

# So that good ideas take wing

Sustainability Report 2021



## About this report

### About Helaba

Helaba Landesbank Hessen-Thüringen Girozentrale is a credit institution organised under public law. As a full-service bank, Helaba is characterised by its regional focus, a presence in carefully selected international markets and a close relationship with the Sparkassen-Finanzgruppe. The Bank's registered offices are situated in Frankfurt am Main and Erfurt, and it also has representative and sales offices in other German cities as well as abroad.

GRI 2-1

### Reporting period

The present Helaba Sustainability Report relates to the 2021 financial year in the period from 1 January 2021 to 31 December 2021. The press date was 31 July 2022. Series of data are generally presented for three consecutive calendar years. The Helaba Sustainability Report will be published annually going forward.

GRI 2-3

### Reporting scope and content

The report takes the activities of all material subsidiaries into account – that is, Frankfurter Bankgesellschaft (FBG), Frankfurter Sparkasse, GWH Wohnungsgesellschaft mbH Hessen (GWH), Helaba Invest and OFB Projektentwicklung GmbH (OFB) – as well as the activities of the two dependent units Landesbausparkasse Hessen-Thüringen (LBS) and Wirtschafts- und Infrastrukturbank Hessen (WIBank). GRI 2-2 The report was prepared pursuant to the Universal Standards for 2021 of the Global Reporting Initiative (GRI).

In addition to the Sustainability Report, Helaba also publishes an annual progress report as a member of the UN Global Compact. Helaba has published a Non-Financial Statement and a declaration of conformity with the German Sustainability Code (DNK) since 2017. The Non-Financial Statement is reviewed by the auditors and presented to the Executive Board and Supervisory Board of Helaba for approval. GRI 2-14

### Editorial comments

Helaba sets great store by a corporate culture free from prejudice and discrimination and which is characterised by mutual respect and appreciation. The equal treatment of all genders is a matter of particular importance to us. Texts formulated in a gender-equitable way make a key contribution in this regard. In the present report, we therefore gender terms that refer to individuals as well as use double or gender-neutral forms.



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## Helaba: Sustainability in figures 2021 at a glance



**6,297**

employees from 50 countries



**22**

locations in Germany  
and around the world



**€ 212 bn**

in consolidated total assets



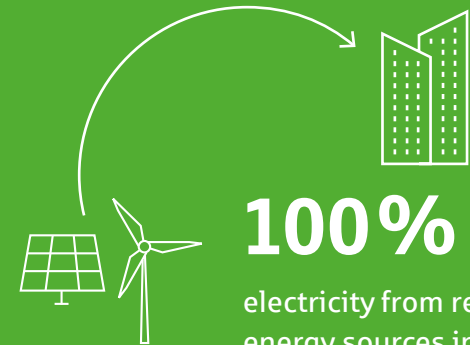
**47%**

female employees



**43%**

proportion of sustainable  
financing in total lending  
volume



**100%**

electricity from renewable  
energy sources in Helaba's  
own real estate





**“Every single success on our sustainability journey is thanks to the joint effort of many different people.”**

## Questions for Thomas Groß, CEO, and Petra Sandner, CSO

Photo: Angelika Stehle

**Russia's war against Ukraine is dominating the global agenda at the moment – something few people anticipated. What does this new geopolitical era mean for Helaba?**

**Thomas Groß:** Like everyone at Helaba, I'm deeply affected by the months of war that the Ukrainians have endured. We condemn the Russian invasion for breaking international law and violating human rights that we, like all committed Europeans and democrats, believe are sacrosanct. At home, many of us are already noticing the

war's economic consequences, especially the dramatic rise in prices for food, petrol and gas. Helaba has a diversified business model and has followed through on its strategic agenda. We are therefore well prepared for the future and are barely affected in terms of exposure to Russia. However, the long-term impacts of the new security policy reality and the emerging trend for deglobalisation – to mention just two new factors – are still largely unclear. The economy and wider society will face enormous challenges. For us at Helaba, it will be essential to adjust flexibly to the new situation while remaining a dependable partner to our customers. I'm convinced that we will succeed in this.

**“A new era, deglobalisation – the economy and wider society will face enormous challenges. We will continue to be a reliable partner to our customers.”**

Thomas Groß, CEO



**Before the war, it was Covid-19 that dominated our everyday lives, including at work. How have you kept Helaba on its sustainability path during the pandemic?**

**Thomas Groß:** The Covid-19 pandemic and all its consequences have been very challenging for us. During the pandemic, the first priority, of course, was to look after everyone's health while keeping the Bank running. At the same time, Helaba completely reorganised many areas and processes. More flexible working, for example, is here to stay and will remain available to our employees beyond the pandemic.

In 2020, we also launched HelabaSustained. This sustainability programme sets the tone in terms of strategy, organisation, regulatory issues, markets and competition with the aim of honing our bank's sustainability profile. This includes the Chief Sustainability Officer function that we created in 2021 and in which we are very lucky to have the excellent Petra Sandner.



**“On behalf of our customers, we translate global targets and initiatives such as the SDGs into true sustainability efforts.”**

Petra Sandner, CSO

**Petra Sandner:** We never lost sight of sustainability even during the pandemic. For us, sustainability is not just a nice to have when times are good. Instead, we believe it's key to our long-term success and have made it an integral part of our strategy. We're always aware of our special responsibility as the Landesbank in making the economy more sustainable. We want and need to protect natural resources and act in the public interest. We've therefore clearly committed ourselves to the goals of the Paris Agreement and the climate targets of the German government and European Union. We are contributing to realising the United Nations Sustainable Development Goals. We are translating the ambitions of these global targets and initiatives into real sustainability efforts, for example by providing ESG products and targeted advisory services to help our customers transform their own businesses.

**Let's look at 2021, the year covered by your first sustainability report: What highlights from Helaba's sustainability journey so far have stuck in your memory?**

**Petra Sandner:** Helaba takes a holistic approach to sustainability, focusing on all three ESG (environmental, social, governance) criteria. In terms of the environmental dimension, we develop concrete solutions, for example to promote financing that benefits the climate and environment. A key role here is played by our Sustainable Lending Framework for classifying sustainable loans. This has now been finalised and successfully undergone an external evaluation. Parallel to this, we have issued the first Helaba green bond and enhanced our ESG product

range. We've also expanded our Sustainable Finance Advisory service in response to rising demand from our customers.

**Thomas Groß:** One big initiative in the social dimension has been our social volunteering programme that we piloted in Düsseldorf in 2021. Employees can volunteer in local initiatives during their working hours in person or online. Feedback was universally positive, and so we are now offering the programme at other locations too. And in terms of governance, Helaba stayed true to its principles of responsible corporate governance in 2021. We believe that transparency is vital, and so we're now publicising sustainability efforts across the whole Group in a central place in the form of this compact report.

**Petra Sandner:** My role as CSO is to keep the Helaba Group's sustainability transformation moving forward. That's why we're integrating sustainability into the Group's strategy and corporate culture. Since the process began, I've clearly seen how people at Helaba are becoming ever more willing and motivated to think about sustainability in their everyday work. That shows that we're getting more and more people behind us and moving faster than ever in the right direction.

**Thomas Groß:** Of course, these highlights were just some of the many successes in our sustainability journey last year – each of them a real team effort. We would therefore like to take this opportunity to thank our employees for their exceptional hard work, their innovative spirit and their respect and appreciation for each other. We also want to thank our customers and business partners, with

whom we have often been working for many years, for their continuing trust. Together, we can help make the world a more sustainable place for people today and for future generations.

**Let's finish by looking ahead: Which aspects of the sustainability megatrend will be relevant to Helaba in the coming years?**

**Petra Sandner:** We're always writing new chapters in our sustainability journey. As well as developing our ESG products and implementing regulatory requirements, we're focusing on diversity, for example. But our other ESG objectives – such as reducing our emissions and contributing to achieving the aims of the Paris Agreement – also drive our everyday work. We have key performance indicators for these. We want to deliver on our own expectations and those of our stakeholders by playing a key part in creating a more sustainable future. Helaba's social outreach will also continue to be vitally important, with support for social wellbeing, academic projects, culture and sport. We're looking forward to many more activities in this area.





# A portrait of the Helaba Group

## Hand in hand: our business areas

One of the leading banks in the German financial capital of Frankfurt am Main, Helaba employs approximately 6,300 people and has total assets of € 212 bn. It serves its clients in three functions:

- As a commercial bank, Helaba operates in Germany and abroad. Helaba maintains stable, long-term relationships with companies, institutional customers and the public sector. Helaba is also the regional market leader in retail banking through its subsidiary **Frankfurter Sparkasse** and has a presence in the field of direct banking in the form of **1822direkt**. **Landesbausparkasse Hessen-Thüringen (LBS)**, Helaba's independent home loans and savings division, uses the Sparkassen as sales partners and holds a leading market position in both Hesse and Thuringia.
- Helaba is a **Sparkasse central bank and S-Group bank** for the Sparkassen in Hesse, Thuringia, North Rhine-Westphalia and Brandenburg and, therefore, for around 40 % of all Sparkassen in Germany. As a partner to the Sparkassen, Helaba provides high-quality financial products and services.
- Helaba administers public-sector development programmes through **Wirtschafts- und Infrastrukturbank Hessen (WIBank)** in its capacity as the **central development institution** of the State of Hesse.

Additionally, the Helaba business model includes further strong, well-known brands that complement the Group's product portfolio:

- Frankfurter Bankgesellschaft (FBG)** provides Helaba's products and services for Sparkassen in private banking and in the wealth and asset management businesses.

- The wholly owned subsidiary **Helaba Invest** is one of Germany's leading institutional asset management companies.
- The **GWH Group** manages around 52,000 residential units and is therefore one of the largest housing organisations in Hesse. In addition, it develops residential real estate and initiates and manages residential real estate funds.
- The **OFB Group** is a full-service group of companies in the fields of real estate project development and land development throughout Germany, with a particular focus on the Rhine-Main region.

## Out of conviction: our sustainable services

In accordance with our public mandate, we support our customers in successfully doing business over the long term and protecting natural and social resources. Throughout the Group and in all areas of our business activities, we therefore offer sustainable products which address the aspects of the environment, social matters and governance (ESG). A selection:

- Private customers:** With the biggest branch network in Frankfurt am Main and a range of basic accounts, Frankfurter Sparkasse also provides banking services for economically and socially disadvantaged sectors of the population. LBS makes it possible for broad sectors of the population to accumulate wealth and supports homeowners in the renovation of their homes to make them more energy-efficient.
- Corporate loans:** With so-called ESG-linked products, we couple the conditions for all possible financing structures with a sustainability component, a rating or a performance indicator, for instance. Our customers therefore have a binding incentive to invest in the sustainable transformation. Our aim with this broad and easily accessible portfolio is to reach small and medium-sized enterprises in particular. And we also offer the accompanying advice, structuring and syndication.

## Comprehensive and customised: the product portfolio of the Helaba Group

Real Estate	Corporates and Markets	Retail and Asset Management	Development Business	Other
<ul style="list-style-type: none"> <li>Commercial real estate finance</li> </ul>	<ul style="list-style-type: none"> <li>Corporate banking</li> <li>Asset finance</li> <li>Sparkassen and SMEs</li> <li>Capital market and treasury products</li> <li>Cash management</li> <li>Public finance</li> <li>International business</li> </ul>	<ul style="list-style-type: none"> <li>Retail banking</li> <li>Private banking</li> <li>Home loans and savings business</li> <li>Asset management</li> <li>Residential real estate portfolio</li> <li>Custodian banking services</li> </ul>	<ul style="list-style-type: none"> <li>Public development programmes on behalf of the State of Hesse</li> </ul>	<ul style="list-style-type: none"> <li>Project development and coordination as well as real estate management for large-scale properties</li> <li>Issuance of own debt instruments for institutional and retail customers</li> </ul>



- **Capital markets:** We also offer tailored ESG-linked products on the capital market. As a leading provider of promissory note loans for companies and the public sector, we have also developed sustainable versions of this product. We plan to get even more involved in advising and accompanying the syndication of green and social bonds.

In addition to its financial activities, the Helaba Group engages in **many areas of public life** by sponsoring groundbreaking educational, cultural, environmental, sports and social projects.

### Committed to the public interest: our impact

#### Sustainability transformation

Our business activities are tightly interconnected with the real economy; some 60 % of our total assets stem from business with customers. We are increasingly financing industries and sectors which are helping work towards an economy that is more climate-friendly, more resource-efficient and more socially just, for example in the areas of energy supply, mobility or education.

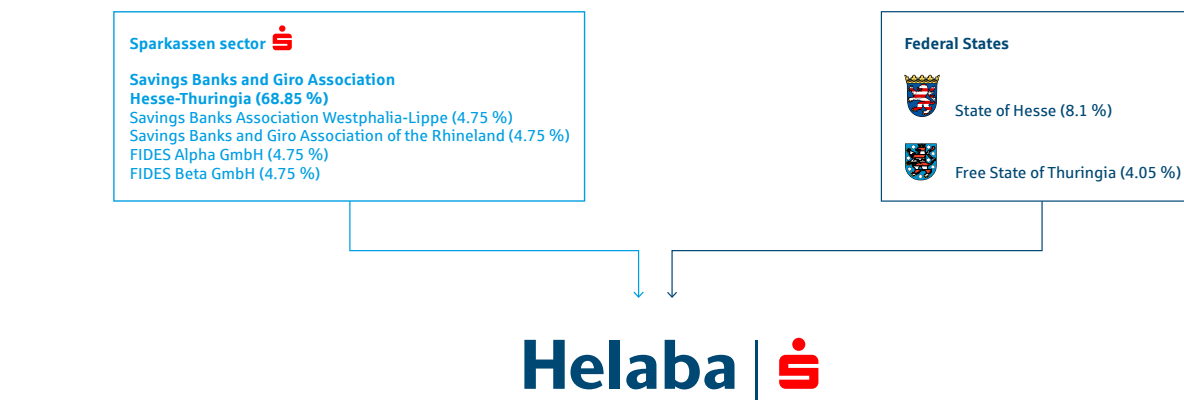
#### Provision of financial services and financial inclusion

With our subsidiaries' services in private customer business and our payment transaction infrastructure, we help people from all sectors of the population save their money and grow their assets – a major aspect of our public mandate.

#### Liveable neighbourhoods

GWH provides affordable living space for broad sectors of the population and uses renovations and green heating energy, for instance, to reduce the negative impact of its real estate on the environment. In addition, it makes spaces available for social purposes such as youth support and creates social advisory offices in housing developments.

#### Helaba's ownership structure



#### Regional support

WIBank enables cities and communities in Hesse to engage in environmental activities and climate action, for example by supporting environmentally friendly technologies and projects. Financing for small and medium-sized enterprises creates new jobs and training positions or helps maintain those already in existence. As part of the coronavirus aid programme of the State of Hesse and the KfW, WIBank and Helaba support several thousand companies and freelance professionals make it through critical situations brought on by the pandemic. GRI 2-1 GRI 2-6

#### Helaba's Executive Board and corporate bodies

Helaba is a legal entity under public law. The bank is jointly owned by the State of Hesse, the Free State of Thuringia, the Sparkassen- und Giroverband Hessen-Thüringen, Rheinischer Sparkassen- und Giroverband and Sparkassenverband Westfalen-Lippe. FIDES Beta GmbH serves as a fiduciary for the German Savings Bank Association as the owner of the reserve fund of the Landesbanken and Girozentralen. FIDES Alpha GmbH serves as a fiduciary for the regional Sparkassen associations as owner.

#### Helaba's public ownership structure

Helaba has three executive bodies: the Board of Public Owners, the Supervisory Board and the Executive Board. In the spirit of Helaba's holistic success, the members of these bodies are in continuous intensive and personal contact.

The **Board of Public Owners** decides on matters of fundamental significance, including amendments to the Charter, changes to equity capital and fundamental changes of Helaba's business policy.

The **Supervisory Board** assumes the utmost control and steering function and monitors the management of the Executive Board and can establish guidelines in this regard. Appointing members of the Executive Board, the chairperson and the deputy chairperson also fall under the purview of the Supervisory Board.

The **Executive Board** conducts the business of the bank and represents it both in and outside of court. The Executive Board regularly informs the Board of Public Owners and the Supervisory Board about the business activities and the economic situation of the bank.

A current list of the members of the corporate bodies can be found on our [→ website](#), and more detailed information on the Helaba corporate bodies can be found in our [→ Charter](#). GRI 2-9 GRI 2-10

GRI 2-11

### Regionally anchored – globally active

The Bank's registered offices are situated in Frankfurt am Main and Erfurt, and it also has representative offices in Düsseldorf and Kassel, as well as Paris, London, New York and Stockholm. With its the representative offices, Helaba strengthens the close relationship with customers and Sparkassen. The foreign branches also provide Helaba with access to the funding markets based on the US dollar and pound sterling, plus a number of representative and sales offices, subsidiaries and affiliates. GRI 2-6

### Our offices

#### Head offices:

Frankfurt am Main and Erfurt

#### Offices in Germany:

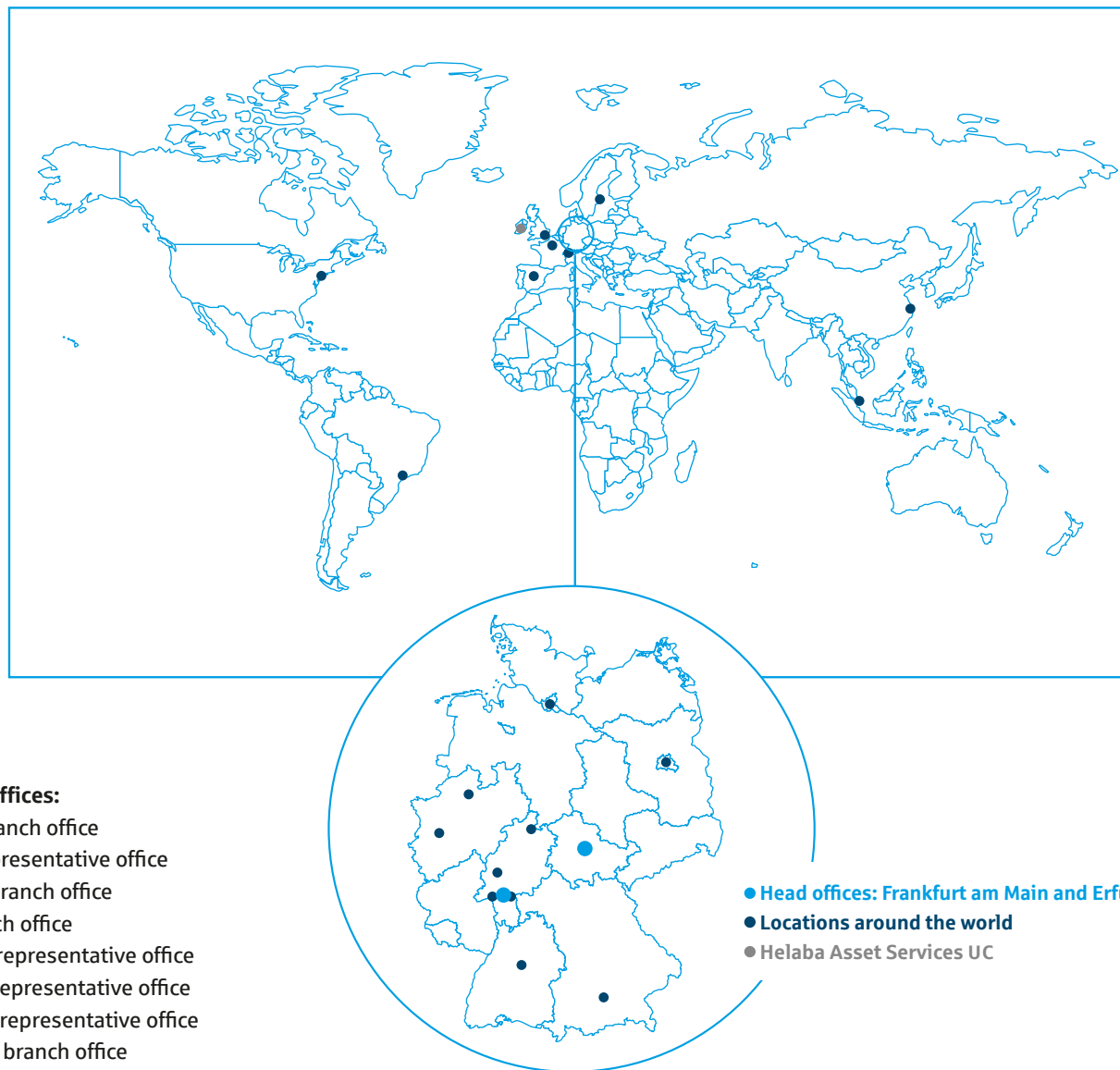
- Berlin – real estate office, Sparkassen bank office
- Düsseldorf – branch office, Sparkassen bank office
- Hamburg – Sparkassen bank office
- Kassel – branch office
- Munich – real estate office, sales office
- Münster – sales office
- Offenbach
- Stuttgart – sales office
- Wetzlar – WIBank
- Wiesbaden – WIBank

#### International offices:

- London – branch office
- Madrid – representative office
- New York – branch office
- Paris – branch office
- São Paulo – representative office
- Shanghai – representative office
- Singapore – representative office
- Stockholm – branch office
- Zurich – Frankfurter Bankgesellschaft (Schweiz) AG

#### Helaba Asset Services UC:

- Dublin



### Guiding principle: mission, vision and core values

Our mission is to simply be a good bank. In doing so, our legal form as a public-law institution and the corresponding mandate to operate in the public interest form the basis for our business objectives and the strategic orientation of Helaba. Our brand motto “Values with impact.” emphasises our expectation of making a positive value contribution to society and of using our services to create a foundation for honest success. In times like these, this means one thing above all else: contributing to greater social and ecological sustainability and accompanying our customers on their journey towards a low-carbon, circular economy – so that good ideas come to fruition!

We are convinced that we can get things moving with our value-based approach – now and for the future. In addition to our expertise, foresight and the combined efforts of all our employees, our corporate culture in particular plays a significant role in our success. Our core values – especially in times of change – continue to guide our actions:

**Reliability.** We keep our promise of quality even in challenging times. Our decisions are transparent and follow clear rules. Our values and our tried-and-tested business model create continuity and lay the foundation for partnerships built upon trust.

**Customer focus.** We stand out by being close to our customers as well as through our performance and innovative solutions. And we always keep our customers’ needs in focus and take the time to understand their individual requirements. Our goal is to achieve shared, long-term success with our customers.

**Enthusiasm.** We are motivated by the appreciation for our services and our pride in our values. Effectively supporting projects with our expertise is important to us. We are not satisfied until everyone says: “This has taken us forward.”

We at Helaba strive to embody a willingness to change with this intrinsic compass of values. This is the only way we can actively shape our future and strengthen our position as a leading bank for Sparkassen as well as for national and international customers.

