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**CEO
of Helaba**

**Annual Press Conference
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The spoken word shall prevail.

Thank you Mrs Krück!

On behalf of my colleagues on the Executive Board, I would also like to welcome all of you to our annual Balance Sheet Press Conference.

Ladies and Gentlemen,

All of us woke up to a changed world at the end of last week. I think this sentence by Germany's foreign minister encapsulates many things and none of us can evade it. I would not have dared to imagine that we would experience a war like this in the 21st century and it goes without saying that we also condemn Russia's attack on Ukraine in the strongest possible terms.

We share the view that this is a blatant violation of international law and a serious breach of human rights and of all the values that are important to us. For our objective as committed Europeans and democrats is the peaceful coexistence of people, the reconciliation of conflicting interests through an equitable dialogue and respect for differing opinions. Our deepest sympathy goes out to the people of Ukraine and their families all over the world.

Yet I would also like to express my admiration for those who, despite the threat of arrest and reprisal, are making a public stand for freedom and democracy in Russia.

Following the invasion of Ukraine by Russian troops, sanctions against Russia have been significantly expanded. Helaba will therefore meticulously implement all sanctions imposed by the German government and European Union. For us, as a leading provider of cross-border payment

services, implementing sanctions is a well-established process. Beyond that, we suspended all new business with Russia as early as last week. So this year is set to be overshadowed by recent developments in Ukraine and I will be returning to this at the end of my remarks.

Ladies and Gentlemen,

As difficult as it is given recent events, I would like to turn to the actual occasion for today's press conference and present the Helaba Group's 2021 results to you.

Let me just start by summarising the key points:

For the year as a whole, we generated a consolidated net profit before taxes of 569 million euros. This is an extremely encouraging result and demonstrates that we are on track. On the one hand, we are back on course to reaching our pre-Covid earnings; on the other hand, we are still on track to achieving the strategic goals we have set ourselves.

The figures also prove that our strategic agenda is paying off. Our operating activities saw growth across almost all segments throughout the year as a whole. The significant increase in net fee and commission income is an especially positive development. At the same time, we have made adequate provision for risk. And thanks to strict cost management, we have been able to stabilise our cost base in the bank. As a result, there was only a modest rise in general and administrative expenses in the overall Group - despite a substantially higher bank levy.

What is more, we have made considerable progress on other crucial aspects of our strategic agenda. We have continued to drive the modernisation of our IT infrastructure. And when it comes to "harnessing

sustainability as an opportunity for growth", we are making great strides with the expansion of our ESG product range and Sustainable Finance Advisory service, in particular. I will be elaborating on this further in the second half of my speech.

Details of earnings components:

Now, let me turn to the main components of our results in more detail.

Net interest income rose by 13 percent to 1,326 million euros. This growth is largely attributable to long-term refinancing transactions with the ECB, so-called TLTROs. Premiums from these TLTROs amounted to 147 million euros, a non-recurring effect that is also clearly visible in the consolidated net earnings. On the whole, our net interest income from customer-related operating activities was broadly stable. A decline at Frankfurter Sparkasse was more than offset by an increase at the Helaba single-entity bank.

Of particular note was the very positive trend in our **net fee and commission income**. Having risen by 10 percent in 2020, it once again increased by a significant 11 percent to 485 million euros last year.

This is a clear sign that our strategic agenda is paying off and that we were successful in achieving a further significant expansion in our commission-based business. Almost all segments contributed to this strong result.

Here, I would like to highlight the growth at our subsidiaries FBG and HI as well as the expansion in our syndication activities and our strategy of outsourcing credit risks to third parties.

In this way, we have made substantial progress towards our medium-term goal of achieving a net fee and commission income of 500 million euros.

Once again, our **net income from rented properties** has proven to be a stable and reliable earnings component. At 218 million euros, it remained roughly on the same level as the previous year.

As tension on the capital markets increasingly subsided, the past year saw a recovery in our **net trading income** from 35 million to 80 million euros.

