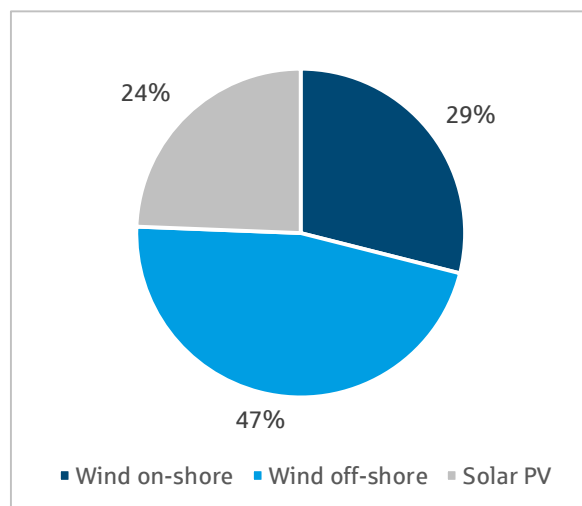
**Helaba's Green Bonds will finance renewable energy and clean transport projects with a contribution to the achievement of the UN Sustainable Development Goals**



## Eligible Green Loan Portfolio

### The "Renewable Energies" portfolio in figures:

- Solar Photovoltaics: € 639 mn
- Wind Onshore: € 759 mn
- Wind Offshore: € 1,224 mn
- Energy production per year: 6.4 mn MWh
- CO2 avoidance/-saving: 2,273 k tCO<sub>2</sub>



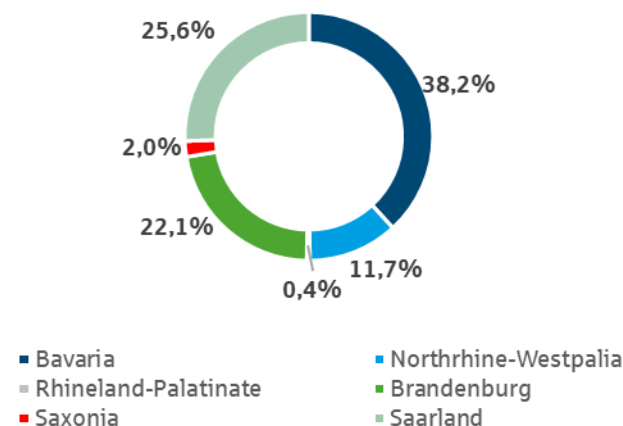
As of Dec 31, 2022

## Eligible Green Loan Portfolio

### The “Clean Transport” portfolio in figures (added in 2023):

- Overall Sustainable Rail Loan Portfolio: € 806 mn
  - loans under construction: € 330 mn
  - loans outstanding: € 476 mn
- 100 % of the outstanding loans including construction loans are secured and covered by various German public entities (guarantors)
- Assets are 100% electric multiple unit (EMU) trains for passenger public rail transport
- 100 % located in Germany and EUR financing
- Long-term financings with tenors >20ys

Guarantor



Tenor (in years)



Electric Multiple Units (EMU)



Split



As of Dec 31, 2023

## Impact of the Eligible Green Loan Portfolio – Renewable Energy

Eligible Project Category	Number of Loans	Signed Amount (in mn. €)	Share of Total Portfolio Financings	Eligible for Green Bond	Average Portfolio Lifetime (in years)	Pro Rata Installed Capacity (in MW)	(Estimated) Annual energy production (MWh)	(Estimated) Annual Reduction of GHG emissions (tCO2-equivalents)
<b>Renewable Energy</b>	<b>75</b>	<b>2,622</b>	<b>100%</b>	<b>100%</b>	<b>8.1</b>	<b>2,377</b>	<b>6,405,712</b>	<b>2,272,540</b>
<b>Solar PV Projects</b>	<b>28</b>	<b>639</b>	<b>24%</b>	<b>100%</b>	<b>6.6</b>	<b>783</b>	<b>1,337,760</b>	<b>462,881</b>
<i>thereof under construction</i>	<i>0</i>							
<b>Wind on-shore projects</b>	<b>26</b>	<b>759</b>	<b>29%</b>	<b>100%</b>	<b>6.0</b>	<b>1,045</b>	<b>2,854,363</b>	<b>1,004,645</b>
<i>thereof under construction</i>	<i>2</i>	<i>134</i>				<i>72</i>	<i>214,777</i>	<i>49,720</i>
<b>Wind off-shore projects</b>	<b>21</b>	<b>1,224</b>	<b>47%</b>	<b>100%</b>	<b>10.6</b>	<b>548</b>	<b>2,213,588</b>	<b>805,013</b>
<i>thereof under construction</i>	<i>10</i>	<i>642</i>				<i>270</i>	<i>1,100,935</i>	<i>387,891</i>