### At a glance: Helaba’s economic contribution

Economic performance <small>GRI 201-1</small>		in € m
	2021	2020
Economic value generated	4,239	3,979
Net interest income	3,349	3,340
Net commission income	617	555
Other	273	84
Economic value distributed	3,699	3,764
Net interest expenses	2,023	2,168
Net commission expenses	132	119
Other operating expenses	676	653
Wages and other company benefits	709	686
Payments to owners	90	90
Income taxes	67	46
Investments in society	1.6	1.5
Economic value retained	540	216

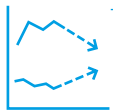
The disclosures on the various components of economic value illustrate how Helaba generates income for its stakeholders and creates added value for the economy. The direct economic value generated is comprised of various income items, in particular net interest and commission income. The economic value distributed is comprised of interest and commission expenses, operating costs, wages and benefits for employees, payments to share-

holders, tax payments to the government as well as investments on a municipal level in the form of voluntary donations and sponsorships. The economic value retained is the difference between the direct economic value generated and the economic value distributed.

**“The aim is to achieve a reduction in greenhouse gases with the minimum possible hit to prosperity.”**

### Dr Gertrud R. Traud

has been Helaba's chief economist since 2005 and is one of the few women to hold this position in Germany. Among the many texts she and her team publish is an annual Economic and Capital Market Outlook every autumn. This looks at various scenarios for the global economy in the year ahead and offers predictions that have proven very close to the mark.



→ Markets and Trends –  
Helaba's Annual  
Economic and Capital  
Market Outlook

### Questions for Dr Gertrud R. Traud, Chief Economist

Photo: Steffen Buchert

**The word sustainability is on everyone's lips right now. How do you approach it in your analyses and forecasts?**

Aspects of sustainability have been relevant to Helaba's analysis and forecasting processes for quite some time. We have analysts who deal explicitly with issues relating to sustainable finance for companies and others who incorporate sustainability factors into their macroeconomic analyses. We have been producing studies on the regulatory framework for banks and companies for several years now. There is an increasing demand to quantify climate change and the efforts to limit it. We are happy to meet that demand





## “If sustainability is to have lasting impact, it has to be seen and put into practice as a categorical imperative.”

Dr Gertrud R. Traud

Chief Economist/Head of Research and Advisory at Helaba

but we also emphasise that there are few topics that call for more humility than climate change. Policymakers, researchers and banks are all trying to grapple with the urgent questions thrown up by the warming atmosphere. The illusion of certainty can be almost as dangerous as waiting to take action until we can see more clearly.

In our studies, we are currently looking at what we think are the most important effects of climate change and the likely measures to decarbonise the economy. There are many negative and positive factors at play. And we have to remember that not everything that hits economic growth is a bad idea. Rather, the aim is to achieve a set reduction in greenhouse gases with the minimum possible hit to growth and prosperity. An efficient and successful climate policy uses the incentives of the market economy to motivate people to act voluntarily. But even in an ideal scenario, some loss of prosperity – measured purely in economic terms – is probably unavoidable. This will

lead to conflicts around resource distribution and sooner or later undermine public consent for ambitious climate action. Politicians in many places have so far avoided preparing people for these impacts. They often make a big deal of small and uncertain positive effects (“We will be world leaders in green technology”) and dismiss the expected costs. This could come back to bite us in the medium term. Objectively analysing and communicating the likely positive and negative impacts of planned measures is therefore crucial.

### How do you see the Ukraine war affecting the sustainability transformation of the economy?

The short-term effect on sustainable development will be negative as the lack of available gas means that more coal will be used to generate electricity. But there could well be positive effects in the medium term: high prices for fossil fuels make green energy cheaper in relative

terms. The expansion of wind and solar is likely to pick up speed. European neighbours are also pushing low-carbon nuclear technology. Energy saving is set to become more important. Germany is well positioned in environmental technologies and stands to benefit from this – not only in electronics and machine building but also in the automotive industry, which is making big progress in e-mobility.



You can find in-depth analysis of the economy, financial markets and sustainable finance in the [→ Helaba Research and Advisory newsletter](#) – and on our [→ YouTube channel](#).




# Sustainability strategy and management

Helaba is committed to fulfilling its economic, ecological and social responsibilities. Specifically, this means that we take measures, both in operations as well as in our core business, to reduce our environmental impact and to create added value for society. With our sustainability strategy, we have built a strategic framework within which we manage our sustainability impact and risks.

We consider it our task to take responsibility for people and the environment, both as an employer and as a provider of financial services. In doing so, we protect the rights of people to live in freedom with an intact environment, today and in the future. Our efforts in this regard focus in particular on supporting our customers in reshaping their business models to create a climate-neutral and circular economy. Additionally, by joining the UN Global Compact, we also emphasise the social aspect of sustainability: we do not want to encourage the violation of human rights, neither in our own business activities nor in our work with other companies.

We want to promote a type of corporate governance that ensures long-term economic success within the limits of our planet and for the good of humankind. Our understanding of sustainability is therefore in accordance with the so-called ESG criteria, which define standards regarding environmental, social and governance aspects. In our guiding principles for sustainability, we have stipulated corresponding standards of conduct for our business activities, operations, dealing with employees and our social engagement.

What does ESG actually mean?
 

<div>E</div> <div>for environmental</div>  <ul style="list-style-type: none"> <li>· Preserving nature and the environment</li> <li>· Greenhouse gas emissions</li> <li>· Climate change adaptation</li> <li>· Energy</li> <li>· Biodiversity</li> <li>· Resources</li> </ul>	<div>S</div> <div>for social</div>  <ul style="list-style-type: none"> <li>· Human rights and social standards</li> <li>· Product responsibility</li> <li>· Social engagement</li> <li>· Occupational health and safety</li> </ul>	<div>G</div> <div>for governance</div>  <ul style="list-style-type: none"> <li>· Corporate governance</li> <li>· Supervisory Board independence</li> <li>· Compliance and anti-corruption</li> <li>· Money laundering</li> <li>· Risk and reputation management</li> </ul>
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## Sustainability strategy

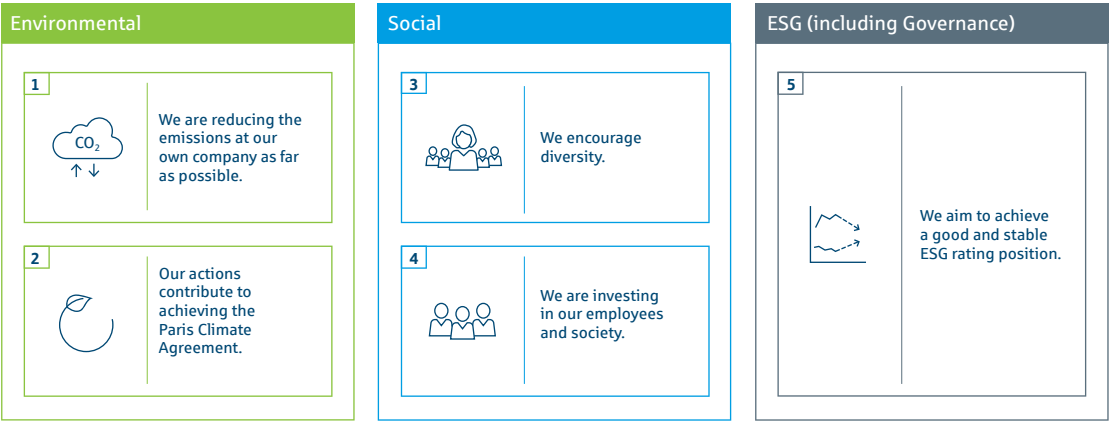
Our expectation is to manage our company fairly and sustainably. In our strategic structure, we are guided by internationally recognised sustainability standards and we take part in cross-sector initiatives for the sustainability transformation of the financial sector. In accordance with our mandate to operate in the public interest, sustainability has long been an integral part of our Group-wide binding business strategy and thus embedded in the corresponding management processes. As a part of the business strategy, our sustainability strategy is approved by the Executive Board, the Supervisory Board and the Board of Public Owners. The

sustainability strategy is thus binding for the entire Group, is reviewed annually and updated if necessary. Since 2021, we have published our [→ sustainability strategy on our website](#).
 

GRI 2-22

For Helaba, sustainability means having our eyes on the overall picture. Be it in our core business, in operations or in dealing with employees and customers – our dedication to one of the three aspects of sustainability must not come at the detriment of others. For this reason, we were guided by the holistic approach of the UN Sustainable Development Goals (SDGs) when formulating and structuring our sustainability goals. This road map for improving

The ESG goals of the Helaba Group



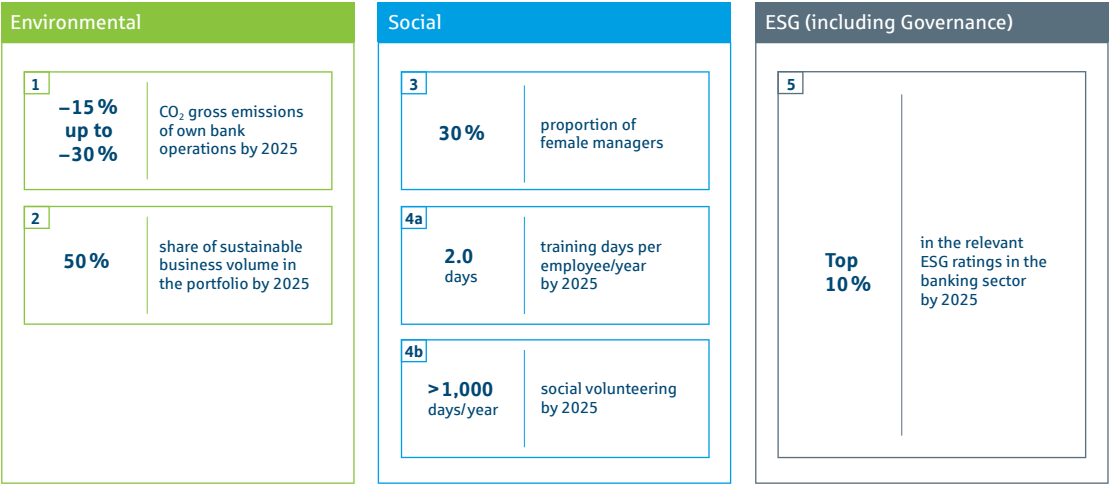
the future, also referred to as Agenda 2030, presents the ways in which policymakers, civil society, the private economy and the scientific community can work together to create the prerequisites for a quality life while preserving the natural resources of our planet at the same time. The SDGs include economic, ecological and social aspects. Accordingly, we have also assigned our five strategic sustainability goals to the categories of E, S and G (see graphic “ESG goals”).

The five sustainability goals are equal in terms of priority and are pursued simultaneously. They are decisive for bank management and an integral component of our goal systems. In addition to sustainable economic business development, the achievement of individual performance targets is decisive for the variable remuneration of our employees and the Executive Board. Since 2021, the achievement of these ESG goals has been a part of setting targets for our employees and thus a component in determining their variable remuneration. In accordance with the ECB guide on climate-related and environmental risks, Helaba’s remuneration policy and practices contribute to a long-term approach to managing environmental and climate-related risks in line with our risk strategy. [GRI 2-18](#) [GRI 2-19](#) [GRI 2-20](#) In this way, we want to ensure that our internal incentive systems support our ESG goals.

Headed to the future with clear objectives

You can only manage what you are aware of – we plan to use this principle to track progress with regard to target achievement. With the help of key performance indicators (KPIs) – our key figures which are derived from our five sustainability goals – we have developed an effective management system. The KPIs apply to all companies in the Helaba Group and are transferred step-by-step to concrete management processes. Specifically, this means that the companies of the Helaba Group also align their business activities with these sustainability goals, thereby strengthening the performance of the Group as a whole. We are expanding our current method for recording environmental and HR indicators to

KPI system of the Helaba Group



a comprehensive sustainability database which allows us to internally review the effectiveness of individual measures and to document them for dialogue with our stakeholders.



#### KPI 1 – We will reduce our emissions from banking operations as much as possible.

To protect nature and the environment, we organise our operations to conserve resources and to be climate-neutral by 2035. Along the way to this objective, we will reduce our emissions by 15 % to 30 % by 2025 compared to the average of the years 2015 to 2019 – for example by applying recognised sustainability standards in building technology or through the introduction of new concepts for the climate-friendly mobility of our employees. Beginning in 2022, and retroactively for 2021, and the following financial years, we will offset emissions that currently cannot be avoided. In doing so, we ensure the highest standards of quality and support only those offsetting projects which make an additional contribution to climate action.



#### KPI 2 – We will make a contribution to the targets of the Paris Agreement.

Helaba has committed to the targets of the Paris Agreement and makes an effective contribution to achieving these targets in its core business, namely lending. Together, Helaba's front office units have set ambitious goals for themselves: by 2025, the proportion of sustainable business in the portfolio is to increase to 50 %. In our Sustainable Lending Framework, we clearly and understandably define which businesses we consider to be sustainable and which positive impacts they have. In addition to our core business, we also want to support meaningful initiatives for protecting the environment and the climate and invest in corresponding projects.



#### KPI 3 – We will promote diversity.

Diversity management at Helaba is designed to make use of the diversity of the organisation's workforce to improve our culture of innovation and risk, thereby ensuring the continuation of Helaba's success. Supporting women in their

careers is a matter of particular importance to us. We aim to increase the proportion of women in management positions to more than 30 %. To this end, we start at the beginning of their careers and, when filling positions in programmes for young talents and professional development, that the proportion of men and women is balanced.



#### KPI 4a and 4b – We will invest in our workforce and in society.

Our employees are the most important factor in our success and crucial for the long-term stability of Helaba. So that they remain motivated and continue to deliver high performance, we want to enable each employee to undergo two days of training and professional development per year. Moreover, we create a specific portfolio of training and professional development options on ESG topics to allow the Helaba workforce to come with us on the sustainability transformation journey. The social engagement of Helaba is strategically embedded in our corporate citizenship concept. In addition to the donation and sponsorship activities of the bank itself, this concept also includes social volunteering elements: employees can take up to two days off per year to participate in ecological and social projects. Our aim is for this social volunteering to amount to at least 1,000 days per year by 2025.



#### KPI 5 – We will achieve and stabilise a good position in the ESG rating.

We want to position ourselves as a preferred provider of sustainable finance services on the market and be recognisable as such for our stakeholders, which is why we strive to achieve a stable, good position in the relevant ESG ratings. We have already achieved this goal in the ratings of the agencies ISS ESG and Sustainalytics. In the reporting year, we created an ESG sub-page of the Helaba website which provides analysts with all the information they need at a glance.

**Our journey to carbon neutrality** Helaba has committed to carbon-neutral operations by the year 2035. Along the way, we are pursuing a three-stage approach: we first are focusing on avoiding and/or reducing emissions. Only those emissions which are not entirely avoidable are offset with high-quality CO<sub>2</sub> certificates. We have defined clear quality requirements to ensure that the offsetting measures do in fact make the contribution to climate action they promise. In addition to the central criterion of additionality, emissions reductions must also be permanent and independently verified. Moreover, we set high standards regarding transparency for the projects and only use certificates for emissions which have already been reduced or bound at the time of issue. Beyond their contribution to just reducing emissions, the projects we support also should make a contribution to sustainable development.

### Sustainability management

The Executive Board bears overall responsibility for all topics related to sustainability. **GRI 2-12** The board is supported in this endeavour by the Chief Sustainability Officer (CSO), who heads sustainability management and, since 2020, has been responsible for the sustainability programme HelabaSustained. The goal of this programme is to enhance the sustainability profile of the Helaba Group and to make it fit for the future – also in light of the regulatory requirements of the EU taxonomy and the German Supply Chain Act, for example. Our focus in this regard is on our core business. We want to raise the profile of Helaba in the field of sustainable finance and accompany our customers in their sustainability



transformation. To coordinate the sustainability activities throughout the Group, we have established the Group Sustainability Committee (GSC), which is made up of Helaba's sustainability officer as well as its independent and dependent subsidiaries.

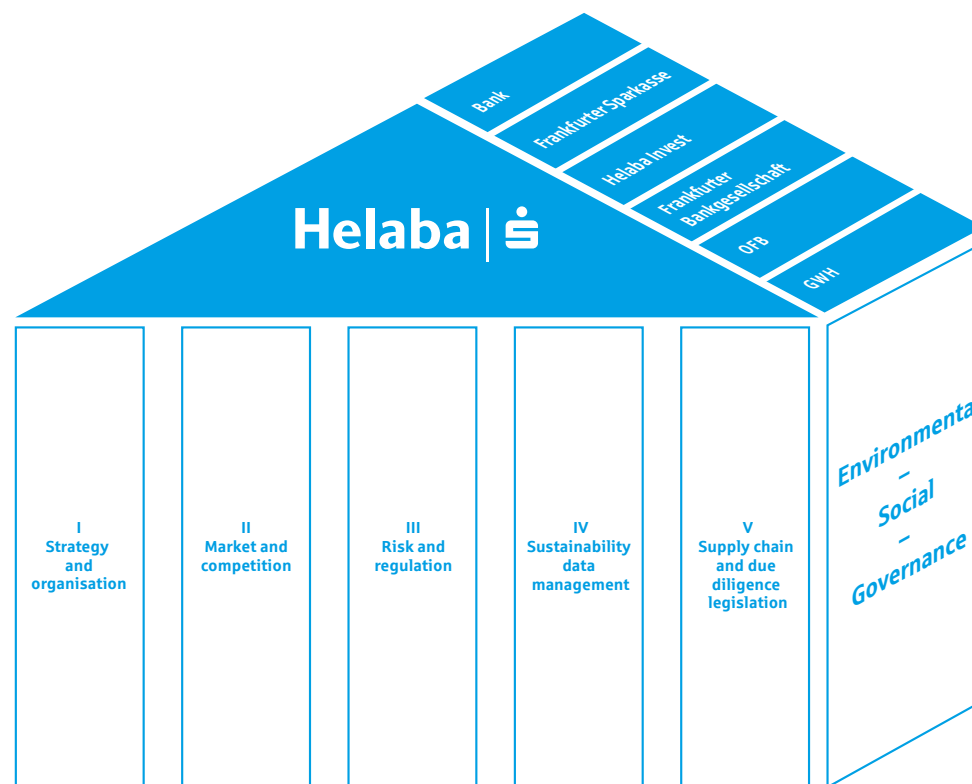
The HelabaSustained programme has been divided into five pillars that cover all three ESG dimensions: environmental, social and governance. There are various initiatives and working groups within the pillars which deal with the planning and implementation of measures. Management of the programmes ensures that the programme work is a joint effort of all companies within the Helaba Group. All programme-related decisions are made by the steering committee, which is made up of representatives from the Executive Board, including CEO Thomas Groß, the department managers and the management of two subsidiaries. The results of the initiatives are successively integrated into the organisation of business lines. For example, the Sustainable Finance Advisory, which was established in 2019, was significantly expanded in 2021 and equipped with additional resources.

Structuring its business to be sustainable is a priority for Helaba. To more effectively manage the achievement of our sustainability goals and to continuously enhance Helaba's ESG profile, we comprehensively anchor the topic of sustainability in the governance structure of Helaba. GRI 2-13 GRI 2-17

### Materiality analysis and stakeholder dialogue

Dealing with sustainability opportunities and risks that result from or impact Helaba's business activities is essential to the targeted development of our business strategy: how must lending and investment strategies be realigned in light of climate-related and environmental risks? What opportunities result from Helaba's special position as a Landesbank for its role in the sustainability transformation? To answer these questions and identify focus areas for reporting, Helaba updated its materiality analysis.

The HelabaSustained programme



In the first step, we identified potential material topics by observing the relevant sustainability standards, in particular those of the Global Reporting Initiative (GRI), and supplementing them with sector topics from the materiality map of the Sustainability Accounting Standards Board (SASB). We also took the material topics of Helaba's competitors into account in our observations. Additionally, we considered political regulations such as those of Germany's Sustainable Development Strategy or those of the EU Commission's action plan for sustainable finance.

In the next step, a select group of specialists and managers took part in a materiality workshop to further hone the resulting longlist of material topics. For the selection of the topics, they considered opportunities and risks within the meaning of double materiality from an inside-out and/or outside-in perspective. The result of this selection process was a shortlist of 17 material topics which were subsequently prioritised by specialist employees and managers as part of an online survey.

Including stakeholder perspectives

In the next step, external stakeholders were also asked to provide their input and prioritise the topics as part of an online survey. In doing so, we were also able to gather further topics and ideas from the stakeholders. GRI 3-1 Due to the diversified business activities and the associated Group and ownership structure, Helaba is in ongoing exchange with numerous stakeholder groups, which come with a wide range of expectations of the bank. Selected representatives of the following stakeholder groups took part in the stakeholder survey for the current materiality analysis. GRI 2-29

G4-FS5

Employees

Helaba maintains a dialogue with its employees both as part of regular HR discussions and surveys as well as conversation forums with the Executive Board which take place multiple times per year. The Human Resources Council is the institutionalised representation of Helaba’s employees’ interests. GRI 2-16

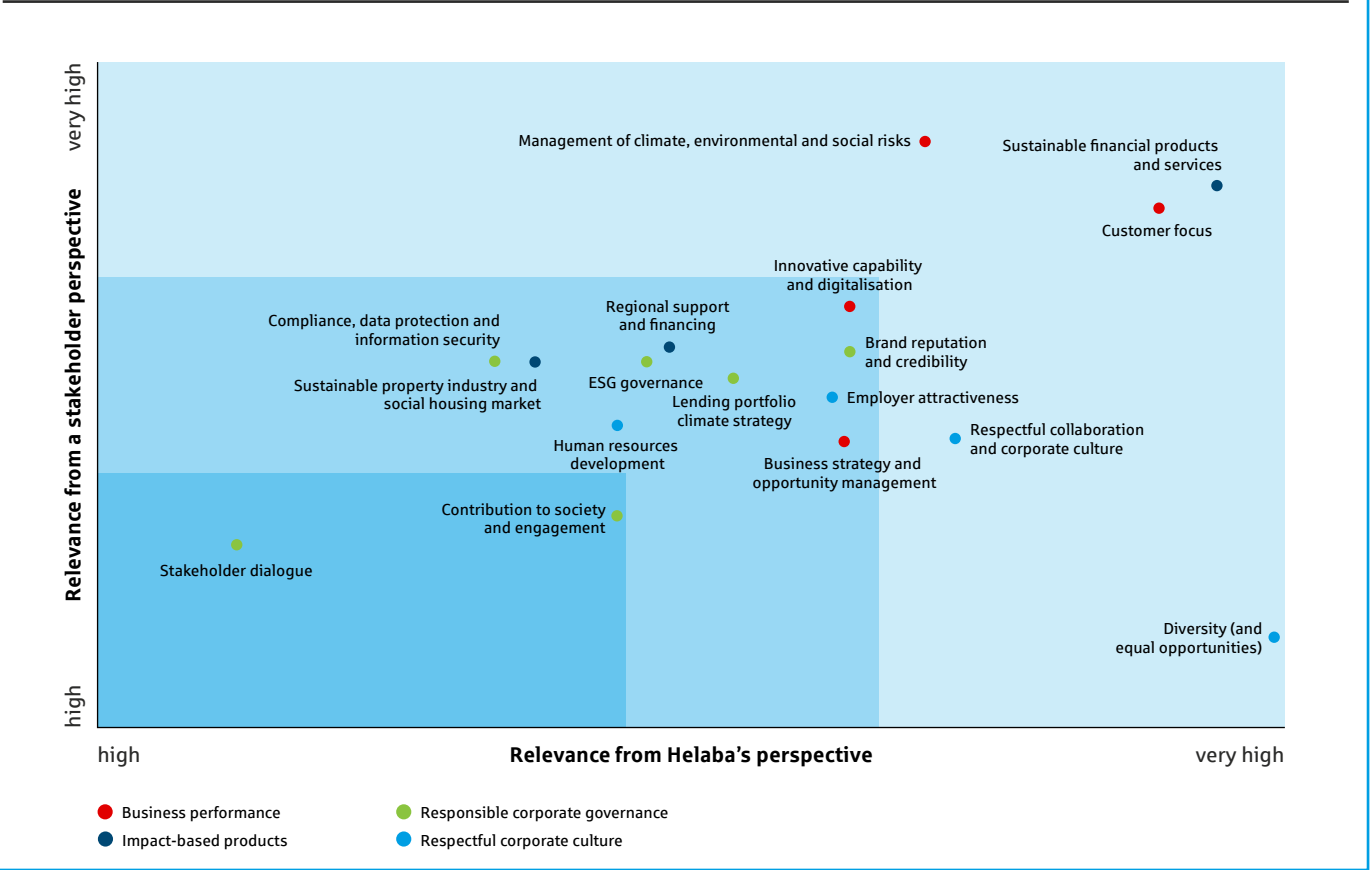
Customers

Regular customer surveys help us develop our business areas in line with current sector and industry trends as well as individual customer needs. In everyday work, our customer representatives in particular are the ones who shape and maintain this dialogue.