The principal drivers here were, among others, the declining impact of valuation effects on securities due to lower risk premiums across all asset classes. In addition, the economic recovery in 2021 led to a renewed increase in our customers' demand for capital market products.

Consequently, this led to an uptick in trading volumes in the primary and secondary markets for securities, money market products, foreign currency and derivatives. Overall, we are satisfied with the performance of our business with customers.

Due to the absence of non-recurring effects that boosted **Other net income** to 166 million euros in 2020, it returned to a normal level of 57 million euros in 2021.

The **net income from fair value measurement**, which was dominated by anticipated catch-up effects compared to the previous year, reflects an easing of conditions on the capital markets.

Strict cost management enabled us to keep costs at the bank stable. This meant that, despite a sharp rise in the bank levy, we only recorded a modest increase of around 3 percent in general and administrative expenses.

Apart from contributions to the Single Resolution Fund, we incurred additional expenses in connection with our growth strategy. There was a slight increase in personnel costs, which were mainly attributable to additional recruitment in selected units of the Group (especially at FBG, HI and WIBank). At the single-entity bank itself, however, personnel expenses remained stable.

Following the crisis-hit year of 2020, we were able to significantly reduce risk provisioning in 2021. At 207 million euros, it adequately covers all potential credit risks. We continue to benefit from the high quality of our portfolio.

The rise in stage 3 credit default is in line with our expectations and is manageable. A management adjustment of 113 million euros makes up almost half of the total risk provisioning for 2021. Dr. Hosemann will shortly be giving you more details on our credit portfolio and risk provisioning.

Segments:

Let us first of all take a look at the performance of Helaba's business segments. The positive contribution of all segments to Group earnings underscores the effectiveness of our diversified business model and shows that our strategic agenda is paying off, with almost all segments recording an increase in their operating activities.

Real Estate:

Despite higher risk provisioning, we once again achieved a very positive result in our **Real Estate** segment. Earnings before taxes here amounted to 224 million euros, which were only slightly below the previous year's figure of 252 million euros.

We remain confident about our commercial real estate portfolio, which almost exclusively comprises conservative financing structures across all markets and asset classes. That being said, even we have felt the impact of COVID-19 with the retail/shopping mall sub-sector being particularly hard hit.

On the other hand, a considerable increase in margins on new business gives us cause for optimism and, despite a slight decline in new business, the average business volume over the year remained stable.

Corporates & Markets:

The pre-tax result in the **Corporates & Markets** segment rose sharply from EUR 5 million to EUR 238 million. This very strong performance was mainly attributable to portfolio valuation reversals, higher margins and premiums from TLTRO transactions.

Besides the TLTRO effect, the net interest income from lending activities also performed strongly. Another welcome development was a further rise in earnings from cash management activities – yet further evidence that our strategic agenda is delivering results.

Retail & Asset Management:

We also saw a marked improvement in earnings from our **Retail & Asset Management** segment, with earnings before taxes climbing from 202

million euros in 2020 to 245 million euros in 2021. Here, our operating activities mainly benefited from the higher net fee and commission income generated by Frankfurter Bankgesellschaft, Helaba Invest as well as Frankfurter Sparkasse.

However, an overall decline in risk provisioning also had a positive effect. On top of that, thanks to a recovery on the capital markets, there was a considerable rise in net income from fair value measurement of Frankfurter Sparkasse's special funds - which had a positive knock-on effect on Retail & Asset Management earnings.

Development Business:

At 33 million euros, the net profit at **WIBank** was on a par with the previous year. In 2021, WIBank continued to provide reliable support to the Hessian economy on behalf of the State of Hesse in the form of specific promotional funding schemes. From the start of the pandemic until the end of 2021, WIBank had disbursed COVID-19 financial assistance to Hessian companies in an amount of more than 1.5 billion euros.

A significant growth in WIBank's new business volume was primarily due to grants for hospitals and loans for the build-to-rent sector. The increase in general and administrative expenses is largely attributable to additional recruitment as a result of an expansion in business activities.