### Methodology

1. In most cases Helaba does not finance the entire project. To calculate Helaba's share of installed capacity we adjust the total installed capacity of each project with Helaba's share of the total financing volume.
2. CO2 savings are calculated per loan using the country-specific emission factor for electricity generation published by EIB. Source: [https://www.eib.org/attachments/lucalli/eib\\_project\\_carbon\\_footprint\\_methodologies\\_2023\\_en.pdf](https://www.eib.org/attachments/lucalli/eib_project_carbon_footprint_methodologies_2023_en.pdf)
3. In calculating the average portfolio lifetime, undrawn commitments are taken into account with their respective utilization period.
4. For financed projects that had not fully completed the construction phase at the beginning of 2024, the amount of energy production is on estimated values.
5. The annual CO<sub>2</sub> reduction is calculated based on planned production

As of Dec 31, 2023

## Impact of the Eligible Green Loan Portfolio – Clean Transport (added in 2023)

Eligible Project Category	Number of Financings	Signed Credit Amount (in mn. €)	Helaba's Share of Signed Credit Amounts	Eligible for Green Bond	Average Portfolio Lifetime (in years)	Pro Rata Seats (in total)	Pro Rate million passenger kilometers p.a. (mPkm)	(Estimated) Annual GHG emissions avoided (tCO <sub>2</sub> -equivalents) *
Clean Transport	20	806	92%	100%	25.2	24,566	1,086	96,247
Qualified Rail Financings	18	477	87%	100%	23.7	24,566	1,086	96,247
thereof under construction	2	329	100%	100%	27.3			

### Methodology

1. Since Helaba Transport Finance's participation in a Qualified Rail Financing is not always 100% in the Signed Credit Amounts, Helaba's share of the seats is calculated on a pro-rata basis accordingly (i.e. regular adjustments of total number of seats in each Qualified Rail Financing with Helaba's Share of Signed Credit Amounts).
2. All Qualified Rail Financings are based in Germany. The calculation of the "Pro-Rata million passenger kilometers p.a. (mPkm)" is based on the total number of passenger kilometers p.a. (= average number of passenger per train set multiplied with the annual train distance travelled (Pkm) according to the transportation contract signed) in relation to Helaba's Share in the Qualified Rail Financing. The average number of passengers per train set is the product of the average percentage of seat occupied in the regional rail transport (for 2022 see [https://www.umweltbundesamt.de/themen/verkehr/emissionsdaten#verkehrsmittelvergleich\\_personenverkehr\\_tabelle](https://www.umweltbundesamt.de/themen/verkehr/emissionsdaten#verkehrsmittelvergleich_personenverkehr_tabelle)) and the available number of seats in the respective train set.
3. We assume that the best alternative for regional rail transport is the car (individual transport). Therefore, we consider the difference in total grams of CO<sub>2</sub> caused by the total number of passenger kilometers p.a. travelled by car in relation to electric rail transport.  
See the average CO<sub>2</sub> emission 2022 by the German Federal Environment Agency <https://www.umweltbundesamt.de/bild/vergleich-der-durchschnittlichen-emissionen-0>. Importantly, we do not assume that the trains are powered by renewable energy.

\* Note for 2022: average CO<sub>2</sub> emission car: 166 g/Pkm (average 1.4 persons per car) and average CO<sub>2</sub> emission train: 58 g/Pkm (24% train utilization rate)