Rating agencies

Helaba is regularly assessed by sustainability rating agencies (in particular MSCI, Sustainalytics and ISS ESG) and uses their written assessments to continuously improve itself.

The results of our materiality analysis



Owners

Helaba engages in constant, in-depth and – if possible – personal dialogue with its owners, on various levels and in various committees. The Board of Public Owners and the Supervisory Board are amongst the most important committees.

Regional and supra-regional associations, initiatives and organisations

Helaba incorporates the perspectives of (supra-)regional, sector-specific as well as cross-sector organisations and non-governmental organisations in its actions. Helaba is a platinum sponsor of the Green and Sustainable Finance Cluster Germany and also supports it via WIBank as a founding member. Additionally, Helaba is a member of the German Association for Environmental Management and Sustainability in Financial Institutions (VfU) and many other → [initiatives](#).

We present the results of prioritisation in the form of a materiality matrix. In accordance with this matrix, the topics of “sustainable financial products and services”, “customer focus” and “management of climate, environmental and social risks” are central amongst internal as well as external stakeholders.

We have defined all material topics and allocated them to one of our four focus areas: “business performance”, “impact-based products”, “responsible corporate governance” and “respectful corporate culture”. The focus areas comprise all three ESG dimensions, but we expressly also include the economic aspect – our long-term business performance – as a fourth. In the chapters of this Sustainability Report, we address the focus areas and the topics allocated to them and, at the end of each chapter, present the corresponding management approach with a guiding principle, targets, measures and implementation status. These make clear how we are working towards the five goals of our sustainability strategy. [GRI 3-3](#) [GRI 3-2](#)

#### Focus area: Business performance

Material topic	Definition
Management of climate, environmental and social risks	For us, the consideration of sustainability risks in lending and investing is an integral part of our comprehensive approach to risk management. We consider ESG factors to be drivers of the existing types of risk and, accordingly, subject them to systematic assessment.
Innovative capability and digitalisation	To us, innovative capability means the ability to flexibly adapt to changing framework conditions on the market or within society. In addition to investments in the digital infrastructure, we see a corporate culture of openness and willingness to adapt as a key prerequisite for our innovative capability.
Business strategy and opportunity management	Sustainability is firmly anchored in our business strategy so that we can take advantage of the resulting opportunities for the long-term success of Helaba.
Customer focus	We want to be a reliable and competent partner for our customers, in particular when it comes to services in the sustainable finance sector.

#### Focus area: Impact-based products

Material topic	Definition
Regional support and financing	As a Landesbank of the states of Hesse and Thuringia, our core responsibilities include supporting the regional economy and financing communities of the two states and the public infrastructure, as well as providing general services.
Sustainable financial products and services	With our portfolio of ESG financial products and services, we accompany the sustainability transformation of our customers and strengthen our sustainable finance profile.
Sustainable property industry and social housing market	Helaba is represented in the real estate sector by its subsidiaries GWH and OFB. We recognise the importance of the construction and real estate sector and the property market for the sustainability transformation and integrate sustainability criteria in the planning, financing and management of real estate projects.

### Focus area: Corporate governance

Material topic	Definition
Compliance, data protection and information security	Constant compliance with the applicable provisions and laws forms the basis of Helaba's actions. We ensure this with effective compliance systems and direct our gaze on the prevention of criminal economic activity in particular.
Lending portfolio climate strategy	We recognise the potential risks to our lending business and to our projects which result from climate change. Accordingly, we take climate change into account for all pivotal decisions and monitor the carbon footprint of our lending portfolio as a performance indicator.
Brand reputation and credibility	With transparent and balanced reporting, we inform our stakeholders about Helaba's strategies, products and engagement. We protect our credibility and prevent greenwashing in particular.
ESG governance	With measures to reduce the CO <sub>2</sub> emissions in our operations, sustainable procurement practices and the consideration of sustainability goals in remuneration, we ensure a conservative approach to natural resources and create incentives for effective management.
Contribution to society and engagement	Our mandate to operate in the public interest obligates us to take on social responsibility. We fulfil this obligation both in our core business as well as within the framework of our voluntary social engagement.
Stakeholder dialogue	The dialogue with our stakeholders provides impetus and incentives to enhance our business and sustainability strategy. We actively seek out this exchange as part of various formats and initiatives.

### Focus area: Respectful corporate culture

Material topic	Definition
Respectful collaboration and corporate culture	A respectful working environment and a positive culture with regard to mistakes are essential to the achievement of our business and recruiting goals.
Human resources development	For Helaba, as a specialised financial services provider, qualified employees are one of our most important resources. We constantly expand their capabilities and motivation with comprehensive training and professional development measures and support them in adapting to evolving conditions.
Diversity and equal opportunities	As a long-standing signatory of the Diversity Charter, we underscore our aspiration to promote diversity and equal opportunities. Supporting women and their careers is a matter of particular importance to us.
Employer attractiveness	Flexible working time models and modern methods are fundamental to our attractiveness as an employer. Our offer for employees is rounded out by additional health, training and engagement benefits.

GRI 3-2

### Management of climate, environmental and social risks

Our business activities mean that we have an impact on people and the environment, albeit indirectly. At the same time, as a bank Helaba is exposed to a series of environmental, social and corporate governance factors, for instance when climate change endangers the business model of the companies we lend to and therefore also their creditworthiness. Helaba Invest and Frankfurter Bankgesellschaft manage the assets of institutional as well as private investors and must take business risks into account in their investment decisions, for example due to increasing prices for CO<sub>2</sub> emissions certificates. This is necessary for us to do business successfully over the long term and fulfil our promise to our customers.

These sustainability-related risks are a component in our risk strategy and we identify and assess them as part of the bank's regular risk management process. By contrast, we have a series of opportunities to use our core business activities to make a contribution to sustainable development in Hesse, Thuringia and beyond. [GRI 201-2](#)

### Sustainability assessments in the lending process

Helaba's core business is lending. We make an impact on the environment and society through our lending activities (inside-out perspective). We strengthen industries and business areas by providing them with capital. In addition, our lending enables the realisation of projects as well as the establishment of businesses. There is a fundamental risk that the companies or projects we finance have a negative effect on the environment and society, and we consider it our job to avoid this scenario.

For this reason, Helaba has defined exclusionary criteria for its lending activities on the basis of the ten principles of the UN Global Compact and the OECD guidelines. Helaba will not in any case knowingly take part in the financing of companies or projects which cause severe ecological or social harm. Among other scenarios, this is the case when companies do not respect human rights or the general rights of workers, for example by relying on child or forced labour in their production. Nor do we finance companies whose business model is based on illegal slash-and-burn land clearance or logging.

Additionally, Helaba also excludes certain controversial industries from its business activities. This includes investment products and transactions which involve speculation with regard to agricultural products, coal mining for electricity and the manufacture and trade in controversial types of weapons. There are sector-specific regulations for lending in the energy sector, mining, oil and gas production, agriculture and forestry, the pulp and paper industry and defence companies, as well as the gambling and pornography



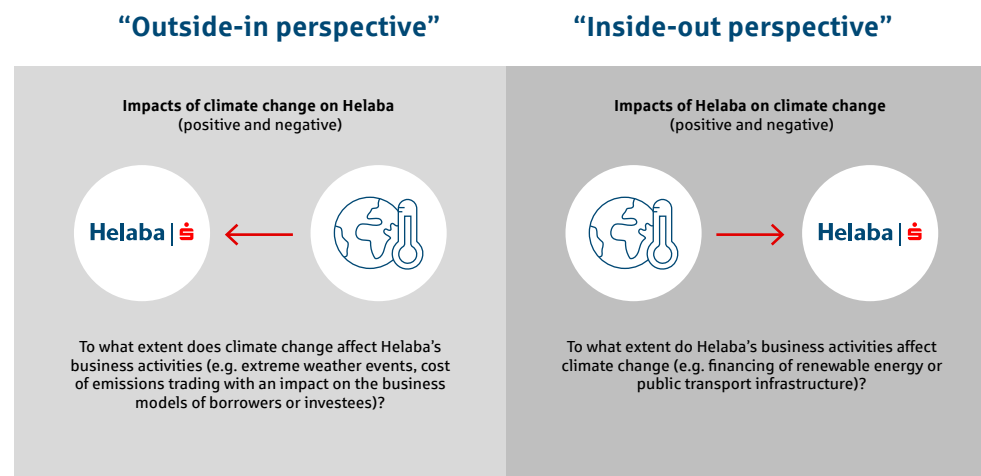
industries. Doing so ensures that Helaba does not support any controversial business practices with a high degree of negative environmental and social impact. GRI 2-25

### Sustainability in risk management

Just as Helaba has an influence on social and ecological aspects of sustainability with its core business, physical and transition risks regarding sustainability or ESG have an impact on Helaba (outside-in perspective). We define ESG risks as potential risks which result from ESG factors and which can influence the debt servicing capacity or creditworthiness of the borrower or the object, that is, the project or the property. Physical risks such as heavy rains or extreme drought as well as transition risks such as stricter legislation with regard to the climate and environment have to be assessed and taken into account in lending and investment decisions to be able to appropriately assess our customers' financial situation and ability to repay or to ensure the stability of assets.

Physical and transition sustainability risks: we differentiate between physical and transition risks when observing sustainability risks, in particular with regard to climate risks. Physical risks are those which result from climate change, for example, and have a direct impact on the company. In addition to acute events such as heavy rains and floods, this also includes longer-term developments such as chronic heatwaves and rising sea levels. Transition risks, by contrast, result from political and regulatory measures as part of the transition to a low-carbon economy such as the introduction of a carbon tax. Transition risks also include technological innovations and evolving customer preferences.

### Outside-in and inside-out perspectives using the example of climate change



With the exclusionary criteria described at the outset, Helaba has an effective instrument for avoiding ESG risks in new business. When a loan is applied for, they serve as the basis for the decision on whether Helaba is fundamentally able to enter into the transaction. To appropriately manage and monitor ESG factors – which impact the risk management targets – beyond this, the corresponding processes are established in the bank's risk management. Derived from Helaba's business strategy, ESG factors are a part of the superordinate risk strategy and were set out as binding in accordance with the Minimum Requirements for Risk Management (MaRisk).

Helaba's sustainability targets represent the framework for dealing with ESG matters in risk management. In addition to these targets, we have defined further ESG factors which could have a negative impact on the assets (including capital), earnings or

liquidity as part of our overall risk strategy. In principle, ESG factors could be found in all types of risk, which is why they must be considered as part of lending decisions and in the risk management process for the identified risk type, along with any risk-mitigating measures of the borrower. To this end, we systematically analyse the risks arising from our customers and their business models as part of customer assessments along the four ESG risk categories or environmental (physical), environmental (transition), social and governance. Analogous to other risk types, the risks are categorised as "low", "medium" or "high".

During strategy workshops in the first half of 2022, we determined whether the various front office units and individual subsidiaries were affected by potential transition and physical risks. The goal was to identify the effects of possible risks to the business areas arising from climate change and environmental destruction as

well as to derive options for strategic measures to reduce the risks and utilise any concomitant opportunities. The workshops were meant to assess the climate-related and environmental risks on the level of the most important sectors, markets and offered products, each considered from a short-, medium- and long-term perspective. In 2022, we will derive adequate measures for risk management and the business strategy as well as the development of the business model and take these into account for determining the strategy for 2023. So that we can measure and manage the ESG risk of the portfolio as a whole, we must develop targets and indicators for Helaba's ESG risk in the future. **G4-FS2**

In 2021, we began to develop the Sustainable Lending Framework, which clearly documents our ambitions regarding sustainability in financing above and beyond the avoidance of negative impacts. → "Impact-based products" In February 2021, Helaba Invest published its own ESG Investment Policy in which it defines ethical and climate-related standards along with principles for management sustainability-related risks. This policy applies for all investment processes within Helaba Invest's portfolio management systems.

### Memberships and initiatives

Helaba has joined a series of global and national sustainability targets and regulatory frameworks in order to publicly express their awareness for ecological and social responsibility and to join forces with other stakeholders. **GRI 2-23** **G4-FS5**

In addition to the **Sustainable Development Goals** of the United Nations, Helaba is committed to adhering to the goals of the **Paris Agreement** as well as the climate objectives of the German government and the European Union. In addition to our own operations, we also explicitly include the CO<sub>2</sub> emissions of our core business in our considerations. → "Responsible corporate governance" and → "Impact-based products"

Additionally, we undertake to comply with the **Universal Declaration of Human Rights** and the fundamental conventions of the **International Labour Organization (ILO)** in our sphere of influence. Our Code of Conduct and our lending guidelines are based on these principles.

By joining the **UN Global Compact** in 2017, we reinforced our commitment to protecting human rights in our core business and in the supply chain and to constantly develop measures to this end. Helaba does not work with companies and institutions which are known to have violated fundamental human rights or to have damaged the environment. These along with other economic, social and ecological standards for Helaba suppliers are set out in our → Code of Conduct for Suppliers.

Helaba has approved a → Code of Conduct to anchor the concept of sustainability in the bank and to provide everyone who works for us with guidance in the form of a binding framework. This Code of Conduct transparently defines for employees, customers and the public how we want to achieve our objectives and work with each other – within Helaba as well as in dealing with stakeholders. The Code of Conduct formulates fundamental principles for the respectful and trusting conduct amongst our employees, governs how to deal with conflicts of interest and describes compliance measures to prevent money laundering and the financing of terrorism. All employees must take part at least every three years in regular **training** in this regard which is carried out in line with regulatory requirements. **GRI 2-24**

Helaba aims to promote the potential and abilities of all employees, regardless of their age, gender and gender identity, limitations, sexual orientation, ethnic origin and nationality, religion and ideology, and social background. Since 2011, Helaba has been a signatory to the **Diversity Charter**. We take part in the annual German Diversity Day and make our engagement visible to the public.

Additionally, we are a member of central market and sustainability initiatives **GRI 2-28**:

### For a tomorrow in line with the Paris Agreement

#### Commitment of the Sparkassen-Finanzgruppe to more climate action

By signing the **commitment of the Sparkassen-Finanzgruppe to more climate action**, Helaba undertakes to make its own business operations carbon-neutral by 2035 at the latest and to account for climate action aspects in its portfolio of services and in its business activities.

#### CDP

Helaba Invest is a signatory of the CDP (formerly Carbon Disclosure Project), which has built up one of the largest databases for company-related climate information.

### For a transparent financial sector

#### UN Principles for Responsible Banking (PRB)

Since 2022, Helaba has been an official signatory of the UN Principles for Responsible Banking (PRB). The PRB establish a uniform framework for sustainable banking which was developed as part of a partnership amongst banks around the world and the United Nations Environment Programme Finance Initiative (UNEP FI). By signing, Helaba undertakes to anchor sustainability as a central principle of its business activities.

#### Principles for Responsible Investments (PRI)

The two Helaba subsidiaries – Helaba Invest and Frankfurter Bankgesellschaft – joined the UN Principles for Responsible Investment (UN PRI), a sibling initiative of the PRB, in May 2018 and July 2020 respectively. The objective of this investor initiative is to require that sustainability principles be taken into account for investment decisions.

#### International Capital Market Association (ICMA)

Since 2020, as a member of the ICMA, Helaba has been actively involved as a green bond underwriter in the syndication and marketing of green bonds of various issuers and formats, having previously supported the Green Bond Principles.

#### Green and Sustainable Finance Cluster Germany e. V. (GSFC Germany)

Together with WIBank as a founding member, Helaba has supported the → Green and Sustainable Finance Cluster Germany since 2018 in bringing together sustainability expertise in the German finance market, thereby strengthening Germany as a place for sustainable finance.

#### GreenTech Hub and TechQuartier

Together with WIBank, Helaba supports the GreenTech Hub and the → TechQuartier in Frankfurt am Main to provide funding for sustainable (finance) start-ups and innovative business models.

#### Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V. (VfU)

Helaba has been a member of the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V. (VfU), the central industry network for sustainable finance in German-speaking Europe, since 2011.

#### BVI Bundesverband Investment und Asset Management e. V. (BVI)

Helaba participates in the BVI's working groups for responsible investment, ESG risk management and sustainability in investment funds and has been actively involved in the dialogue in the funds industry since 2021 as part of the committee on sustainability.

### For a sustainable real economy

#### ESG Circle of Real Estate (ECORE)

Helaba joined the ESG Circle of Real Estate (ECORE) in 2021 to actively take part in shaping, expanding and implementing the industry-wide ESG scoring model for real estate financing.

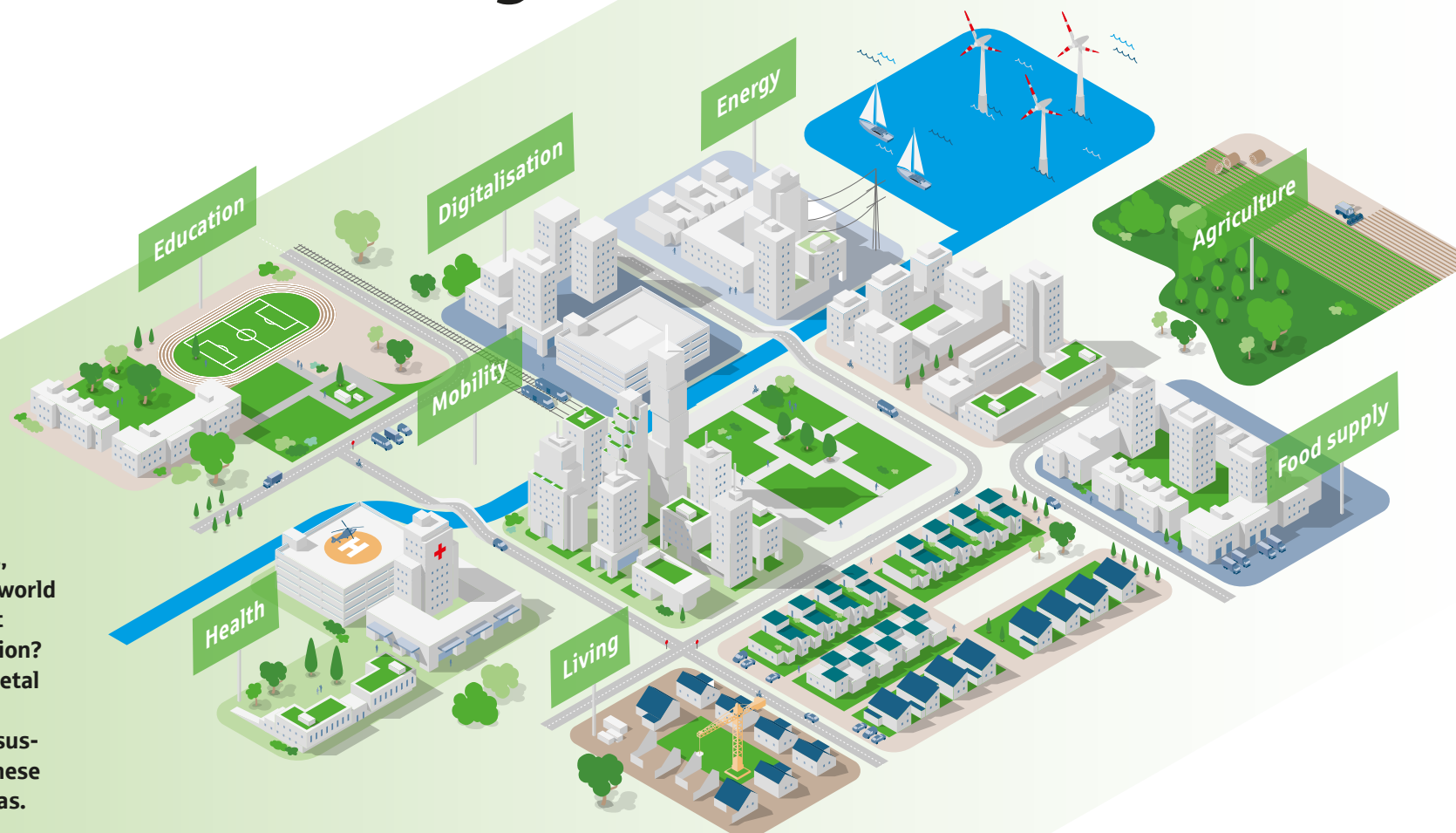
#### Energy efficient Mortgages Action Plan (EeMAP)

Helaba joined the Energy efficient Mortgages Action Plan (EeMAP) as a pilot bank in 2020. The objective of the initiative is to develop and disseminate mechanisms for real estate financing which create incentives to acquire energy-efficient properties or to increase the energy efficiency of properties.

#### initiative to measure and promote aviation's carbon-free transition e. V. (impact)

Helaba is a founding member and co-initiator of impact, a programme of 26 leading institutions of the aviation industry. impact supports new, sustainable measures for financing aircraft and is intended to bring about a fundamental change in the global aircraft financing industry, with the aim of achieving carbon neutrality by 2050.

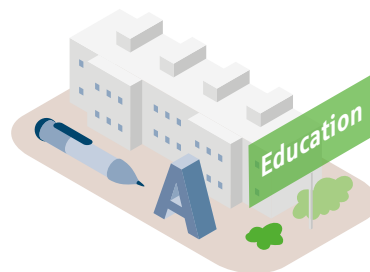
# Becoming a sustainable society



How do we want to feed ourselves, travel and use energy so that our world remains liveable? How do we want to live, learn and shape digitalisation? Helaba has a close eye on the societal trends making our buying habits, transport and communities more sustainable. The Bank is promoting these changes in its varied business areas.

## A new primary and secondary school in Nuremberg

**More than 1,000 pupils will enjoy an attractive learning environment in the new school building.**



Good education requires good learning spaces – like the ones being built in Nuremberg, where the Maiacher Strasse primary and secondary school has been redesigned from scratch. From the school building to the sports halls and playgrounds, the new sustainable and functional design will offer children an ideal infrastructure for both schoolwork and breaks. The building is based on the passive house concept, which provides for a pleasant ambient temperature and reduces energy consumption.

A cooperative all-day education model, combining school and childcare, has been planned from the outset. Up to 150 primary school pupils will be able to access all-day education and childcare during term time and holidays. Compared to conventional approaches, this combined model has the advantage of improving the quality of childcare and making the building more cost-efficient.