In the **Other** segment, we saw an improvement in net earnings from -267 million in 2020 to -171 million euros in 2021. This was mainly driven by a lower management adjustment.

The Group continues to enjoy a comfortable **CET1 ratio** of 14.3 percent.

The **Helaba Group's balance sheet total** decreased by 7 billion euros to 212.3 billion euros. This fall is chiefly the result of a deliberate reduction in securities and the lower market valuation of derivatives. This trend is consistent with our stated goal of achieving a balance sheet total of around 200 billion euros.

Let me briefly summarise our performance once again:

Our strategic agenda is paying off! A glance at the figures underlines the fact that our approach of diversifying our business model more broadly and boosting efficiency is yielding positive results. Operating activities across nearly all segments and subsidiaries have performed well.

At the same time, the assumption that expanding our portfolio of ESG-linked products as well as our Sustainable Finance Advisory service would meet with an enthusiastic market response has been borne out. In addition, our clients appreciate the fact that we have pressed ahead with digitising our bank and, for example, expanding our customer portals. We are extremely encouraged by our pre-tax earnings of 569 million euros, even if the special TLTRO effect I mentioned before had a positive impact. Before I move on to the second half of my speech and explain where we stand in terms of the further implementation of our strategic agenda, I would first like to hand over to my colleague, Dr. Detlef Hosemann, who will provide you with an in-depth analysis of our credit portfolio and risk provisioning.

Thank you, Dr. Hosemann.

At this point I would like to say a few words about the progress we have made to date in implementing our strategic agenda, before concluding with an outlook for 2022.

Helaba's strategic agenda – where do we stand?

Our consolidated net income before taxes in 2021 demonstrates that we are on the right track. We have redoubled our efforts across all areas of action and the Group's financial results that I outlined earlier clearly reflect the initial success of our strategic agenda.

In line with our growth strategy, we have pushed ahead with the diversification of our business model and have already tapped into or expanded new areas of income that are less capital intensive and in which the focus is on commission rather than interest-based earnings. I have already mentioned the growth of our subsidiaries FBG and HI, as well as the expansion of our syndication business, the outsourcing of credit risks to third parties and the positive trend in our cash management activities. As I noted earlier in my speech, net fee and commission income - which serves as a yardstick for the successful performance of our operating activities - increased by a healthy 11 percent.

We have also intensified our Group-wide cross-selling activities in order to generate additional growth. I would just like to give one example of this here.

GWH has become firmly established among Sparkassen and provides two GWH residential real estate funds that were launched as opportunities for S-Group institutions to invest their own funds.

The pooling of capabilities with LBBW also fits seamlessly into this strategy. Our approach here is to consolidate existing strengths within the Sparkassen-Finanzgruppe - instead of everyone offering the same services! In this way, we are contributing to strengthening the savings bank sector while, at the same time, focusing on key business activities that offer the best prospects for long-term profitability.

And it is precisely this opportunity that we have identified in bundling our documentary credit and international payment transaction business, as well as foreign notes and coins and precious metal activities, in our bank. In these areas, we will be able to further enhance our leading position within the Sparkasse-Finanzgruppe and continue to expand our activities. Beyond that, we are keeping a close eye on the market and examining future opportunities.

We have also made significant strides in implementing our efficiency measures. We are on schedule with our Scope programme and expect to complete the measures as planned at the end of next year. The reduction in staff numbers (400) is progressing on schedule and will be largely concluded at the end of this year.

Furthermore, thanks to rigorous cost discipline, we have been able to curb the trend of rising costs and have launched a number of projects that offer considerable potential for efficiency gains.

IT modernisation is another factor that will help ensure Helaba's future viability and we are implementing a programme to modernise our IT infrastructure, which is progressing as planned.

Our goal is to have a modern, powerful and efficient IT infrastructure that enables us to develop innovative products and integrate platform solutions. In this way, we will be able to tap into new earnings potential, improve our product range even more, increase efficiency and ultimately reduce costs. From a strategic point of view, this will allow us to consolidate our role as a central clearing institution for the S-Group as well as an efficient payment transaction processor, and will also lay the groundwork for additional synergy effects.