As of Dec 31, 2023

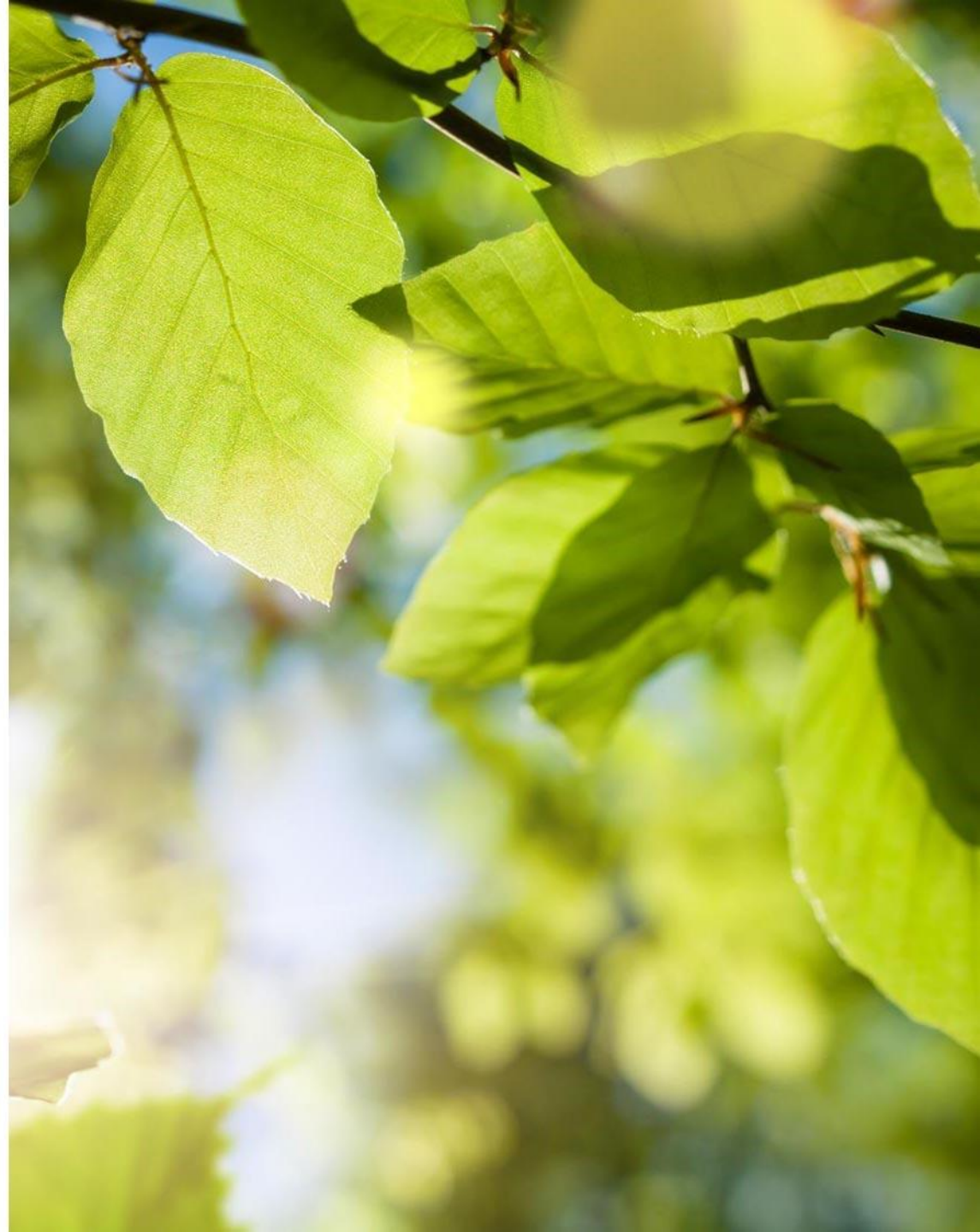


## Agenda

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Sustainability in the Helaba-Group  
Allocation & Impact

- **Project examples**



## Offshore Windpark Baltic Power

- The facility encompasses 76 Vestas wind turbine generators of 15 MW and is located 28 kilometers off the coast of the Poland
- It is expected to generate up to 1,140 megawatt of electricity starting from 2026, sufficient to meet the electricity requirement of more than the entire population of the local Province “Warmia-Masuria” – that is 1.500.000 people



### Key Project Data

- **Installed Capacity – 1,140 megawatt**
- **Helaba role - mandated Co-Lead Arranger & Hedging Bank**
- **Timing - entry into service 2026**
- **Location – Poland**
- **Landmark - first Polish offshore windfarm**
  - **Pathfinder Offshore Wind Project in Poland**
  - **Biggest Wind Turbines in Europe (15 MW)**
  - **PFI Europe “Deal of the Year “ 2023**

## Electronic Railroad Network “Saarbahn Netz GmbH”

- Financing of the development, manufacturing and delivery of 28 electric multiple-unit trains (EMU) of CITYLINK type for operation by Saarbahn Netz GmbH.
- Helaba acting as Arranger, Syndication Agent and Co-Lender in this project.
- The CITYLINK from Stadler is a streetcar that can also be used as an interurban streetcar.
- Saarbahn Netz GmbH participates in a joint order by six local public transport customers in Germany and Austria for a total of 246 Stadler CITYLINK Tram-Trains plus options for another 258 EMUs.
  - Fixed order volume of EUR 1.7 bn.
  - With the new order, Stadler has sold the CITYLINK over 650 times in 6 countries to date.



### Key Project Data

- **Passenger Capacity – 2.236 seats**
- **Amount - € 140 mln.**
- **Helaba role – Sole Lead Arranger, Syndication Agent & Co-Lender**
- **Timing – until end of 2052**
- **Location – Saarland, Germany**

## Your contacts

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