Helaba is providing long-term financing to support the project. The public private partnership between the City of Nuremberg and the family-owned construction company Goldbeck Public Partner GmbH includes the design and planning work, demolition and rebuilding and the school's operation for the first 25 years after construction. The first part of the building will begin operation in late 2023, and the doors to the first new classrooms will open for the start of the 2025/26 school year.

In future, Helaba would like to act as a financing partner for similar modern, sustainably designed schools to further enrich our education landscape.



## High-speed fibre-optic internet for Lower Saxony

**Some 25,000 households are set to receive faster internet connections with the expansion of the fibre-optic network.**

In large parts of Germany, the digital infrastructure is based on antiquated copper cables whose bandwidths are barely able to cope with the growing data volumes. This leaves many German households with slow internet connections. Now the country is seeking to comprehensively and efficiently expand its fibre-optic network.



Helaba has been financing broadband expansion for many years, including in other European countries. A current example of such a project in Germany is the financing being provided for htp GmbH – a telecoms provider from Hanover – to accelerate the fibre-optic expansion in Lower Saxony. Helaba has been providing financing since 2021 to cover some of htp's planned investments in its fibre-optic infrastructure. The use of KfW funds meant the financing could be offered on attractive terms over an extended period.

From 2023, another 25,000 households around Hanover, Hildesheim, Braunschweig, Peine, Wolfenbüttel and Hameln-Pyrmont will receive faster, more stable internet connections. This will improve conditions for remote working and reduce commuter flows as well as improving social participation and medical services in rural areas. The financing shows that Helaba and its customers are helping to create a digital infrastructure fit for the future, improving quality of life for country and city dwellers alike.





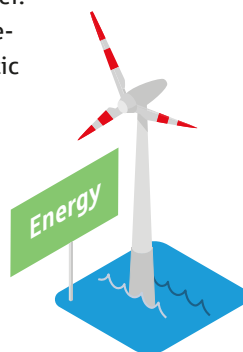
## Climate-friendly electricity from the North Sea

**New offshore wind farm generates carbon-free electricity for almost a million households.**

In 2021, over 40 % of German electricity consumption was covered by energy from renewable sources. In the latest version of the Renewable Energy Sources Act (*Erneuerbare-Energien-Gesetz – EEG*), the German government aims to double this share to at least 80 % by 2030. Wind power is one of the cornerstones of the transformation of the energy system. In Germany, it generates almost half of renewable power. While most wind turbines are located on land (onshore), the development of offshore wind facilities off the North Sea and Baltic coasts is being accelerated.

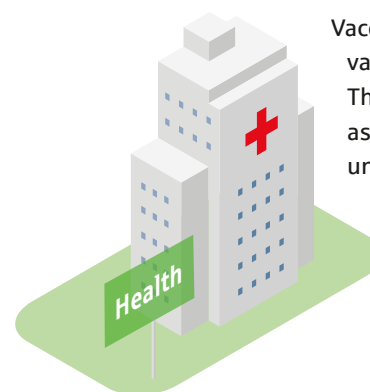
The largest German offshore wind project to date is now taking shape off the East Frisian Islands using the latest wind turbine technology: the 80 Borkum Riffgrund 3 turbines will generate around 900 megawatts. The facility is being built for the Danish energy company Ørsted, a pioneer and world market leader in offshore wind energy. By way of comparison: the eleven wind turbines of Ørsted's first offshore wind farm, installed in 1991, generated five megawatts.

Helaba is financing the project together with other syndicate banks alongside Glenmont Partners, one of the largest European fund managers investing exclusively in green energy infrastructure. The wind turbines are due to enter commercial operation in 2025, when they will supply almost a million German households with emission-free electricity.



## Medical research and provision in the Covid-19 pandemic

**Helaba donates more than € 150,000 for vaccine research and training medical staff.**



Vaccination is a major tool in tackling the pandemic, and new vaccines have been developed and administered in record time. These activate the immune system with the help of what is known as messenger RNA or mRNA. Vital research is still needed to better understand the differences between the various mRNA vaccines and simplify their production, storage and transport.

In spring 2021, Helaba donated € 120,000 to kick-start a research project by Goethe University Frankfurt and the Friedrich Schiller University Jena on the structure and stability of messenger RNA.

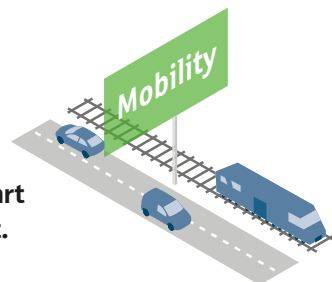
As well as research, Helaba is also supporting clinical practice: Looking after infectious patients, for example those with SARS-CoV-2, is a particular challenge for doctors and nurses. Prof. Miriam Rüsseler, a doctor at the University Hospital Frankfurt, has therefore developed a special pandemic training programme. More than a thousand medics and nursing staff have already completed the first modules. A € 30,000 donation from Helaba enabled the programme to be extended to another 360 participants in 2021. The four-stage intensive training now forms part of medical degrees at Goethe University.



Especially in times of crisis, Helaba sees its responsibility as promoting projects that benefit everyone in society and that help us to better manage the current situation and future challenges.

## Climate-friendly public transport in central Hesse

**Hessische Landesbahn to add 32 state-of-the-art electric multiple units to its regional train fleet.**



A fifth of Germany's greenhouse gas emissions come from the transport sector alone, and almost two-thirds of these are generated by private cars. Public transport emits on average only around half as much CO<sub>2</sub> as the automobile. Shifting traffic from road to rail, then, is an important part of the switch to sustainable mobility.

Encouraging the shift to rail is also an ambition of Helaba, one of the most active providers of finance for the rail industry in Germany. In its own backyard, the Rhine-Main region, Helaba has been working with the rail company Hessische Landesbahn (HLB) successfully for many years. In 2021, it implemented two financing agreements for the Hesse-based transport company. Among other things, HLB is investing in 32 state-of-the-art, environmentally friendly electrical multiple units, which will enter service on the Mittelhessen (central Hesse) network at the end of 2023. Helaba co-financed these trains with two other banks. It put together an attractive financing package for HLB as lead manager, partly using funding from Wirtschafts- und Infrastrukturbank Hessen.

For Helaba and its customers, the benefits of projects like this do not stop at encouraging the shift to more environmentally friendly means of transport. They also improve quality of life in regions such as Rhine-Main by better connecting rural areas to towns and cities.



## Future-proof, affordable housing in Düsseldorf

**117 publicly subsidised homes added to portfolio of Helaba subsidiary GWH.**

In Germany's major cities, the property market remains tight. For low-income households in particular, affordable rental properties are hard to find. Ensuring every part of the population can access appropriate housing is a matter of social justice and sustainability – and therefore an important issue for the Helaba Group, which is committed to acting in the public interest.



As Helaba's subsidiary and housing specialist, GWH Wohnungsgesellschaft mbH Hessen provides more than 120,000 people with space to live. Its portfolio comprises some 50,000 residential properties across Germany and is growing every year – including in the affordable rentals segment. In late 2021, for example, GWH initiated the acquisition of 117 publicly subsidised residential units in Düsseldorf, and the keys were handed over just two months later. The twelve apartment buildings and ten detached houses are located in the popular hills on the edge of the Niederrheinisches Land and were built in a modern architectural style between 2007 and 2011. Three of the buildings are fitted with solar panels, which provide some of the hot water supply. The portfolio also includes two combined heat and power plants and a pellet heating system. All the homes are barrier-free and some of them are wheelchair-accessible, as are the outdoor areas.



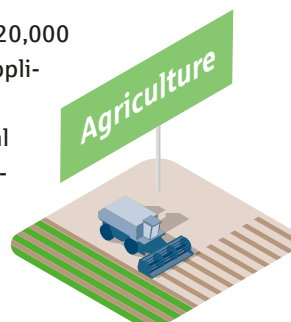
With projects like this, GWH is making a real contribution to keeping city housing affordable even for those on low and middle incomes. It goes to show that the social aspects of sustainability are increasingly on the agenda in the property industry.

## Online application portal launched

**Farmers in Hesse can now apply for subsidies completely online.**

Our varied and secure food supply is a precious good. To support those who produce what we eat, farmers receive annual state subsidies. The payment amounts are linked not to production but to the land cultivated. For farming businesses, these subsidies are vital. But applying for them is a time-consuming task since the system must ensure that funds are distributed transparently and as the scheme intended. Digitalisation can help to simplify processes here, and Hesse is leading the way.

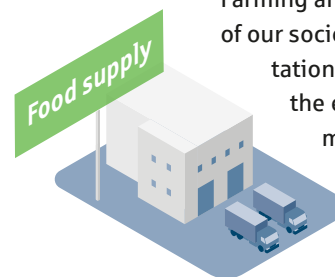
It is one of the first federal states in Germany to enable some 20,000 farmers to apply in an entirely online process. Handling the applications is an all-year job for Wirtschafts- und Infrastruktur-bank Hessen (WIBank), which developed the application portal launched in spring 2021. The portal allows personalised application documents to be processed securely and individually and even with the help of aerial photographs and geo-data on neighbouring fields or nature reserves. To make sure applicants don't supply incorrect or incomplete information, the portal covers a range of scenarios and includes explanatory videos to help users fill in the forms. The platform is simple to use despite its many functions and does not require much broadband data – a real advantage given the often poor internet connections in rural areas. WIBank is already working on another digital interface for the agricultural industry in the form of an app to accompany the portal.



## Promoting organic foods

**A sustainability pioneer in the food industry and a partner to organic farming**

Farming and food production are critical to the sustainable development of our society and the environment. Organic food producers have a reputation for tasty, natural produce and for protecting animal welfare and the environment. They avoid chemical synthetic pesticides and mineral fertilisers and use more animal-friendly livestock farming techniques. But increasing the cultivation and sale of organic foods is also a task for retailers – one that the supermarket chain EDEKA Südwest is fully on board with.



Promoting sustainable products and boosting organic sales is a strategic focus area for the company, which operates supermarkets in Saarland, Baden-Württemberg, Rhineland-Palatinate and parts of Bavaria. With voluntary reporting on its sustainability profile and the 25 specific sustainability goals it is working on between now and 2025, EDEKA Südwest is considered an industry pioneer.

Helaba is now supporting its work with a sustainability-linked loan, whose interest rate is coupled to the company's sustainability performance. Helaba and EDEKA Südwest have produced four performance indicators designed to reflect the key aspects of the supermarket's sustainability strategy and to measure progress. This includes sales of organic food, which the company aims to increase to over 12 % in the next few years (as a proportion of stock turnover for relevant product groups). With this financing, Helaba is both encouraging consumers to think more sustainably and driving transformation in organic farming.



## Impact-based products

It is through our core business that we make our most effective contribution to the transition towards a carbon-neutral circular economy. We are strengthening these business models by channelling our credit flows towards sustainable economic sectors and projects. In our capacity as a Landesbank, we have a special sociopolitical responsibility and are using our transformation financing to support our customers in their social and ecological realignment.

Whether it is aimed at achieving climate or species protection or the transition to a circular economy or new forms of mobility, the transformation towards a resource-efficient, low-carbon and socially compatible business model requires financing. The financial sector has a major role to play here. It can and must steer capital flows in such a way as to generate sustainable added value. In their interaction with companies, politicians and private individuals alike are increasingly clear in articulating this expectation. Regulations like the European Green Deal, which aims to make the EU climate neutral by 2050, and the EU taxonomy, which defines the criteria that characterise sustainable investment, are evidence that sustainability is not a flash in the pan but a core economic strategy for the future.

It has long since become an aspect of our private lives as well. When choosing a new washing machine, we not only consider price and performance but also look at its consumption data to decide how efficient the appliance is. How much water and electricity can we save? Given the current energy price hikes, there is indeed a need for economic reason. Sustainability is also becoming an increasingly important factor in our decision-making when we shop for groceries, clothes, cars and even travel services. Those people who consider sustainability in their day-to-day purchasing

### Demand-oriented services with ESG components



decisions also look beyond potential yields when making investments, requiring them to satisfy social and ecological criteria as well.

### Steering companies towards sustainability

As a public-law institution that operates in the public interest, we are seeking an active role in making the real economy more sustainable. To this end, we are consciously working to expand our portfolio of innovative and customised ESG products. Being a financial industry stakeholder, we have a dual role in this connection. First, we can structure our pricing in various ways to offer our

customers effective incentives to develop sustainably. Second, appropriate structures ensure the necessary transparency for all stakeholders concerning the sustainability of a customer or project. In principle, our ESG product portfolio covers all possible financing variants which, in addition to ESG-linked loans, include capital development loans with the fixed and sustainable appropriation of funds, green promissory notes and bonds and project-specific financing in the fields of energy, water, waste disposal and recycling, transport and social and digital infrastructure.

### Expand impact with the Sustainable Finance Advisory

The task of Helaba's Sustainable Finance Advisory is to advise corporate customers on customised ESG financing solutions, including loans, promissory notes, bonds, leases, guarantees etc., and to structure these accordingly. In particular, collaboration with the savings banks provides an effective lever for transforming regional economies. Recently, Helaba significantly expanded the capacity of the Sustainable Finance Advisory to cover all customer segments and keep pace with the growing demand for specific advice and individual structuring of sustainable financing. In 2021, we supported and implemented a number of individual ESG solutions including an ESG-linked promissory note issued by French automotive component producer Faurecia SE and a sustainability-linked loan for EDEKA Südwest. We hold regular focused workshops to develop innovative product ideas and enhance our ESG consulting expertise.

In spring 2022, a two-day design thinking workshop was held at the TechQuartier and Helaba Campus in Offenbach. Its goal was to generate ideas for innovative new ESG products and services that could be offered by Helaba. On the basis of specific social challenges and new market requirements, the participants from Helaba and its subsidiaries came up with four innovative concepts. As well as facilitating the development of product ideas, the workshop also offered a platform for dialogue among colleagues and experts on the subject of sustainability. In particular, the fact that the participants were drawn from across the Group enhanced the discussion and narrowed the focus on possible synergies in future collaboration.

### Sustainability in financing

Helaba offers its customers a large number of sustainable financing options in the ESG field. Our three main instruments are sustainable bonds, sustainable promissory notes and loans. There were a number of highlights in 2021. Helaba structured or supported 20 financing transactions involving contractually agreed sustainability elements (ESG-linked loans or green loans). We were able to grow our lead mandates in the field of sustainable finance and aim to continue demonstrating our competence in this area in the future as well. Helaba was also particularly active in the financing of renewable energy, rail transport and energy efficiency projects. In 2021, Helaba played a leading role in 13 transactions in the market for sustainable promissory notes as well. Among other things, it arranged the first corporate social and corporate sustainability promissory notes. We aim to continue building our market position.

#### A clear definition of sustainable financing

→ Sustainability and exclusion criteria for lending that are binding throughout the Group have been integrated into the existing risk process and risk containment activities since 2017, applying to all forms of finance and lending → chapter on sustainability strategy and management. In 2021, in order to use our financing activities to steer sustainability in a way that exceeds minimum requirements, we developed a → Sustainable Lending Framework that was approved by the Executive Board in 2022. Although there is still no uniform and legally binding definition of sustainability, we aim to be unequivocal in our understanding of the term and the way we communicate it to our customers. The Framework applies an extensive set of criteria and a uniform Group-wide method to classify sustainable finance in the lending business of the entire Helaba Group, in other words all divisions of Helaba, WIBank, LBS and Frankfurter Sparkasse. This makes the Sustainable Lending Framework a key instrument for increasing the share of our sustainable business volume to 50 % by 2025, in line with our strategic objective. G4-FS3

#### Sustainability and exclusion criteria for lending

##### Binding requirements in risk strategy

**Overarching principles:**  
UN Global Compact, OECD-Guidelines  
for export finance

**Exclusions:**  
Nuclear power, coal industry (incl. supply chain), Fracking,  
Arctic Drilling, oilsands, soft commodities, controversial  
weapons, gambling, pornography, prostitution

**Minimum standards (selection):**  
Forestry, mining

Helaba's Sustainable Lending Framework is the first comprehensive classification of sustainable finance that has been reviewed externally. In the → opinion produced by ISS ESG, a specialist independent sustainability rating agency, the Framework's quality is assessed as robust. The Sustainable Lending Framework provides a transparent definition of which types of finance have a positive ecological or social impact or contribute to responsible corporate governance. Examples of sustainable finance within the meaning of the Sustainable Lending Framework are investments in renewable energy, the creation of affordable housing and the financing of healthcare, education and general public services.

**50 %**  
sustainable business  
volume by 2025

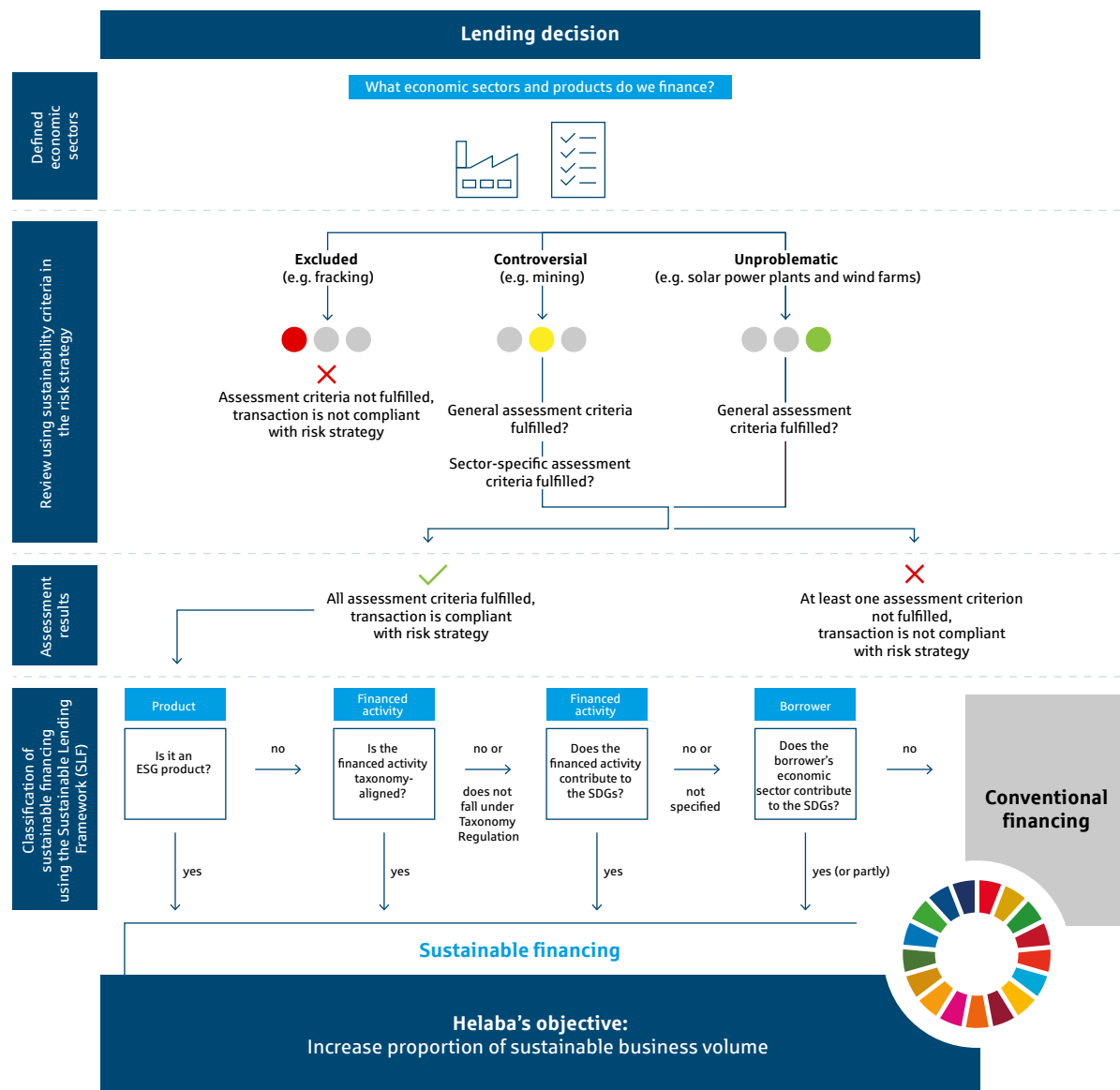


**Rating agency ISS ESG on Helaba's Sustainable Lending Framework – extract from the Second Party Opinion:** “With this Framework, Helaba has created a plausible sustainability strategy and objectives for all the activities, especially lending, which are relevant to its business model. [...] The Sustainable Lending Framework provides a uniform method for defining, selecting, measuring, managing and reporting sustainable lending activities. It thereby contributes significantly to the promotion of sustainability in the bank's core business. [...] In its definition of sustainable finance, Helaba has drawn on established national and international standards, frameworks and principles. These include, in particular, the EU taxonomy for sustainable economic activities, the EBA Guidelines on Loan Origination and Monitoring, the SDGs, the German Sustainability Strategy and the frameworks for ESG products.”

### Defining sustainable loans

The definition of sustainable finance in accordance with the Sustainable Lending Framework is closely aligned with national and international standards, principles and frameworks, especially the EU taxonomy, the Guidelines on Loan Origination and Monitoring issued by the European Banking Authority (EBA), the United Nations Sustainable Development Goals (SDGs) and market standards for ESG products (e.g. the Green Loan Principles and Sustainability Linked Loan Principles issued by the Loan Market Association). The Framework thus supplements our sustainability and exclusion criteria for lending, which are part of our risk strategy. Financing is defined as sustainable if it is basically in line with the risk strategy and at least one of the following statements applies.

### Lending decision process



- The financing is an **ESG product**.
- The financed activity complies with the criteria of the **EU taxonomy**.
- The financed activity contributes to achieving the **SDGs**.
- The borrower's **economic sector** makes a substantial contribution to achieving the **SDGs** and the **German Sustainability Strategy**.

Since 1 January 2022, a number of instances have been involved in classifying a loan as sustainable finance in accordance with the Sustainable Lending Framework for new lending business. As part of the lending process, the front office units use the analytical steps and criteria defined in the Framework to assess whether the loan can be classified as sustainable. They are supported in this by the sustainability data management (SDM) system, an application used by Helaba to record all data of relevance to sustainability. The dual control principle is applied when deciding if financing can be classified as sustainable. The outcome of the assessment is recorded in the SDM and documented in the credit report. It is used as an assessment criterion in the cross-function approval and decision-making process.