In terms of our products, we are already seizing the opportunities offered by digitisation.

Using the vc trade platform, the back-end processes for Schuldschein transactions have already been largely digitised. Together with vc trade, we are currently working on connecting additional products that are specifically tailored to the needs of the Sparkassen-Finanzgruppe. At the same time, we continue to refine our customer portals.

We are also pushing ahead with the digitisation of our internal processes, for example by optimising our credit processing or implementing our digital workplace project.

Furthermore, we are working on a number of collaborative projects, such as the Financial Big Data Cluster.

And finally, we are exploring the possibility of further partnerships and/or equity investments through our subsidiary Helaba Digital.

For instance, we recently acquired a stake in the yabeo Impact Venture Capital Fund. Through this fund, investors are able to participate in the early stages of start-up companies that address the issues of climate

change, sustainability and social impact using innovative technologies and new business models. This investment complements our sustainability activities by systematically establishing an external network of innovative companies with impact claims. This leads me directly to our other area of action: sustainability.

This is an issue that we focused on consistently in 2021 in the scope of implementing our strategic agenda.

Here, the emphasis has been on expanding our ESG product portfolio and our Sustainable Finance Advisory service.

Meanwhile, we provide a successful and diverse range of sustainable financial products, such as green and social Schuldscheine, social bonds and sustainability-linked bonds.

For many of our customers, the transformation of the economy towards sustainable growth poses questions that we can address with a dedicated Sustainable Finance Advisory service. The demand for this service continues to grow and we have responded to this by strengthening our team.

In 2021, we issued the first syndicated loan the financing costs of which were linked to concrete sustainability metrics. And we played a key role as ESG advisor for the largest-ever ESG-linked Schuldschein placed by a non-German issuer.

We will be building on these activities and rolling them out to serve additional groups of customers (financial institutions, the public sector,

asset finance) as well as making loans with sustainability components available to small and medium-sized enterprises.

We are also promoting the issue of sustainability within our bank: We want to improve our own sustainability ranking and, to this end, have joined a number of initiatives such as the Green and Sustainable Finance Cluster Germany and ECORE. As a member of ECORE, we have committed ourselves to continuously optimising our real estate portfolio with the ultimate aim of achieving net zero carbon emissions.

Alongside our commitment to sustainability on the product and advisory side, we are also embracing diversity at Helaba and have launched a variety of different HR measures to address this issue. Our aim remains the same: to ensure that women make up 30 percent of management roles. That is why we are looking at our own workforce, in particular, to identify high-potential female employees.

Further to that, we have created a junior staff development programme, 50 percent of which is made up of women.

We are also fostering diversity on other levels, for example with an LSBTIQ network, which was launched last autumn.

Ladies and Gentlemen,

We have successfully advanced our strategic agenda across all areas of action and we intend to rigorously maintain this momentum in 2022 as well.

Outlook for 2022:

Let me conclude by sharing our expectations for 2022 with you.

This year, the operating environment is set to be extraordinarily challenging.

The most pressing issue is clearly the war in Ukraine with all its potential ramifications.

As I mentioned earlier, on the whole Helaba is only directly affected to a very limited extent and we have already made allowance for any potential risks by setting aside a general loss provision in our annual financial statements. Furthermore, we have discontinued all new business with Russia and are implementing the stricter sanctions. We are closely monitoring further developments and will be analysing them on an ongoing basis.

Irrespective of these uncertainties, however, we are absolutely confident that we are well prepared for the challenges of 2022 thanks to our broadly diversified business model and the consistent implementation of our strategic agenda.

Ladies and Gentlemen,

The bank's earnings target for 2022 is in line with our medium-term objectives - you may recall that we had defined this as 500 million euros "plus".

However, given the war in Ukraine and the current very high level of uncertainty in respect of possible second and third-round effects, we have decided not to issue a specific earnings forecast.

Thank you for your attention.

My colleague and I are now available to take your questions.