### Contributing to the global sustainability agenda

With the help of the Sustainable Lending Framework, we aim to record and manage our contribution to achieving the SDGs. At present, Helaba is making a positive contribution to at least ten SDGs, including especially SDG 7 (affordable and clean energy), SDG 11 (sustainable cities and communities) and SDG 16 (peace, justice and strong institutions). The particular focus on these three SDGs in Helaba's lending portfolio is based on our extensive activities in the area of general services, i.e. in financing public-sector administration, the property and housing industry and

**€ 66.7 bn**  
in sustainable finance  
in the portfolio

### Ten Sustainable Development Goals (SDGs) focusing on a specific contribution



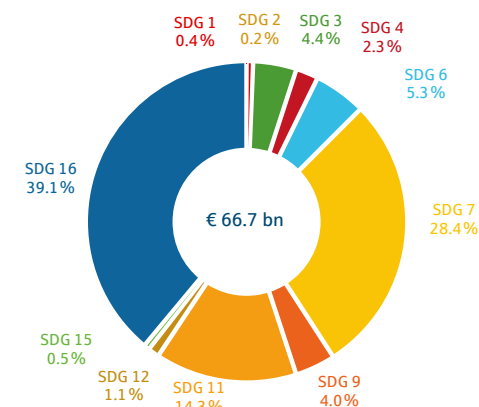
the energy, water and recycling sector. In 2021, the volume of sustainable finance in the Helaba portfolio stood at € 66.7 bn, representing 43 % of the measured total lending volume of € 154.8 bn. Our stated aim is to continue growing the share of sustainable finance in the total lending volume. We have therefore formulated specific target values for all front office units. The significance of our targets is underscored by the fact that variable remuneration is linked to their attainment. Regular progress reports are made to the Executive Board. G4-FS7 G4-FS8

### Financing the climate transition: our strategic approach

Our sustainability strategy is based on a holistic understanding of sustainability which encompasses the ecological, economic and social dimensions of the term. Since the SDGs represent such a

### Helaba's SDG contribution

Proportion of sustainable financing at Helaba according to the SDGs



comprehensive approach, they are pivotal in managing our business. At the same time, we recognise the particular urgency of the climate crisis and are seeking to contribute to limiting climate change. That is why, starting in 2022, we will regularly record the greenhouse gas emissions we finance and use this as the basis for developing a reduction strategy in line with the Paris Agreement. In a first step, we are quantifying the carbon footprint of our lending portfolio with an initial focus on especially carbon-intensive sectors and those customers which account for a large proportion of the portfolio. Building on this, we plan to develop sector-specific reduction targets and the corresponding measures.

### Sustainability in asset and wealth management

With the Sustainable Lending Framework, we cover a large proportion of the Helaba Group's business activities. These efforts are supplemented by sustainability measures in the field of asset management which is the responsibility of Helaba Invest and Frankfurter Bankgesellschaft. Helaba is planning to develop a Group-wide Sustainable Investment Framework, similar to the Sustainable Lending Framework, to define requirements for sustainable asset management. In this way, Helaba is creating a comprehensive Sustainable Finance Framework tailored to its own needs and those of its customers, which will enable it to specifically finance those economic activities and sectors that contribute to sustainable development.

### Responsible investment with Helaba Invest

The goal of Helaba Invest is to promote a sustainable and prosperous society through investment. The [→ ESG Investment Policy](#) it published in 2021 underlines the Helaba subsidiary's strategic sustainability focus. The policy applies to all the investment processes anchored in Helaba Invest's portfolio management operations and defines binding requirements to supplement existing sustainability principles. It formulates minimum ethical standards such as excluding companies which manufacture controversial weapons – cluster munitions, land mines and biological, chemical

and nuclear weapons – and incorporates them into funds managed by Helaba Invest. Moreover, it establishes a sustainability-based risk management system in accordance with the BaFin Guidance Notice on Dealing with Sustainability Risks. In accordance with the ESG Investment Policy, companies whose business model depends to a large extent on coal-fired power generation are excluded, as are companies that rely on controversial oil and natural gas production methods. Additionally, Helaba Invest began systematically recording and analysing the specific CO<sub>2</sub> intensity of the investment portfolio of the Asset Management Liquid division in 2021. Helaba Invest had assets of € 35.0 bn under management under its ESG Investment Policy as at 31 December 2021. Thus, around 19 % of the Helaba Invest administered special and retail funds consist of investments which satisfy Helaba Invest's ESG criteria. G4-FS11

Helaba Invest is continuously expanding its product portfolio with new sustainability-oriented funds, adding a further five new sustainable retail funds in 2021. The HI-Sustainable and HI-Green Bond funds apply even more extensive sustainability criteria than in the past. Helaba Invest offers its institutional customers separate and detailed sustainability reports covering indicators such as ESG score, ESG carbon and ESG rating plus analyses of controversial companies and business areas for the relevant customer portfolios. Customers with HI-Spezial/Master funds are provided with extensive advice on a sustainability strategy covering all asset classes. In the future, in addition to a sustainable infrastructure fund of funds, Helaba Invest is planning to address and develop impact products.

In accordance with the European Sustainable Finance Disclosure Regulation (EU-SFDR), Helaba Invest and its customers have chosen a conservative approach in classifying all sustainable retail funds and some special funds as ESG strategy products (known as Article 8 products). The volume of Article 8 funds amounted to € 1.6 bn as at 31 December 2021. A large number of master special

funds not currently classified according to the EU-SFDR also already factor in individual sustainability criteria. It has been announced that additional Article 8 funds are to be created in 2022. Examples include a planned Helaba Invest sustainable infrastructure fund of funds.

In 2021, the TELOS ESG Company Check awarded platinum status for sustainability to Helaba Invest in asset management, recognition that it satisfies the highest sustainability requirements according to the TELOS criteria. Helaba Invest began publishing its own sustainability report in accordance with the German Sustainability Code (DNK) in 2020.



**The Helaba Invest sustainability product portfolio is growing.** Sustainability aspects are becoming increasingly important in investment decisions, not least because they have a significant influence on the portfolio's future viability. Helaba Invest responded to this trend in 2021 by expanding its sustainable product offering. January 2021 saw the launch of two new institutional retail funds: HI-Sustainable Multi-Faktor Aktien Global and HI-Sustainable EM Corporate Bonds. The HI-Sustainable EM Corporate Bonds fund combines the returns of corporate bonds from emerging markets with compliance with and support for sustainability aspects. Overall, the fund achieves a better ESG rating and a much lower CO<sub>2</sub> intensity than conventional emerging markets investments. The HI-Sustainable Multi-Faktor Aktien Global fund brings together the advantages of a global factor strategy when selecting bonds by sustainability criteria. The fund aims to have a 20 % higher ESG Portfolio Quality Score and a 50 % smaller carbon footprint compared with all other investment options.

### Sustainable asset management by Frankfurter Bankgesellschaft

Whereas Helaba Invest is a specialist institutional investor, the core business of Frankfurter Bankgesellschaft is private asset management. It, too, excludes investments in companies with controversial business practices which violate the principles of the UN Global Compact in respect of human rights, labour standards, environmental protection and anti-corruption and are therefore deemed non-compliant. As a matter of principle, Frankfurter Bankgesellschaft only offers its asset management customers portfolios with an above-average ESG rating overall, for which it uses the data supplied by rating agency MSCI. With a rating system ranging from "AAA" to "CCC", the aim is to offer only portfolios with a minimum rating of "A". The MSCI "A" rating means that, relative to its peers, a company displays a mixed or average performance in its approach to ESG opportunities and risks.

Additionally, Frankfurter Bankgesellschaft excludes the shares or bonds of companies with sales from the manufacture and/or distribution of

- more than 10 % from weapons,
- more than 0 % from banned weapons,
- more than 5 %\* from tobacco production,
- more than 30 % from coal,
- more than 10 % from unconventional oil and gas production.

\* Only manufacture.

If at least one of the five criteria applies, the relevant company cannot be considered for investment or as an underlying asset.

Moreover, Frankfurter Bankgesellschaft excludes companies against which serious accusations ("red flags") have been made regarding violations of MSCI ESG criteria under the MSCI ESG Controversy Framework.

Additionally, asset management of Frankfurter Bankgesellschaft takes the principle adverse impacts (PAI) of certain exclusions into account. The same applies to investment funds which pursue an ESG strategy to reduce adverse effects on sustainability factors. This ensures that neither Frankfurter Bankgesellschaft itself nor its product partners invest via funds in companies whose business activities have a particularly adverse effect on sustainability factors, or that these companies – if they exceed the adverse effects – are removed from the portfolio of potential investments.

### Exercising voting rights responsibly

As capital investment companies, both Frankfurter Bankgesellschaft and Helaba Invest represent the interests and voting rights of their private and institutional investors to public limited companies. When exercising voting rights, both Helaba subsidiaries act solely in the interests of the investors in the respective investment fund. G4-FS12

### Sustainability in refinancing

In line with our sustainability strategy, we intend to ensure the sustainability of Helaba's refinancing operations. Many institutional investors such as asset managers, pension funds and insurers have already committed to the UN Principles for Responsible Investments and apply ESG criteria to their investment decisions. The need to act is being heightened by stricter regulations such as the EU Sustainable Finance Disclosure Regulation (SFDR).

In 2021, in light of the growing demand for sustainable investments, we decided to issue green bonds. To this end, we developed a [→ Green Bond Framework](#) based on the Green Bond Principles of the International Capital Market Association (ICMA). We intend to continue our compliance with the best market practices going forward and, for this reason, are carefully monitoring the EU's future Green Bond Standard. Our Green Bond Framework formulates binding requirements for the following four core components:

1. Use of issue proceeds
2. Process of project evaluation and selection
3. Management of proceeds
4. Reporting

The [→ Second Party Opinion](#) issued by ISS ESG on Helaba's [Green Bond Framework](#) confirms that the Framework complies with the ICMA Green Bond Principles. This provides Helaba with a reference

document which specifies a robust method for all future issues of green bonds and other green refinancing instruments. In doing so, we ensure that the portfolio of green bonds is constantly evolving and continuously financing new projects.

#### Green bonds for a new energy era

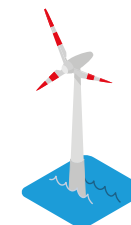
The proceeds from the issue of our green bonds are used solely for loans to projects which support the transition to a sustainable low-emission economy. In order to be included in the green portfolio, the loan must be made in the renewable energy sector and serve to meet the environmental target of limiting climate change in accordance with the EU taxonomy. In this way, we are making a substantial contribution to achieving SDG 7 (affordable and clean energy) and SDG 13 (climate action). A dedicated Green Bond Committee reviews and validates the green bond selection process, monitors the portfolio and coordinates the allocation and impact reporting of the green bond. It is also responsible for revising and developing the Green Bond Framework in the future.

#### Impact of the green development loans

Development project category	Number of loans	Finance volume (€ m)	Share of total portfolio	Suitable as a green bond	(Estimated) annual energy generation (MWh)	(Estimated) Annual reduction in GHG emissions (t CO <sub>2</sub> e)
<b>Renewable energy</b>	<b>79</b>	<b>3,088</b>	<b>100 %</b>	<b>100 %</b>	<b>6,610,971</b>	<b>2,737,465</b>
Photovoltaic projects	33	980	32 %	100 %	1,738,498	706,897
of which under construction	4	260			523,812	218,953
Onshore wind projects	27	853	28 %	100 %	2,599,058	1,045,770
of which under construction	2	56			190,512	46,904
Offshore wind projects	19	1,256	41 %	100 %	2,273,415	984,799
of which under construction	12	902			1,669,215	705,093

#### #story

As one of eight syndicate banks, Helaba is financing the largest German [→ offshore wind project](#) to date, which will produce about 900 megawatts of emission-free electricity starting in 2025.



In 2021, our first green bond in accordance with the Green Bond Framework was placed on the capital market. The sustainable bond with a volume of € 500 m attracted great interest from investors and was twice oversubscribed with an order volume of more than € 1 bn. As at 31 December 2021, Helaba's development loan portfolio included 79 green projects with a total volume of around € 3 bn, 69 % of which related to wind power (onshore and offshore) and 31 % to solar energy. In addition, we regularly issue further [→ tranches specifically for private investors](#) via the local Sparkassen with the aim of making sustainable investments more accessible to the general public. We issued green bonds with a total volume of around € 600 bn in 2021.

#### Regional support and financing

Through its subsidiaries as well as LBS and WIBank, Helaba is strongly rooted in the region of Hesse and Thuringia. It is committed to the sustainable economic, ecological and social development of the cities and communities in its core markets. We provide broad access to financial services and, in line with our state mandate, allocate funding to strengthen economic and infrastructure development.



### Serving everyone: Frankfurter Sparkasse

Helaba serves private customers above all via Frankfurter Sparkasse. As the market leader in private customer business with the biggest branch network in Frankfurt am Main, it makes a key contribution to ensuring access to financial services for the people in Rhine-Main region. We consider financial inclusion to be a major aspect of our public mandate because broad and easy access to financial products and services such as savings and current accounts, loans and insurance services is essential to economic development which benefits all of society.

To provide access to banking services to all sectors of the population, particularly economically and socially disadvantaged customers, Frankfurter Sparkasse offers various types of basic account. A basic account is a non-borrowing payment account that provides consumers with basic functions such as cash deposits and withdrawals, payment transactions and online banking. As at 31 December 2021, customers held 1,334 basic accounts. Frankfurter Sparkasse makes it easier for the blind and visually impaired to access its services by ensuring that each of its physical branches has at least one ATM with a headphone socket. The online branch of the Frankfurter Sparkasse offers completely barrier-free access to its media operations, too. Frankfurter Sparkasse's 1822 Private Banking arm has received multiple awards for its private banking advice from the Deutsches Institut für Bankentests, again in 2021. G4-FS14

### WIBank: Making Hesse an economic powerhouse

The mission of the Wirtschafts- und Infrastrukturbank Hessen (WIBank) is to create tailored programmes to support the sustainable development of the State of Hesse, serving as the central point of contact for private individuals, traders, freelancers and municipal and district authorities. With four business areas, the bank finances the construction of social rental housing, urban development, the expansion of social and digital infrastructure, and environmental and climate protection measures.

The Create and Grow business area comprises support for economic and agricultural development. A large number of programmes support small and medium-sized enterprises (SMEs) and the self-employed in their start-up, growth and investment projects, such as the DIGI subsidy or Distr@l, which drive the digital transformation in Hesse and strengthen the innovative spirit of the state. Moreover, WIBank finances the creation and expansion of business-related infrastructure aimed at attracting companies and developing rural areas. It also implements agricultural development programmes which, among other things, encourages ecological land management.

Through its Build and Live business area, WIBank supports the construction and conversion of rental housing, energy-saving and modernisation measures and home ownership. The "Village development" and "Village facilitation" programmes support rural communities with small populations to improve the quality of life provided and access facilitation and advisory services. G4-FS13

GRI 203-1

WIBank's Sustain and Modernise business area supports municipal authorities in Hesse, municipal facilities and other public service institutions via various state, federal and EU programmes, as well as with its own low-interest funds for financing. Investments in this area form the basis for stronger communities, more competitive businesses and a better quality of life for all generations. The key areas for support are very diverse, ranging from the environment and energy production through the expansion of digitalisation to support for research and educational institutions.

WIBank's activities and targets in respect of labour market policy in Europe and Hesse are consolidated in the Train and Employ business area which focuses on training and education measures, reintegrating people in the labour market, reducing long-term and youth unemployment.

### Support during the pandemic

On behalf of the State of Hesse, WIBank provides various types of assistance – including (trust) loans, credit, subsidies, equity investments and guarantees – for SMEs, start-ups, freelancers and self-employed individuals in Hesse. The Covid-19 pandemic and the associated restrictions meant that many business owners found themselves facing unexpected difficulties through no fault of their own, which is why WIBank was tasked with the development of new coronavirus aid programmes in 2020. These programmes continued to be in high demand throughout the whole of 2021. In 2022, ongoing development business continues to be shaped by the effects of the pandemic.

>1,300  
basic accounts

## Sustainability in the real estate business

The construction and real estate businesses are closely linked with a number of ecological and social sustainability issues given that buildings account for around 40% of global carbon emissions. Moreover, around half of all the raw materials extracted worldwide are used in the building sector. In Germany, the resulting greenhouse gas emissions amounted to around 115 million tonnes in 2021. The country's Climate Change Act seeks to reduce the total volume of greenhouse gas emissions to 67 million tonnes by 2030. Political initiatives like the EU Circular Economy Action Plan chart the course from a linear to a circular economy and value creation for sectors including the energy- and resource-intensive real estate business. There is an additional focus on various social issues such as the affordability of housing in conurbations and the development of neighbourhoods to meet the needs of the people living there.

### Create incentives to make reductions

Helaba and its subsidiaries are contributing to making the real estate business more ecological and people-friendly. For example, it is a pilot bank in the EU's Energy efficient Mortgages Action Plan and is growing its role as an underwriter for green bonds. The goal of the initiative is to develop and promote real estate financing mechanisms and provide incentives for purchasing energy-efficient properties or undertaking the necessary renovation work. In this way, the quality and transparency of financing energy-efficient properties is to be improved and the EU Green Deal implemented effectively. Since 2021, Helaba has also been a member of the ESG Circle of Real Estate (ECORE), an initiative involving around 100 respected investors and real estate companies, including ten banks at present. Through its involvement, Helaba has embraced its responsibility for meeting the EU's climate targets and is contributing actively to expanding and implementing the industry-wide ESG scoring model.

### OFB: fostering the development of the real estate business

OFB is a project developer of the Helaba Group which operates throughout Germany. Its areas of activity are real estate project development, land development and construction and project management for commercial real estate, as well as the development of neighbourhoods. In addition, OFB offers property and asset management services via its subsidiary GGM, thus making it a full-service provider on the real estate market. As well as addressing financing questions, OFB employees also provide practical advice on how the industry can consistently reduce its ecological footprint.

In 2021, OFB anchored this mission in its own sustainability strategy. In this connection, the objectives of the EU taxonomy serve as the new standards for project development with a particular focus on the procurement of sustainable materials, protecting ecosystems and minimising harmful environmental impacts caused by emissions. When planning new buildings, the gold certificate of the German Sustainable Building Council (Deutsche Gesellschaft für Nachhaltiges Bauen – DGNB) or the Leadership in Energy and Environmental Design (LEED) criteria developed by the US Green Building Council will be the minimum standards. In future, OFB will seek platinum certification for more planning projects. At present, five platinum-certified DGNB/LEED projects are planned. Two projects with this certification have already been completed.

OFB also works with various initiatives aimed at driving efforts related to the subject of sustainable building. For example, in 2022, OFB joined the Madaster network, which advocates for a real estate business that works within the limits of our planet and that makes it possible to map building data digitally. In addition to questions of decarbonisation, OFB is also active in social impact investing in the real estate sector, which focuses on issues of incorporating social and societal value factors in the real estate market.

OFB defines sustainable business as taking responsibility for the future of our planet and the generations to come. The project developer has therefore made it its mission to plan and implement viable real estate projects. Thanks to extensive measures, OFB sets the highest standards with regard to the ecological, technical and process quality of the buildings it develops. The Helaba subsidiary is thus contributing to reducing emissions and the use of resources in the building sector. One of the principles applied is the sufficiency rule for the sparing use of materials – using only as much as necessary.

In the future, the principles of the circular economy should help to minimise the need for virgin materials from natural resources. The mobility infrastructure relating to the building will also be considered from the start in order to reduce the emissions caused by traffic. Many of these targets are achieved through the construction of the Platinum office complex in Wiesbaden. The unique hybrid wood structure combines the strength of wood and concrete, thus significantly reducing the consumption of concrete and achieving a carbon footprint that is far superior to that of conventionally constructed buildings.

Creating value for generations: GWH

GWH Immobilien Holding GmbH leases out and/or manages some 52,000 homes and is accordingly well placed to positively influence environmental and social issues. It provides contemporary and affordable housing for broad sections of the population. The average net rent (exclusive of heating) is around € 7.50 per square metre and some 20 % of the homes are publicly subsidised. GWH is investing strategically in diverse housing concepts for all stages of life for both its existing housing stock and new construction projects to meet the rising demand for housing, particularly in urban centres such as the Rhine-Main and Rhine-Neckar regions. A total of 147 rental homes were completed in 2021.

Given the worsening climate crisis and the reduction targets set by Germany’s Climate Change Act, GWH has evolved a four-stage plan for decarbonising its residential buildings and aims to be carbon-neutral by 2045. As well as tightening the requirements for new buildings, for example relating to the use of durable materials, the plan also includes increasing replacement rates. Additionally, the use of fossil fuels is to be continuously reduced and heat from renewable energy is to become the standard for replacing heating systems. Already today, GWH is investing on an ongoing basis in improved insulation and new windows for its housing portfolio. It also has its own energy service provider, Systemo GmbH, which supplies over a third of the homes with heating energy from energy-efficient combined heat and power (CHP) plants and renewable energy sources. The success of the measures will be monitored by regularly producing carbon footprints. The most recent assessment indicates that total energy consumption in 2020 (439,203 megawatt-hours) was approximately 1.2 % lower than it would otherwise have been thanks to thermal insulation improvements and the modernisation of heating systems, a gain that will have reduced CO<sub>2</sub> emissions by 1,050 tonnes.

By way of neighbourhood management schemes, GWH is also seeking to improve the quality of life and quality of living for residents. In collaboration with some 60 social partners, it has created individual plans for 20 large neighbourhoods aimed at enhancing the immediate environment, the neighbourhoods themselves and the regions in which they are located. For example, around 20 % of maintenance spending goes into neighbourhood improvements such as playgrounds, new lighting systems, accessible thoroughfares and attractive communal spaces. During the coronavirus pandemic, GWH suspended all rent increases for a period of ten months. At the same time, it worked with tenants who were experiencing financial difficulties as a result of the pandemic and were unable to pay higher rents to find individual solutions. No one should have to worry that they might lose their home due to the economic effects of the pandemic. At present, GWH is working to establish GWHcare to advise tenants who find themselves in financial difficulties.

**Housing First** In October 2021, GWH launched the Housing First project in collaboration with Diakonie Frankfurt Offenbach, a social welfare organisation run by the protestant church. The concept, which originated in Finland, turns the established approach to homelessness on its head. Instead of a multi-phase resocialisation process being the precondition for a homeless person to get their own four walls, Housing First starts by allocating them a studio apartment with separate kitchen, bathroom and balcony in a GWH complex in Frankfurt’s Sossenheim district. A social welfare team located on the ground floor of the complex provides support for the residents.

Management Approach: “Impact-based products” GRI 3-3

Guiding principle

Through its core business, Helaba is contributing to sustainable development and climate protection. By expanding our Sustainable Development Framework, we have created the means for managing our operational objectives.

Strategic / operational objectives

- Through its core business, Helaba is contributing to the targets of the Paris Agreement.
- Helaba aims to increase the share of its sustainable business volume to 50 % by 2025.

Measures in 2021

	Deadline	Status
Expansion of the Sustainable Finance Advisory	Ongoing	Completion imminent
Growth in the number of OFB construction projects with DGNB/LEED platinum certification and EU taxonomy alignment	Ongoing	In the process of implementation
Development and introduction of a Sustainable Lending Framework	Since 2021	Completed
Development and introduction of a Green Bond Framework	Since 2020	Completed
Development of a four-stage plan to decarbonise GWH residential buildings	Since 2021	Completed
Development of a sustainability data management tool	Since 2021	Completion imminent
Development of sector strategies to reduce the carbon footprint of the portfolio	Since 2021	In the process of planning

# The transformation of the real economy and financial sector

Questions for Dr Lothar Rieth,  
head of sustainability at EnBW, and  
Petra Sandner, CSO of Helaba

Photos: Angelika Stehle, Uli Deck

**The energy transformation is a mammoth task – and the economic and political situation since the beginning of the Russian invasion of Ukraine is yet another. Which shifts do you see in the business activities of EnBW and in the energy sector, or which ones do you expect over the medium and long term?**

**Lothar Rieth:** The effects of the horrible war in Ukraine mean considerable challenges for EnBW, no question about it. But we also see it as confirmation of our strategy: since 2012, EnBW has been rapidly expanding its use of renewable energy – in particular onshore and offshore

wind power as well as photovoltaics. Now some 40 % of our generation portfolio comes from renewable sources. By 2025, we want to increase this figure to over 50 %. At the same time, we are evolving from a pure energy provider to a sustainable infrastructure partner. To this end, we are also investing in new business areas outside of energy. In the current situation, the focus is on security of gas and electricity supply for private and business customers of course, as well as ensuring affordable conditions. Fossil fuels are indispensable for this in the short term. At the same time, we have to accelerate the transition to a carbon-free energy supply in the long term – also





by making sustainable use of the infrastructure currently being built possible, for example to generate and transport electricity from green hydrogen.

**Increasingly strict and EU-wide guidelines are entering into force to accelerate the transformation to a climate-neutral and resource-efficient economy. How do you, as an energy company or financial institution inextricably linked with international markets, contextualise these regulations that require the European economy to be more sustainable?**

**Lothar Rieth:** EnBW stands behind the climate and environmental targets of the EU, absolutely. We have supported the EU taxonomy in particular from the very beginning, because it mobilises private capital which is desperately needed for the sustainability transformation, for example from investors, pensions and insurance companies. We are fundamentally convinced that the EEA is investing in its global competitiveness with the measures from Brussels, such as the Green Deal and Fit for 55. Of course, we can make a more significant contribution to the

achievement of the climate targets as an energy supplier than to targets related to the establishment of a circular economy or biodiversity, for instance.

**Petra Sandner:** I have to agree with that. With the Green Deal, the EU is taking a leading role – a welcome circumstance, in particular in light of the hesitance of the United States in recent years. We see this as a major opportunity for the EU to shape things, to become the leading continent in sustainable development. And we can only legitimately demand that other countries and regions around the world do more when we also make true progress ourselves – be it in the fight against climate change or in the protection of human rights across the entire value chain. EU regulations are thus right and important for creating a suitable framework, but some are still in the early stages. In some areas, the provisions of the taxonomy are too detailed, for instance. Some aspects of the financing of social or transformation projects have been left out, and yet other topics have not been coordinated.

**The energy sector plays a key role in the sustainability transformation. What are three central measures with which EnBW is meeting this responsibility as Germany's third-largest energy company?**

**Lothar Rieth:** First, as part of our strategic sustainability agenda, we consistently pursue a path towards decarbonisation with science-based targets in order to become climate-neutral by 2035. Reducing our greenhouse gas emissions in our core business as a whole is a clear guiding principle for our actions. Second, we are developing new business areas that serve the transformation – for example, we are investing in the expansion of rapid-charging infrastructure for electric vehicles and the fibre-optic network in rural areas. Third, we are establishing sustainability as a key performance indicator in internal processes. For example, for two years now, we have

### Dr Lothar Rieth

has worked at EnBW since 2011. Since June 2021, he has headed the sustainability division at EnBW and is responsible in particular for reporting, sustainable finance and sustainable procurement. He joined the ecosense executive board in 2018, has been a member of the Sustainable Finance Advisory Committee of the Federal Government since 2019 and, since 2021, has been on the DRSC committee for sustainable reporting. He has a degree in administrative and political science and earned a doctorate in CSR and global governance in 2008.

### Petra Sandner

became the Chief Sustainability Officer (CSO) of the Helaba Group in February 2021. Prior to that, she worked in transport finance at Helaba beginning in 2008. During this time, she managed various strategic projects for the Bank. Before that, Petra Sandner worked in acquisition financing at IKB Deutsche Industriebank AG and in real estate structured finance/hotel finance at Aereal Bank AG. She earned her MBA in Newcastle, England.

**“We set the course early on to take EnBW from a pure energy provider to a sustainable infrastructure partner.”**

Dr Lothar Rieth,  
head of sustainability at EnBW



been reviewing investment decisions based not solely on their strategic relevance and profitability, but also on their future viability and their contribution to sustainability. In doing so, we not only consider topics related to the environment and the climate, but also social matters related to sustainability – for instance in the form of sustainability assessments or our suppliers. This is an extremely relevant topic right now in particular in the search for alternatives to Russian coal and gas imports.

**Helaba wants to support its customers from the real economy and the public sector in their sustainability transformation – what do you offer in this regard, specifically? And what do you require from your customers in turn?**

**Petra Sandner:** If we say that we are bound to a genuine transformation of the real economy, then that means we want to take as many customers as possible with us on that journey, rather than just defining exclusionary criteria or financing quick wins for our carbon footprint. This requires detailed work. In the lending business, it mostly involves case-by-case decisions for which customers we support, for example in adapting their business models. From our perspective, this support for the transformation is often more valuable than ending the relationship with the customer. So we seek out an in-depth dialogue with our customers in order to get an overall picture: how does the company analyse its carbon footprint, including up- and downstream emissions? Which steps has the company already taken to reduce its emissions? How is the topic of ESG anchored in, and represented by, the company's management? These and other sustainability aspects will have the same priority in customer analysis as financial KPIs going forward.

**“An organisation can only credibly operate in its business areas in the long term if it is true to itself. The clear commitment of management.”**

Petra Sandner,  
CSO of Helaba

**How are your organisations approaching the sustainability transformation internally? What have you learned to date, for example about success factors and hurdles?**

**Lothar Rieth:** Together with the relevant functional and business units, we at EnBW are working on 15 specific measures – each of them with its own underlying targets and KPIs – aimed at the implementation of our sustainability agenda. Sometimes we have to explain the added value of certain sustainability measures in greater detail, but our experience shows that we come across plenty of understanding and motivation in this regard.

**Petra Sandner:** An organisation can only credibly operate in its business areas in the long term if it is true to itself. This requires the clear commitment of management. At Helaba, we have defined sustainability as one of three strategically relevant focus areas and, in 2020, we launched the Group-wide HelabaSustained programme. In addition, we need approaches to raise awareness for ESG topics throughout our workforce. This is one of my central tasks as CSO: creating the necessary visibility for sustainability, also internally – with passion, conviction and a certain degree of tenacity.

**Where do you see the biggest challenges to the sustainability turnaround in your industry over the next two or three years?**

**Lothar Rieth:** If renewable energies are to be expanded more rapidly, the bureaucracy has to be dismantled. Approval processes for wind farms that take up to six or seven years have to become a thing of the past. We also see clearly defining climate risks for EnBW and reacting to these appropriately as another challenge: which early-warning systems and which risk management tactics do we need to ensure that our plants, infrastructure and supply chains function reliably and safely in spite of extreme weather and periods of low wind?

**Petra Sandner:** As demonstrated by the taxonomy, for instance, uniformity in sustainability standards and measurements are crucial – across industries. And then it takes everyone involved to fill these terms with life, even in the financial sector. For us, sustainable-finance initiatives of the lending industry in which we work together to create standards, methods and processes, as well as develop risk management in particular, are very valuable. Helaba is involved with GSFCG and ECORE for example, and was a co-founder of IMPACT. In this context, we see over and over again that the core business of banks is to accompany times of radical change, and it has been for decades and centuries. So there is no shortage of experience and expertise to transform the economy and make it more climate-friendly, resource-efficient and socially equitable!

## Background

Policymakers and the public are putting growing pressure on companies to protect the climate and environment, promote social justice and do business in a responsible way. Acting sustainably is considered key to the future viability of companies in every industry – whether or not their business model stands for sustainability. Businesses particularly in key industries and sectors such as chemicals and metals, mechanical engineering and transport can – and indeed must – achieve a major impact with their sustainability strategies.

The financial industry has a major lever with which to help transform the real economy: with sustainable finance instruments and products, it can direct capital into business models, infrastructure, technologies and processes that have a sustainable impact. Banks are particularly called upon to make use of this influence.

The EU institutions are working on an overarching regime to provide a coherent, Europe-wide framework for this transformation. The goals and standards defined here are making sustainability a must-have for the real economy and financial sector and turning Europe into a continent that leads the way on sustainable development.



### EU action plan on sustainable finance

The package of measures in the EU action plan, updated in July 2021, sets out how the financial system is to drive the transformation to a sustainable economy in line with the Green Deal. This involves directing public and private capital flows into sustainable investments, increasing transparency and revealing financial risks that occur when ESG issues are neglected.



### Sustainable Finance Disclosure Regulation (SFDR)

The EU regulation, which has been in force since March 2021, governs how financial market participants – such as insurance companies, securities firms, banks and asset management companies – and financial advisers must disclose how they handle sustainability risks at both company and product level. In addition, they must allocate investment products such as funds or ETFs to predefined sustainability categories. This is intended to promote demand for sustainable finance products and prevent greenwashing.



### EU taxonomy

The Taxonomy Regulation of December 2021 – the centrepiece of the EU Action Plan – defines the criteria that determine whether an economic activity, for example an investment, is considered sustainable. The classification initially covers environmental aspects, with social aspects to be added at a later date. A taxonomy-aligned activity must not only contribute to at least one of the environmental objectives but also “do no significant harm” (DNSH) to any of the others. In addition, it must not infringe any minimum social standards. From 2023, financial market actors and businesses subject to the obligation to non-financial reporting (see below) must disclose what proportion of their activities are taxonomy-aligned. This is intended to create transparency about the sustainability of the European economy and provide incentives for further transformation.

#### The six objectives in the EU taxonomy

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems



→ **A compass for the EU taxonomy**  
(available in English)



### Corporate Sustainability Reporting Directive (CSRD)

The proposed directive published by the European Commission in April 2021 requires companies that operate in the EU to report on their environmental and social impact in a more transparent, consistent and thus more comparable way than in the past. To this end, the European Sustainability Reporting Standards (ESRS) will define mandatory, more extensive reporting requirements for areas such as climate change, biodiversity, pollution, anti-corruption and diversity. The ESRS will harmonise information on companies' financial and non-financial performance. The CSRD will apply to an estimated 15,000 companies in Germany, including many SMEs. The new reporting requirements are expected to come into force starting from the 2024 financial year in a staggered process depending on factors such as companies' size and turnover and whether they are listed.



**More about**  
→ **EU regulations on sustainability and sustainable finance**  
(available in English)

### European Green Deal

The European Green Deal, adopted in December 2019, provides a roadmap setting out how the EU intends to achieve its objective of becoming climate-neutral by 2050. The aim of the Green Deal is to transition to a resource-efficient, modern and competitive economy in which there are no net greenhouse gas emissions by 2050, growth is decoupled from resource use and no-one and nowhere is left behind.

**By 2050, Europe is to become a climate-neutral continent.**

## Next-level climate protection: maintaining biodiversity and preserving resources



The rise in global average temperatures is to be limited preferably to 1.5°C compared with the pre-industrial level. **Paris Agreement in force since 2016**

There is no question about it: the most urgent global challenges of our time are to protect the climate and adjust to the consequences of climate change, which are already being seen and felt today. At the same time, there is a growing awareness that we also need to act on other environmental issues that are inseparable from the climate crisis.

Biodiversity is increasingly in the spotlight in this context. The term describes the sheer variety of plants, animals and all the organisms, habitats and genes that evolution has created. It also includes all the “ecosystem services” created by the interactions of different species: the pollination of crops by insects, for instance, or oxygen production by trees and seaweed. Biodiversity is vital to our survival, too. But it is under acute threat. Climate change, deforestation, intensive monocultures, overfishing and environmental pollution are destroying ecosystems, forcing extinction and damaging forests, moorlands and oceans, which then absorb less CO<sub>2</sub>.



In Europe, over half of all endemic tree species are threatened with extinction, including the horse chestnut and rowan. A fifth of bird species are threatened, including swifts and larks, while for bees and butterflies the figure is one in ten European species. In some areas, insect diversity has declined by more than a third in recent decades and their biomass by up to three-quarters.

In its [→ Biodiversity strategy for 2030](#), the EU shows how damaged ecosystems are to be restored and habitats preserved intact. It is planned to designate at least 30 % of Europe’s land and seas as protected areas.

Resources are another area in which we are exceeding our planet’s breaking point year after year. In our linear economic model, based on the principle “produce–use–throw away”, we are taking more resources from nature than it can replenish. In contrast, sustainable value creation works on a circular principle: resources, materials and energy are used in such a way that they are not destroyed at the end of their life but remain in the cycle: for example through the sharing, reuse, repair or recycling of products. This allows us to preserve finite resources and protect vital ecosystems, precious water resources and the climate.



**29 July 2021**

**Earth Overshoot Day** marks the day on which the global population has used all the resources that nature can regenerate that year. Twenty years ago, this date was almost two months later, on 24 September 2001. Industrialised countries consume the majority of available resources; in Germany in 2021, they were already exhausted by 5 May.

In the [→ Circular Economy Action Plan](#), the EU sets out measures to make sustainable – i.e. long-lasting, repairable – products the norm and reduce the volume of waste. As resource-intensive key industries, the electronics, textile, construction and food industries are to accelerate the transition to a circular economy.

To enable effective measures to be taken for these environmental objectives – promoting biodiversity and preserving resources – the financial industry must play a key role, as with climate protection. This will include, for example, evaluating an activity’s negative impacts on biodiversity and taking them into account before granting a loan. However, this raises a question about how the economic value of biodiversity can be measured: what interventions in an ecosystem are justified, and when do the negative effects outweigh the positive? Financial institutions thus face the challenge of setting a framework for clearly categorising activities in accordance with the aims of the EU biodiversity strategy and enabling the various risks to be measured and compared. Incorporating nature-related risks and opportunities into risk management will rely on better information about the short- and long-term financial impacts on biodiversity.

Initiatives such as the Taskforce on Nature-related Financial Disclosures (TNFD) are addressing this problem and building on existing standards, metrics and data. Helaba is also involved alongside other banks in a TNFD working group, which is developing more advanced common standards.

To establish a circular economy, the financial market is already experimenting with circular finance products such as circular bonds and loans for circular investments. Clear figures and a generally accepted classification are vital here too to promote the circular economy. Ultimately, ideas must prove themselves in the real economy in the form of convincing sustainable business models. We in the financial industry will play our part to facilitate this.

## Responsible corporate governance

**We aim to build a responsible business, using our products and services to create added value for the environment and society. Our operations are based on the observance of applicable laws and internal guidelines which we ensure by way of an effective compliance system. In this way, we satisfy our public mandate to operate in the public interest, prevent criminal activity and deliver a positive contribution that extends beyond our core business.**

On the basis of their public mandate to operate in the public interest, Helaba and its subsidiaries have a special responsibility to comply with statutory requirements and make a positive contribution to the economy, the environment and society. Through our commitment to the UN Global Compact and as a signatory to the UN Principles for Responsible Banking, we are underscoring the ambition we have communicated in our dialogue with the public. In order to transmit this commitment to all areas of our organisation and provide binding guidance to Helaba Group employees, Helaba has adopted a → [Code of Conduct](#) which gives our employees, customers and the general public a clear and comprehensive overview of how we behave responsibly in our day-to-day business and in respect of our products. In addition to formulating basic principles, the Code of Conduct outlines requirements for dealing with conflicts of interest, insider knowledge and employee transactions, preventing white collar crime, money laundering and terrorist financing and complying with financial sanctions. It also addresses the issues of data protection and information security, transparency and cooperation with investigating and supervisory authorities, corruption and bribery, fair competition and tax compliance. Moreover, it establishes the framework for Helaba's responsible conduct outside its core business. [G4-FS1](#)

Compliance Money Laundering and Fraud Prevention is the point of contact for all questions concerning the Code of Conduct. It provides guidance to all employees regarding concerns and questions about the specific action they should take in the course of their day-to-day work. It is also the point of contact for employees who suspect a breach of the instructions and guidelines for implementing the Code of Conduct or have observed any unusual behaviour. A whistleblowing system (WhistProtect®) is in place, enabling any employee to report potentially unlawful transactions, also to an external instance. At any time, they may contact a neutral ombudsperson anonymously and in confidence via a range of communication channels. [GRI 2-26](#)

### Compliance and anti-corruption

The basis for our actions at Helaba is that the Group will comply at all times with laws and regulations at local, national and international levels. Our success is founded on rapid decision-making in crisis situations, a strategic approach to dealing with risk information and a responsible compliance culture. Any breach of statutory provisions is a legal risk. We manage this risk together with other operational risks, in other words the business risks which arise because internal procedures, people or systems are inadequate or fail. With a view to prevention, an annual Group-wide risk analysis is compiled covering all business locations. The results of this analysis are presented to the relevant Board members, the full Executive Board and the Supervisory Board. In addition, Internal Audit conducts an independent assessment of risk management and the controls in the course of its auditing activities and reports on this to the Executive Board.

The German Federal Financial Supervisory Authority (BaFin) has defined Minimum Requirements for Risk Management (MaRisk) for banks and financial services providers on the basis of the German Banking Act (Kreditwesengesetz, KWG). Compliance with these minimum requirements is the licence to operate for Helaba – and all other banks – and is reviewed annually in the course of the audit of the annual financial statements. In accordance with MaRisk, the Compliance function reports to and is directly subordinate to the Executive Board. Corporate Compliance pays particular attention to the rules prohibiting insider dealing and identifies and regulates potential conflicts of interest. [GRI 2-15](#) Helaba has appointed a Head of Compliance who is registered with the supervisory authorities as performing the functions of the Group Anti-Money Laundering Officer, the MaRisk Compliance Officer and the WpHG Compliance Officer. In addition, monitoring software is used to keep business relationships under constant surveillance. In line with regulatory requirements, Helaba holds regular compliance training sessions that cover the capital market, anti-money laundering and fraud prevention and it is mandatory for all employees to attend these events at least every two years. [GRI 205-2](#)

During the reporting period, there were no breaches of laws and regulations which resulted in the imposition of sanctions and fines on Helaba. [GRI 2-27](#) [GRI 419-1](#)

### Preventing money laundering and terrorist financing

Helaba devotes special care and attention to preventing criminal economic activity including money laundering and terrorist financing. Money laundering is the term used to describe the process by which assets acquired by illegal means – such as drug and arms dealing, illicit gambling and prostitution – are transformed

for inclusion in legitimate financial activities. The goal of those involved is to conceal the origin of the money so it can be used in business transactions such as the purchase of real estate. In the case of terrorist financing, banks are used to transfer money to be employed for terrorist purposes. As the financial services provider to the Sparkassen-Finanzgruppe and its main partner on questions relating to payment transactions and as a preferred service provider to corporate and institutional customers, the public sector and international banks, Helaba has a special responsibility to investigate suspected cases and to counter both money laundering and terrorist financing. To this end, Compliance Money Laundering and Fraud Prevention has developed and enforces internal principles and suitable safeguards and controls to prevent these offences and criminal acts such as fraud and bribery. We work with our branches and subsidiaries to constantly update these functions.

### Avoiding and identifying corruption

In accordance with the Principles of the UN Global Compact, we oppose all forms of corruption – including blackmail and bribery – and have established an internal governance framework that defines appropriate preventive measures for implementing these principles. The framework sets out how the Executive Board ensures that actual and potential corruption risks are investigated, managed, monitored and disclosed. Our operating procedures make up a central control tool which defines written rules and processes in such a way that they are complied with by the relevant employees and facilitate subsequent monitoring of compliance. A corresponding company and risk culture is a further important tool for preventing corruption and identifying any cases which might still occur. Our framework also defines how the Executive Board's governance function is monitored. Risk analysis for the reporting year revealed no significant corruption risks.

**GRI 205-1** In 2021, as in previous years, no corruption proceedings were notified to Helaba. **GRI 205-3**

### Transparent defence of our interests

Compliance with applicable regulations also includes the legally compliant provision of funding and services in the form of donations and sponsorship. In accordance with the relevant regulatory requirements, we have established internal control processes to ensure compliance. Strict rules and controls apply in particular to our political lobbying activities and association memberships. WIBank is included in the EU transparency register in respect of its activities relating to EU institutions. It is a member of the European Association of Public Banks (EAPB) which represents the interests of European development banks and municipal lenders to the EU institutions. Helaba is a member of the following associations:

- The **German Savings Bank Association** (DSGV) organises decision-making within the Sparkassen-Finanzgruppe, defines its strategy and represents its interests in the public arena.
- The **Bundesverband Öffentlicher Banken** (VÖB) represents the interests of 60 members, including the Landesbanken and Germany's federal and state development banks.
- The **Association of German Pfandbrief Banks** (vdp) represents the interests of the Pfandbrief banks in national and European decision-making bodies and in dealing with the professional public.

Funding and services are always granted in accordance with the applicable statutory provisions. We have also defined our own internal funding rules → see "Social engagement". In accordance with the Charter and due to the particular ownership structure of Helaba, the Supervisory Board and the Board of Public Owners are made up of members who hold functions in the political sphere at the state and municipal levels. However, they exercise no political influence on the bank's operational business.

### Creating transparency and embracing responsibility – also in advertising

We are committed to an open and transparent communications policy. Within the context of our statutory obligations, we reliably communicate information about our business activities by the respective deadlines and cooperate with investigating and supervisory authorities.

When advertising our products, we ensure that we always respect general fundamental social values, as they are also a part of Helaba's Code of Conduct. It goes without saying that we comply with regulations such as the ban on unfair commercial practices and misleading advertising. Our Code of Conduct also provides guidance on the responsible use of social media by the company and its employees. In 2021, as in the previous years, no sanctions, fines or warnings for non-compliance with marketing regulations were issued to Helaba. **GRI 417-1** **GRI 417-2** **GRI 417-3**

### Tax strategy

Helaba is primarily active and subject to taxation in Germany. Owing to our legal form as a public-law institution and our mandate as a Landesbank operating in the public interest, we have a special duty to maintain a responsible tax policy. In order to ensure compliance with all its tax obligations, Helaba has published its → [tax strategy](#). The tax strategy is anchored in Helaba's business strategy and establishes a binding guideline for the Helaba Group companies which are bound by the business strategy. It is reviewed annually and adopted by the Executive Board. Our goal is to ensure that Helaba and its subsidiaries fully meet their tax obligations at all times and in due time. This means especially that we comply with tax laws and regulations. As far as possible, we avoid operational risks and reputational risks associated with tax issues. All tax-related decisions are based on the principle of sustainability. We reject the use of artificial tax instruments with no basis in fiscal or business-related issues. Instead, Helaba and, to



a greater extent, the Helaba Group are committed to products and business activities which are not designed for purely tax-driven reasons or have no basis in business-related issues. **GRI 207-1**

In particular, an effective tax compliance management system (TCMS) ensures that the tax strategy is implemented at Helaba. On the basis of the tax strategy, the subsidiaries are obliged to maintain a TCMS specific and appropriate to their operational requirements. In terms of organisation, the TCMS is based on the overall risk strategy and the established control and risk management structure with a clear allocation of responsibilities (three lines of defence [3 LoD] principle). The focus rests on identifying, managing and monitoring operational risks (in the narrow sense) related to tax issues. In this connection, the Taxes department serves as the specialised second LoD which provides support in controlling operational risks (non-financial risks, NFR). Additionally, the tax process group at Helaba is structured and organised by tasks, processes and control requirements, also in consideration of risks aspects, in accordance with the internal guidelines; it is subject to constant monitoring (so-called internal control system for taxes, tax ICS). A reporting system covering the regular submission of information has been established as part of the TCMS. Additionally, taxes are also part of the established compliance whistleblower system at Helaba. **GRI 207-2** We cooperate transparently and in a spirit of trust with the respective tax authorities. **GRI 207-3**

### Fair taxation of profits

Helaba pays taxes on its profits in the jurisdictions where the value is created. The arm's-length principle is applied to the inter-company settlement of transactions and services with foreign branches, for example. In the context of its country-by-country reporting, Helaba presents the sales revenue and number of

employees of each branch and head office of entities in the tax jurisdiction of each EU member state and third country in accordance with section 26a KWG. This reporting covers all fully consolidated entities which were included in the consolidated financial statements as at 31 December 2021. In its annual report, Helaba provides the following detailed information for the tax jurisdiction of each EU member state and third country:

- Company name, nature of activity, head office/location and country
- Sales revenue
- Consolidated net profit before taxes on income
- Income tax expense
- Number of employees (FTEs) **GRI 207-4**

During the reporting period, the Helaba entities received no government subsidies within the meaning of an EU subsidy programme. **GRI 201-4**

### Data protection and information security

At Helaba, the Information Security and Data Protection functions are part of the Information Security Management (ISM) department. This collaboration is aimed at protecting personal data and ensuring achievement of the three information security protection targets of confidentiality, integrity and availability. The main regulatory framework governing the protection of personal data is the EU General Data Protection Regulation (GDPR). This stipulates that the personal data of both customers and employees may only be collected, shared and processed in accordance with data protection requirements. The Banking Regulatory Requirements for IT (Bankaufsichtliche Anforderungen an die IT, BAIT) and ISO-27001 are central to the design of the bank's information security management system.

### Creating clear lines of responsibility for secure data

The Chief Information Security Officer (CISO) is responsible for the operational oversight and ongoing development of information security management in accordance with the strategy defined by the Executive Board. He reports to the Executive Board and is responsible for implementing, setting up, enforcing and monitoring information security for Helaba, including its international branches and representative offices. The CISO mainly works independently and without supervision, especially in respect of the rules and measures he defines for ensuring information security.

The CISO and the Data Protection Officer (DPO) cooperate closely, particularly in ensuring compliance with technical and organisational data protection requirements. Like the CISO, the DPO reports directly to the Executive Board, informing and advising the Executive Board, all organisational units and employees with regard to data protection requirements pertaining to the bank. He is responsible for monitoring compliance with data protection regulations as well as for employee training and for raising awareness of data protection issues among employees. The Data Protection and Information Security functions conduct joint awareness measures for employees in order to reflect the many interfaces and interactions which exist. Examples include the Information Security and Data Protection web-based training course and the annual webinar series offered during the bank's Cyber Month. Alongside technical and organisational measures, raising employee awareness is an important means of protecting the bank against social engineering attacks and CEO fraud.

## Operating climate and environmental protection

Helaba considers limiting global warming to less than 1.5 degrees Celsius and adapting to the already unavoidable effects of climate change to be among the greatest of the current sociopolitical challenges. We have pledged our commitment to the United Nations Paris Agreement and the climate objectives of the German government and the European Union.

Helaba believes its core lending business offers the biggest lever for achieving climate protection and other sustainability objectives. We are therefore developing measures and development paths aimed at reducing the intensity of the CO<sub>2</sub> emissions we finance, i.e. the Scope 3 emissions in the downstream value chain in accordance with Greenhouse Gas Protocol (GHG) 3.15 → see “Sustainability strategy and management” and → “Impact-based products”. However, we are also seeking to minimising the impact of our own business operations on the climate and the environment. As a signatory to the voluntary commitment by the Sparkassen, Helaba has committed to making its business operations carbon-neutral by 2035 at the latest. We have defined the interim milestone of already reducing our CO<sub>2</sub> emissions by 15 to 30 % by 2025 compared with the averages for the years from 2015 to 2019. In the context of the HelabaSustained project, we are consistently developing and implementing specific measures aimed at achieving this goal.

### Focused reduction in emissions

Because consumption of resources at Helaba is primarily limited to energy consumption for building maintenance and IT operations, as well as the consumption of fuel for the company vehicle fleet, consumption reduction measures are focused on these areas. Around 60 % of Helaba's CO<sub>2</sub> emissions can be attributed to the consumption of electricity and heating energy in the office

buildings. We aim to reduce this consumption by way of targeted investments and modification measures. Today, nearly 90 % of the electricity used in the Helaba office buildings already comes from renewable sources, and 100 % at our own locations. In the MAIN TOWER and on the Helaba Campus, we have already switched the lighting in the general and technical areas over to energy-efficient LEDs, as well as begun the process in the office spaces.

Especially in light of the growing significance of mobile working, Helaba is also developing emission reduction concepts in the area of mobility. If business travel cannot be replaced by video or telephone conferences, we make use of public transport wherever possible. Our vehicle fleet is also becoming greener, thanks to our company car directive which gives preference to the procurement of fuel-efficient and low-emission vehicles and prohibits high-powered models. It also defines maximum thresholds for CO<sub>2</sub> emissions.

In 2018 and 2019, total emissions were 9,985 and 9,464 tonnes, respectively. In 2020, Helaba's CO<sub>2</sub> emissions dropped to 7,530 tonnes – primarily due to a decline in business travel and working being done at home since the beginning of the Covid-19 pandemic. Assessment of the consumption data for the 2021 reporting year had not been completed by the press date, but we expect a similarly low level. Because both 2020 and 2021 were greatly impacted by the effects of the pandemic, they have only limited comparability with the previous years. However, we aim to sustain the progress achieved during these two years and utilise further savings potential on our path to our medium-term climate objective. Beginning with the 2021 financial year, we will offset emissions that currently cannot be avoided using climate protection certificates that meet the highest standards.

GRI 305-5

## CO<sub>2</sub> emissions (t) GRI 305-1 to 305-3

	2020	2019	2018
Total CO <sub>2</sub> e emissions (Scope 1-3) (t)	7,530	9,985	9,464
of which direct CO <sub>2</sub> emissions (Scope 1)	33.3 %	32.8 %	28.9 %
of which indirect CO <sub>2</sub> emissions (Scope 2)	26.4 %	14.5 %	15.7 %
of which other indirect CO <sub>2</sub> emissions (Scope 3)	40.3 %	52.7 %	55.4 %

## Energy consumption (MWh) GRI 302-1 GRI 302-4

	2020	2019	2018
Total energy consumption (electricity and heating) (kWh)	36,955	37,376	37,710
Electricity consumption (kWh)	16,992	16,347	17,208
of which green electricity	89.7 %	91.7 %	93.3 %
of which from combined heat and power (CHP) plants	10.3 %	8.3 %	6.7 %
Heating energy consumption (kWh)	19,963	21,029	20,502
of which natural gas*	33.5 %	43.5 %	31.7 %
of which local/district heating from CHP plants	61.1 %	52.0 %	62.0 %
of which local/district heating from biogas	5.3 %	4.4 %	6.2 %
of which generated using light heating oil	0.1 %	0.1 %	0.1 %

\* Around 85 % produced by MAIN TOWER CHP plant.

The MAIN TOWER in Frankfurt, headquarters of the Helaba Group, is a 56-storey low-energy building which was already certified back in 2011 as an environmentally friendly and sustainable building that minimises the consumption of natural resources in accordance with Leadership in Energy and Environmental Design (LEED) standards. Thanks to targeted measures aimed at increasing resource efficiency, the MAIN TOWER was awarded the highest rating of platinum status upon its recertification in 2016. With total floor space of 62,000 square metres, the building is now heated by its own combined heat and power plant and a geothermal energy system. As a result, the MAIN TOWER uses just 75 kilowatt-hours of energy per square metre each year.

Helaba uses the calculation methodology of the German Association for Environmental Management and Sustainability in Financial Institutions (VfU) to record CO<sub>2</sub> emissions at 20 locations worldwide which account for around 98 % of the office space in use. We use very few extrapolations or estimates, mostly for small leased spaces.

### Protecting natural resources

Compared with a manufacturing company, Helaba has low resource requirements coupled with a small ecological footprint. It mainly consumes energy, paper and water. The company's water consumption is due to its sanitary facilities and canteen. In terms of consumption of resources, Helaba therefore does not believe it has any material impact on the environment due to its business operations.

Nevertheless, we make every effort to conserve resources and use (more) sustainable alternatives wherever possible. For example, in 2021, Helaba switched to the use of recycled office paper. However, most of our internal and external correspondence is now digital. We are striving to further reduce our paper consumption through various measures, such as the introduction of electronic signatures for internal processes.

### Consumption of resources GRI 301-1 GRI 303-5

	2020	2019	2018
Office paper (kg)	200,168	273,805	303,384
of which certified (FSC, PEFC, etc.)	78.9 %	80.6 %	89.3 %
of which recycled paper	14.8 %	16.3 %	18.7 %
Water consumption (m <sup>3</sup> )	68,096	63,402	68,470

Over and above our emissions, the output of our business operations also has a comparatively low impact on the environment. Disposable coffee cups are only available upon request and for a charge. These cups as well as canteen packaging are made from recyclable algae-based materials. Apart from used paper, most of our waste is similar to household waste.

### Waste generation GRI 306-1

	2020	2019	2018
Waste generation (kg)	493,372	825,257	554,464
of which recycled / reused*	60.0 %	60.0 %	60.0 %
of which incinerated	40.0 %	40.0 %	40.0 %
of which hazardous waste	0.0 %	0.0 %	0.0 %

\* According to data from the waste disposal company.

### Sustainable procurement

When procuring materials and services, like it did when it switched to recycled office paper, Helaba generally prefers working with suppliers which have implemented an environmental management system in compliance with industry standards and use renewable energy in their value chains. In particular, this increasingly applies to the selection of IT hardware suppliers, as our IT infrastructure is of central importance for the business activities of Helaba. Helaba has created a binding framework in the form of a Supplier Code of Conduct which stipulates provisions for compliance with environmental standards, the recyclability of packaging and the transport of goods. G4-FS1 In respect of risks related to human rights, Helaba pursues a risk-based approach to outsourcing activities and processes. As well as observing environmental protection requirements, suppliers must also submit a declaration of their respect for human rights. Helaba is preparing for the implementation of the German Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG), which comes into force from 2023, as part of the Helaba-Sustained project. The basis for this is the analysis of our supply chains. GRI 308-1 GRI 414-1

### Preserving and promoting biodiversity

Alongside climate change, experts consider the destruction of habitats and the resulting biodiversity crisis to be the greatest global challenge of our era. Intact and healthy ecosystems fulfil a number of purposes that are essential to our survival on earth. Bacteria and other microorganisms break down organic substances to produce nutrients that ensure the fertility of soils. Pollinators like bees facilitate plant reproduction and are essential to our food production system. And intact forests and oceans are great repositories of carbon. Changes in land use, monocultures, the overexploitation of natural resources, climate change, pollution and invasive species are considered to be the main factors in biodiversity loss.

As a financial services provider, Helaba considers the impact of its operations on biodiversity to be low compared with a manufacturing company. **GRI 304-2** We have implemented a number of measures in our business activities dedicated to protecting biodiversity. For example, Helaba will not knowingly provide financing to projects which will result in severe environmental damage. These include, in particular, projects that could endanger wetlands and World Heritage Sites, involve illegal logging or slash-and-burn land clearance or could threaten endangered species in other ways.

The Helaba Group is also committed to a number of projects aimed at increasing biodiversity in the immediate vicinity of our business locations. OFB has expressly anchored the protection of biodiversity and ecosystems as one of the five objectives of its sustainability strategy. In day-to-day operations, this means restricting the sealing of soil on undeveloped land. By applying the principles of animal-aided design in planning, it is possible to respect the needs of urban animals in real estate development, thus enriching urban life with natural experiences. WIBank has various development programmes on behalf of the State of Hesse which support sustainable agriculture and strengthen forest ecosystems. GWH maintains 16 bee colonies at its sites in Frankfurt, Kassel, Meerbusch, Leipzig and Mainz-Finthen. They are home to around 500,000 insects and are cared for by local beekeepers.

## Social engagement

On the basis of its statutory public mandate, Helaba has a special obligation to serve the public interest. Outside of our core business, we contribute donations and sponsorships that benefit people and the environment in many ways. To embed this commitment strategically, Helaba has developed a corporate citizenship concept covering its social engagement – and that of its subsidiaries – and social volunteering by employees [→ see “Respectful corporate culture”](#).

Helaba considers its support for education, culture, social projects, the environment, science, and sport in its various iterations to be an important part of its role in society. In its home states of Hesse and Thuringia and also in the states of North Rhine-Westphalia and Brandenburg, where it serves as the central bank for the Sparkassen, Helaba supports many charitable projects. In the reporting year, our donations and sponsorships totalled € 1.6 m.

## Greening the finance sector

Helaba has especially strong ties to the Frankfurt financial centre where it supports forward-looking initiatives such as the [→ Green and Sustainable Finance Cluster](#) as a founding member (WIBank) and sponsor (Helaba): the network pursues the objective of leveraging the existing sustainability expertise on the financial market and supporting the transformation to a sustainable global economic system with suitable financial market structures. As a founding member (WIBank) and platinum sponsor (Helaba) of the [→ TechQuartier](#), we support start-ups in the fields of green technology, clean energy and sustainable finance.

## Providing financial education

How can I keep tabs on my spending? How much of my salary should I save? Which type of investment is right for me? Frankfurter Sparkasse offers a range of financial education measures to help consumers of any age stay on top of their financial affairs. In the context of their public mandate, the [→ Sparkassen savings banks have a dedicated service for schools](#) with a broad media offering covering basic financial education. A [→ stock market simulation game](#) enables the participants to learn by doing, opening virtual securities accounts and performing transactions. The online game helps develop basic financial knowledge and provides insights into the stock exchange. **G4-FS16**

## We've got the region's back

The Helaba Group – especially WIBank (the development institution for the State of Hesse) and Frankfurter Sparkasse (one of Germany's largest savings banks) – is firmly established in the region. We create social and ecological value through our core business and other activities. WIBank, for example, is a sponsor of [→ JOBLINGE gAG FrankfurtRheinMain](#), a cross-sector job initiative that helps young people who experience initial difficulties in the transition from school to working life. As a company in the residential housing sector, GWH each year supports initiatives and clubs such as [→ Jumpers – Jugend mit Perspektive](#) and provides venues for social events. Whereas GWH focuses on community management and neighbourhood development in line with its business areas, OFB supports initiatives like the [→ Verein Bergwaldprojekt e.V.](#) which works to preserve, maintain and protect forests. The donations from OFB are being used to support a project in the Kellerwald of northern Hesse. Additionally, OFB is investing in the long-term reforestation of brownfield sites in Hesse's Vogelsbergkreis region. Each time a milestone is achieved in the construction process of a new development project, 1,000 native deciduous and coniferous trees are planted in municipal forests. **GRI 203-2**

## Support for culture and the arts

In line with its claim of “Values with impact”, Helaba considers support for culture and the arts to be inherent to its corporate culture. That is why we support museums and exhibitions, music and theatre festivals, amateur and professional sport. Among the institutions and events we support are the MMK museum of modern art and the Städel Museum in Frankfurt, the Domstufen-Festspiele in Erfurt, the Rheingau Music Festival, the Helaba CLASSIC-nights cycle of concerts at Alte Oper Frankfurt and the Ruhr Piano Festival. Our own art collection concentrates on works by up-and-coming contemporary international artists. In the sports arena,

we support the charity Sportshilfe Hessen, the luge World Cup event in Oberhof, Thuringia, as well as running events such as the Düsseldorf Marathon and the Ironman Run Night in Frankfurt. We are also a premium partner of the Bundesliga football team Eintracht Frankfurt.

### Transparent engagement

Helaba is currently revising its donations policy to ensure that its social commitment is aligned with its principles and is both transparent and understandable to employees and outsiders alike. In the future, it will form the basis for selecting the bank's donation and sponsorship activities. The guideline defines the range of activities deemed suitable for financial support and sponsorship and, on the basis of the core regions where Helaba operates, specifies the following priority areas:

- Art, culture and science
- Social cohesion, social and charitable activities
- Cultural, financial, ecological and business education
- Sport and exercise
- Protection of natural resources, sustainability and climate protection

The policy excludes certain groups, persons and associations – including political parties and related organisations and individuals – as the recipients of donations. During the reporting period, as in previous years, Helaba made no donations to political parties. **GRI 415-1** **G4-FS1** To ensure that our funding and sponsoring activities are in line with the principles and the orientation of Helaba, the measures are assessed in regular intervals based on the reporting of our sponsoring partners. In our public communications, sponsorship measures are always identified as such.

### Management approach

#### Responsible corporate governance **GRI 3-3**

### Guiding principle

Helaba has a role as a corporate citizen. Clear guidelines and effective compliance processes ensure the observance of applicable law and create opportunities for engaging with people and the environment outside our core business as well.

### Strategic / operational objectives

- By 2025, Helaba will reduce its CO<sub>2</sub> emissions by 15 % to 30 % compared with the average of the years from 2015 to 2019 and achieve carbon neutrality in its business operations by 2035.
- Helaba procures materials and services from ecologically and socially sustainable sources.
- Helaba structures its donation and sponsorship activities transparently and in accordance with its basic values. Each year, Helaba commits funding to environmental and climate protection measures.

### Measures in 2021

	Deadline	Status
Establishment of a digital meeting culture to reduce business travel	Ongoing	In the process of implementation
Development of a Supplier Code of Conduct	2019	Completed
Analysis of the supply chain in preparation for the introduction of the German Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz)	Since 2021	In the process of implementation
Switch to the procurement of fully recycled paper	2021	Completed
Introduction of electronic signatures	2021	Completed
Development of a donation policy	Since 2021	In the process of implementation
Compensation for unavoidable CO <sub>2</sub> emissions	From 2022	In the process of implementation
Development of a CO <sub>2</sub> reduction path for the real estate portfolio	Since 2022	In the process of planning



# Helaba's sustainability journey



We know that strategies are only ever as good as the people whose job it is to make them a reality, who work day in, day out on concrete action to realise the company's objectives. We've therefore chosen some Helaba staff members to give us a look around the "engine room" of our sustainability strategy. Each of them stands for one of our key performance indicators and represents everyone working for a sustainable bank in their everyday jobs and beyond.

Photos: Frank Hüter, Angelika Stehle, private

### CO<sub>2</sub> emissions from Helaba's banking operations are relatively low. What is the point of a strategic KPI to reduce them?

Fighting climate change is extremely urgent. That means we don't want to miss a single opportunity to cut carbon emissions and to set an example for our customers and our employees. As part of the savings bank family, Helaba has signed a commitment to become climate neutral by 2035. That means reducing our CO<sub>2</sub> emissions as far as possible and offsetting any unavoidable emissions from banking operations.

### What is your approach to cutting emissions?

#### What measures do you rely on?

Our task is to develop measures for our buildings that are financially viable but also environmentally sustainable. For example, we cover the electricity needs of the bank's own buildings 100 % from renewable energy. We'll be generating some of this ourselves in future using a solar installation on the roof of the Helaba Campus in Offenbach.

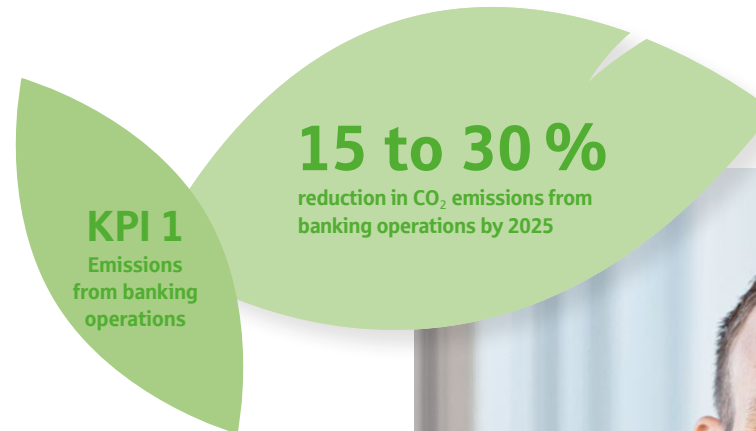


We work closely together as a team to find the best possible solutions, partnering, for example, with administration departments, with Facility or Property Management or with external professional designers. Running properties like Helaba's energy-efficiently is a complex undertaking with many factors at play. Cutting emissions will only succeed if we all pull together.

## "Our work reconciles financial viability with environmental necessity."

Thomas Hahn

Real Estate Management



### Thomas Hahn

joined Helaba as a trainee as part of his business administration degree in 2008. Since 2011, he has been working in the Real Estate Management department, which reports directly to the Board of Managing Directors. The department looks after the buildings used for the bank's operations and seeks to make them as resource-efficient as possible.

### Sustainability for him means ...



regeneration  
saving resources  
conscious decisions





## Ina Liermann

has been at Helaba since 2001 and moved to her current role in 2013. Here, she particularly appreciates the responsibility her job involves and the direct contact with customers. Together with her Syndicated Finance team, she is responsible for arranging and implementing syndicated loans for corporate customers. This is an important part of being these customers' primary bank and attracting additional business.

### Sustainability for her means ...



ESG  
sustainablefinance  
biodiversity

**KPI 2**  
Sustainable  
lending

**50 %**  
share of sustainable  
business volume  
in the portfolio by 2025

**“Sustainable impact is what we set out to achieve at Helaba, but it's also the aim of customers, supervisors and policymakers. Our Sustainable Lending Framework is creating exactly that.”**

Ina Liermann

Executive Director Corporate Finance, head of ESG products  
at HelabaSustained and ESG Coordinator Corporate Banking

**Helaba is committed to the Paris Agreement. Your biggest lever to reduce CO<sub>2</sub> emissions is in the lending business. What is the role of the Sustainable Lending Framework here?**

We use the framework to determine which investments have environmental value, for example. The size of their carbon footprint is crucial to this. Many of our customers' sustainability strategies also include reduction targets for Scope 1 and 2 and increasingly also Scope 3 emissions. If, when we issue a loan, we agree contractual commitments to cut emissions, for example, we also classify these loans as sustainable.

### What does this involve exactly?

Let me explain using a transaction we arranged with our customer EDEKA Südwest: The general-purpose loan includes contractually binding sustainability components (known as the sustainability link). We use a performance indicator for each of the four pillars of sustainability defined by the customer: sustainable products, environment and energy, responsibility for employees and social responsibility. The margin depends on the progress made. This gives the customer an additional incentive to drive change.

**The HelabaSustained project has created space for innovative, sustainable lending business; what do you appreciate about it most?**

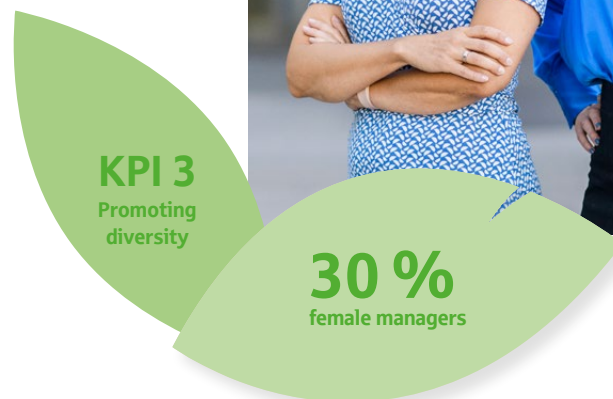
Working on this project means we all learn a lot about sustainable financial products and processes. We build connections and have become a real ESG community. Our customers have noticed this too, and Helaba has really raised its sustainability profile. It's great to be part of this.

When is a loan considered “sustainable”? → [Method and criteria of Helaba's Sustainable Lending Framework.](#)

For Carina Heß, sustainability is about more than protecting the climate and environment. It also means a corporate culture that integrates different skills, perspectives and leadership styles, enables family-friendly working arrangements and invests in new talent. At Helaba, she has taken advantage of many opportunities for professional and personal development. Gathering leadership experience in small projects helped to ease the later step into a group manager position. A flexible working time model helps her combine this role with parenting her ten-year-old son.

**“We women should be even more courageous and trust ourselves that we’re good enough to take on anything at work.”**

Carina Heß  
Head of the risk and quality management group,  
Operations unit



### Carina Heß

has been working for Helaba since 2001. After her banking training, she stayed with the bank as a working student while studying commercial law. She gained a permanent position in 2007 and has been managing the risk and quality management group in Operations since 2020. Her responsibilities include risk and sourcing management, controlling and business continuity management for the Operations unit.

#### Sustainability for her means ...



appreciation  
awareness  
saving resources



### Judith Sohn

joined Helaba in 2018 as head of group for SEPA payments and embargoes/sanctions level 1. In 2021, she took over as head of the trade finance execution group. Since April 2022, she has shared this

position with **Daniela Mietusch**, who has been at Helaba since 2012. Together with their team, Judith and Daniela handle trade finance business and the domestic guarantee business for target customers as well as for savings banks and SMEs.

#### Sustainability for her means ...



reducing food waste  
e-mobility  
cycling instead of driving

**“Tandem leadership is a model for team players who act and manage as equals.”**

Daniela Mietusch and Judith Sohn  
Heads of the trade finance execution group

Leading in tandem: co-management has been a rich and rewarding experience for Daniela and Judith themselves, the team and the whole organisation. Daniela and Judith divide up the strategic and operational tasks to play to their personal strengths. Jointly, they take better, more robust decisions and never stop learning from each other. The key to their success: mutual trust and respect, treating each other fairly and communicating openly. By managing on a part-time basis, Daniela appreciates being able to combine her family life with the demands of a challenging professional role. Their employees have nothing but praise for their presence and approachability. The courage to try new ways of working is paying dividends.





**Helaba recently launched a basic sustainability training course, which you've completed. What did you particularly like about it?**

"Nature used to give people the essentials of life. But today – and in the future – it is people who decide how much nature there is." The training uses statements like that to drive the point home that acting sustainably is not just a trend; it's essential for the survival of humankind. And it communicates this without spreading fear but with a well-delivered mix of facts, figures and visual elements.

**Is there a topic you think Helaba should offer a new training programme on for all its employees?**

One of Helaba's ESG objectives is diversity in the workforce. For many of us, I think this is still not a very accessible topic. So I would like to see a module that highlights the different dimensions of diversity – ethnic and social background, religion, gender, age, etc. – and that guides us in talking about them and understanding the contribution of different personalities and perspectives to the team's success.

**What does HelabaSustained mean for your everyday work?**

Project work is very important. I provide support especially on sustainability issues – on developing sustainability training or the HelabaSustained webinars internally for example. This involves talking to many interesting people from right across the bank, which I especially enjoy.

## Sashía Niemeyer

Sashía recently became a trainee in Communication and Change. Currently a junior staff member in Communications and Marketing and in Human Resources, her varied work includes the HelabaSustained programme, external and internal communications and Helaba's diversity management.

### Sustainability for her means ...



innovation  
community  
justice

### KPI 4a

Investing  
in our workforce

2

training / continuing professional development days per person per year by 2025



**"Fulfilling employees' needs and wishes makes a company successful in the long term – that's exactly what sustainability means."**

Sashía Niemeyer

Trainee in Communication and Change



## Renate Funke-Kaiser

began her career at Helaba almost ten years ago. Since 2013, she has been working as an assistant in Credit Risk Management, looking after processes in the Credit Committee of the Board of Managing Directors, requests for credentials in Helaba's IT systems and other IT-related topics.

**Sustainability for her means ...**



**togetherness  
going plastic-free  
openness**

**KPI 4b**  
Promoting  
diversity

**> 1,000**  
social volunteering days  
a year by 2025

**“I find my volunteering work very fulfilling – it means getting out of my comfort zone and meeting all types of people.”**

Renate Funke-Kaiser

Credit Risk Management, Capital Markets assistant



**Why do you think a responsible attitude towards staff is part of companies' sustainability management?**

Our jobs are an important part of our lives, and so ensuring and promoting wellbeing, motivation and mental health at work is vital. The United Nations has formulated a specific SDG for good health and wellbeing.

**As part of Helaba's social volunteering initiative in Düsseldorf, you work in a shop that gives away donated, usable everyday items for free. Why this project in particular?**

I wanted to do something tangible for people, where I get to interact with them and move around. After my experience during the coronavirus pandemic, I definitely didn't want even more time sitting at home in front of the PC.

**What do you appreciate most about working in the shop?**

I get to meet such a diverse range of people and see at the end of my shift what I've achieved. The shelves and clothes rails are full to begin with, but they really thin out after a couple of hours. Then we replenish them with donations from the stockroom. It's much more hands-on than working my way through e-mails.

**What has been your nicest experience in the shop so far?**

When a Ukrainian family with two small children came in and the mother asked me, using a translation app on her phone: "What kind of shop is this?" I explained that everything was for free, and she could hardly believe me. A father and son then came in and donated two kids' scooters, which went straight to the Ukrainians. They were so excited!

### Everyone's talking about ESG ratings. What is the purpose of this information?

Like traditional credit ratings, ESG ratings are a simple way to convey something very complicated: a company's performance with regard to sustainability. ESG ratings are not usually ordered by the company itself but by investors, meaning that the company does not have a direct business relationship with the rating agency. The ESG rating market is also unregulated. Providers like Sustainalytics, MSCI ESG and ISS ESG use different methods, which means that they sometimes score the same company very differently. Given how fast the sustainable finance market is moving, the European Commission has asked the European Securities and Markets Authority (ESMA) to ensure a degree of standardisation.

### Why has Helaba dedicated a strategic KPI to the goal of improving its sustainability rating? How important is a "good, stable position in the ESG rating" to Helaba and its customers?

ESG ratings are the simplest and most reliable way to find out about a company's sustainability performance. That means a good score is very important to us, particularly in dialogue with our stakeholders. The expected ESMA market regulation is sure to further increase the importance of ESG ratings.

### What do you particularly enjoy about improving ratings?

The requirements increase every year, so we have to prove ourselves again with every rating update and draw attention to the issues we're working on. That spurs us on to drive change in our organisation. But I hope that the new ESG rules will standardise things to some extent so that everyone will soon be speaking the same language when it comes to sustainability and ESG.

**"ESG ratings – like all rankings – only give you a small picture. The important thing is whether we trust the broader story behind them."**

Tim Waibel  
Sustainability Management



### Tim Waibel

has been working on sustainability at Helaba on a strategic level since 2016. As well as embedding ESG in the core business, he looks after ratings and reporting. With the enhanced EU reporting requirements and new rating methodologies, collecting meaningful ESG figures and presenting Helaba's sustainability efforts clearly and compellingly looks set to keep him busy.

### Sustainability for him means ...



planetaryboundaries  
togetherness  
reconcilingconflictingobjectives



## Respectful corporate culture

**Helaba's success as a business depends on its qualified and committed staff. We have forged a modern, respectful corporate culture to attract people from different personal and professional backgrounds. Our comprehensive efforts to improve occupational health and safety, promote employees' professional development and drive engagement with those outside the company all create an appealing working environment.**

6,297 people work at Helaba, and it is in large part to them – to their individual skills and personal dedication – that we owe our market success. Our human resources activities aim to attract motivated people who share our values and who want to shape Helaba's future and help build a more sustainable economy.

We understand that people's long-term job satisfaction and ability to realise their full potential depend not only on the work itself but above all on a collaborative and supportive environment. To create such an environment, our corporate culture is built around trust, responsibility and commitment (referred to within the organisation as the "Three Vs" on account of the German terms to which they correspond). What does this mean for each and every individual at the Helaba Group? We strengthen trust, for example through team activities, enabling everyone to be treated as respected equals whether they are in the office or working from home. We share responsibility so that complex tasks are spread across many different shoulders depending on people's individual strengths and so that the best possible results are achieved for Helaba and its customers. And we make sure we are dependable so we can live up to our promises and effectively plan our day-to-day work. Our managers have a particular responsibility for putting these guiding principles into practice in their teams by setting the right tone from the top.

### Moving with the times – remaining an attractive employer

The changing world of work and the increasingly diverse interests of employees are presenting new challenges for Helaba, like other employers. With the Group-wide "Helaba in Bewegung" transformation process, we want to tackle these challenges proactively and use the opportunity to integrate new ways of working, new processes and new forms of collaboration into our corporate culture. The Group-wide "Scope – Growth through Efficiency" transformation project aims to create space for innovation and simplify internal processes and decisions. Our vision is a world of work that emphasises fast decision-making processes, personal responsibility, self-organisation and active learning. Under the motto "NewWork@Helaba", we are testing new workplace concepts and modern forms of leadership and teamwork at the bank. The switch from office-based working to virtual and hybrid models in order to contain the Covid-19 pandemic has further accelerated progress at Helaba. The roll-out of new hardware along with suitable collaboration tools and team formats are helping to make Helaba's new ways of working run ever more smoothly.

A change as extensive as this needs appropriate support, and our Human Resources and Legal Services units stand ready to assist employees and managers alike. The change management toolbox we developed in 2021 is helping to embed the desired changes into everyday work at Helaba across all levels of management.

**6,297**  
people work  
at Helaba

### Success through change – and continuity

While the world of work and our everyday working lives at Helaba are set for change, the story for our employees will also be one of continuity. With their hard work, commitment and ideas, our staff contribute to Helaba's long-term success in a dynamic, complex market environment. Their experience and expertise are vital in enabling Helaba to successfully forge long-term customers relationships as a provider of specialist financial services. We therefore also think long-term in the relationship with our workforce. Only around 3 % of our employees are on temporary contracts.

Our employees' high average length of service of 15.1 years and the low turnover rate of 3.2 % (number of employees terminating their contracts as a proportion of the total number of active employees) in 2021 illustrate our attractiveness as an employer. Compared with the previous year, the number of employees increased by 56 in financial year 2021 from 6,241 to 6,297. GRI 401-1

This figure is spurring us on to maintain and build on our position as an attractive player in the competition for talent. In 2021, we launched an employer brand campaign to make Helaba better known and approach potential new employees. With a redesigned website and increased social media activity, we are looking to recruit further highly qualified and motivated specialists, leaders and high-potential young talents for lasting working relationships built on trust. Our employees represent our brand and give Helaba's values a face – or rather many faces. They encapsulate the principles of sustainability and diversity in the Helaba Group. We have also brought our recruitment process up to date with our new "Magellan" platform, which provides IT tools for managing job applications.

Employee KPIs GRI 2-7

	2021	2020	2019
Number of employees in the Helaba Group (total)	6,297	6,241	6,243
of whom in Germany and Switzerland	6,035	6,051	5,986
Number of female employees in the Helaba Group	2,943	2,934	2,980
Proportion of temporary employees	3.3 %	5.1 %	2.7 %

**Fair pay for good work**

The values we communicate outside the company are underpinned by verifiable measures within Helaba – not least appropriate remuneration for our employees' work. Helaba is committed to the principle of fair and gender-neutral compensation packages. Our remuneration principles aim to ensure employees and Executive Board members are properly rewarded for their efforts and achievements. The remuneration for around 56 % of our employees is collectively agreed, with the pay for more than 80 % of this proportion being set under the collective agreement for public-sector banks. For employees not covered by collective agreements, who make up around 44 % of our workforce, annual salaries are set individually. In addition to their monthly salary, employees whose pay is not collectively agreed receive variable remuneration of up to 100 % of their fixed remuneration. GRI 2-30 Helaba employees whose pay is collectively agreed also receive voluntary, performance-based year-end bonuses. Each year, we publish a [→ remuneration report](#) that transparently sets out our remuneration systems and the total amounts of all remuneration components. GRI 2-21 The remuneration system for our Executive Board and our approach to integrating sustainability aspects into our target systems are described in more detail in the "Sustainability strategy and management" chapter.

**Employee protection**

Values with impact. – Helaba's vision embodies our beliefs and the guiding principle of our business strategy: we act in accordance with our values and thereby create the basis for sustainable, long-term success. Alongside a respectful corporate culture, this includes, above all, protecting the rights of employees. Helaba has aligned itself publicly with this stance by signing both the Diversity Charter and the UN Global Compact and committing to uphold the Universal Declaration of Human Rights and the fundamental conventions of the International Labour Organization (ILO). Our Code of Conduct reflects this by defining respect, trust and tolerance as the core values of our working relationships. It serves as a binding framework for all employees. Helaba does business largely in Germany, Western Europe and North America and does not invest in operational sites or similar facilities in other countries. Given the strict legal framework in the EU and North America, Helaba considers the risk of human rights violations at its operational locations to be low. GRI 2-27

**Anti-discrimination and equal opportunities**

From unwanted remarks in the office kitchen to blatant discrimination in application processes: all Helaba employees are required to decisively counter any form of discrimination, prejudice or harassment in their everyday work. Like other employers, we at Helaba know that isolated cases of discrimination can occur despite our extensive efforts. Employees therefore have access to a whistleblowing system, a complaints unit in accordance with section 13 of the German Anti-Discrimination Act (Allgemeines Gleichbehandlungsgesetz, AGG) and the employee assistance programme. The employee representatives, the anti-discrimination officer and the body representing disabled employees also address discrimination-related matters if requested. In the reporting year – as in the previous years – no incidents were reported at Helaba. GRI 406-1 As part of the mandatory compliance training that takes place every three years, we inform our employees about their rights and obligations in the context of equal opportunities and anti-discrimination.

**Diversity as an opportunity**

As an employer, Helaba wants to go beyond the legal minimum requirements in deliberately promoting diversity and equal opportunities. It is particularly important to us to create an environment in which all employees can see the development opportunities available at the bank and contribute with their individual capabilities to the company's success, irrespective of age, gender, ethnicity, educational and professional background, geographical origin, sexual identity or disability. We see the diversity of our workforce as an important source of innovation that also helps us improve the risk culture in our organisation. Helaba has been a signatory to the Diversity Charter for around ten years.

In 2021, Frankfurter Sparkasse celebrated ten years as a member of the Diversity Charter. It used this anniversary as an opportunity to make diversity and respect visible and tangible in a five-day event. Under the motto "Inclusion starts with I", employees had the opportunity to engage with the topic through valuable thought experiments and a varied learning programme. Frankfurter Sparkasse also took part in the "Let's celebrate Diversity!" event again in 2022 with numerous contributions from employees and trainees.

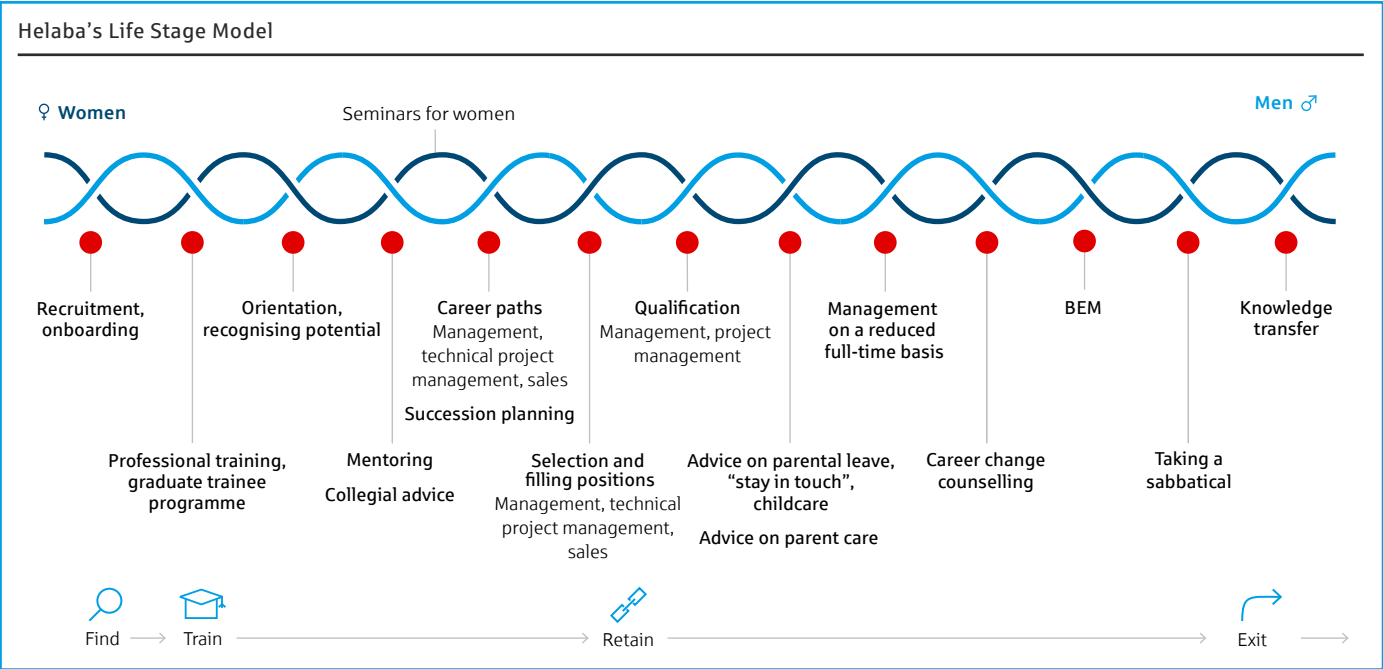


More women, including in management

Women currently account for 47 % of Helaba’s workforce. They hold 23 % of managerial positions and 30 % of positions on the Supervisory Board. GRI 405-1 Our sustainability strategy has set a target of increasing the proportion of women in management positions to more than 30 % in the medium term and the proportion of women in Helaba’s young talent and professional development programmes to 50 %. This strategic objective is being supported by seminars specially designed for women and by appropriate mentoring schemes. There are also informal events such as the “ladies’ lunch” organised by the Helaba women’s network, which provide opportunities for female employees to build alliances.

Diversity is, of course, about more than gender equality at work. That is why we encourage the organisation and representation of minorities, for example via an LGBTIQ network (for lesbian, gay, bisexual, transgender/transsexual, intersex and queer/questioning people), which was established in autumn 2021. An inclusion agreement signed back in 2018 between the body representing disabled employees, the General Human Resources Council and the Helaba Executive Board marked another step towards a more diverse world of work at Helaba. The inclusion agreement sets out targets to improve disabled people’s participation in working life. At the same time, Helaba is benefiting from the enormous potential of its qualified staff with a disability. Across the Group, there are currently 362 people with a severe disability working for Helaba. At around 5 % of the workforce, the number has been stable for many years and meets the statutory minimum requirement.

Specific measures to promote diversity are designed in accordance with Helaba’s Diversity Policy. This is based, among other things, on guidance from the German Federal Financial Supervisory Authority (BaFin). G4-FS1 The diversity working group, which consists of employee representatives, members of the body representing disabled employees and employees from the Human Resources and Legal Services unit, regularly reviews progress on the measures



agreed and reports the results to the Chairman of the Executive Board. We constantly adjust our catalogue of measures based on this progress evaluation.

Maintaining a work-life balance

To recruit people in different stages of life and different circumstances, we know it takes more than an attractive salary package and targeted promotion and inclusion measures. Our employees are more than their job. They are fathers and mothers, girlfriends and boyfriends, brothers and sisters, daughters and sons. In other words, they also have responsibilities outside of their demanding work at Helaba. Our efforts for more inclusion and equal opportunities are therefore based on a working model that can adjust to every stage of life, fully reflecting the different professional and private lives of our employees. This model is designed to improve the work-life balance and particularly to improve career opportu-

nities for women by helping people fit their work around a family and private life.

Parental leave KPIs

	2021	2020	2019
Number of employees on parental leave (as at 31 December 2021)	228	240	329
Of whom men	54	54	93
Of whom women	174	186	236
Average duration (in months) requested – men	2.5	0.7	1.0
Average duration (in months) requested – women	12.6	11.4	8.11



This involves expanding virtual and hybrid working models along with opportunities for part-time employment. Some 23 % of employees at Helaba currently work part-time, of whom 86 % are women. The proportion of men working part time has been increasing for several years.

A total of 228 Helaba employees took advantage of their legal entitlement to parental leave in the reporting year. Around a quarter of them were men. The average duration requested was around two and a half months for men and one year for women. [GRI 401-3](#) Beyond parental leave, Helaba offers childcare places to help employees combine work and family. Frankfurter Sparkasse has been certified as family friendly since 2009. It first passed the audit berufundfamilie (work and family audit) in 2009, and this certification has been renewed every three years since, most recently in 2021.

Combining career and family responsibilities is an almost daily challenge. Spaces where fathers and mothers can network and share experience and advice are therefore hugely important. With this in mind, Frankfurter Sparkasse launched its first remote cafe for parents in 2021: a virtual get-together for employees with family responsibilities. The format creates a space for relaxed conversation about how employees can reconcile their career goals with their desire to be there for their family. In addition to the remote café, Frankfurter Sparkasse publishes a guide for expectant mothers and new fathers. It also plans to further improve managers' awareness of equality and work-life balance.

## Healthy working

Only healthy employees can realise their full potential at work. Helaba's occupational health management system and company sports programme therefore aim to promote the physical and mental well-being of our employees and to keep them motivated and productive. This holistic approach is also reflected by the internal division of roles: The 'Talent Acquisition and Development' unit addresses issues of mental health and stress management, with an ever-expanding offering including the Helaba Vital programme (which provides training and easy-to-access advice on healthy eating) and web-based training sessions on strengthening personal resilience. [GRI 403-5](#) [GRI 403-6](#) Meanwhile, the Organisation division is responsible for occupational health and safety and occupational medicine. Its activities include the ergonomic design of workstations, health check-ups and vaccinations by company physicians, and fire prevention measures. [GRI 403-1](#) The Human Resources Council represents employees' interests in accordance with the Hessian Law concerning Personnel Representation (HPVG). This monitors adherence to and continuous improvement of the rules on employee protection as well as occupational health and safety requirements. [GRI 403-4](#)

On the whole, as a specialist financial services provider, we do not see any material risks to our employees as a result of our business activities. No work-related deaths were recorded in the reporting year or in recent years. The number of work or commuting accidents in 2021 stood at 36. [GRI 403-9](#) We regard the low absence rate of around 4 % (days lost due to sickness evidenced by a doctor's note as a proportion of the total working days in the reporting year) as a good sign and as an incentive to maintain and build on our commitment to the health of our employees. [GRI 403-10](#)

## Employee health KPIs

	2021	2020	2019
Absence rate (due to sickness, starting from the third day)	4.0 %	3.7 %	4.6 %
Number of work or commuting accidents	36	42	47
Injury rate (number of accidents in relation to total working time)	0.000023 %	0.0028 %	0.0032 %
Work-related deaths	0	0	0

## At our employees' side – including in the pandemic

During the Covid-19 pandemic, we protected the health of our employees by switching to mobile working when infection rates were high. We supported employees working from home with virtual health programmes on the topics of nutrition, mental balance and movement. Helaba has also been able to offer its employees vaccination appointments within the Bank using a vaccination centre in the Kaiserlei district of Offenbach and the deployment of mobile vaccination teams at all other major sites. [GRI 403-3](#)

Another challenge brought to the fore by the pandemic, though not unique to this period, is the difficulty for us and our employees of combining the demands of a career with other aspects of life. During the Covid-19 pandemic, many people also had to deal with the fear of close relatives falling sick with the disease as well as with feelings of loneliness and isolation, family conflicts and the difficulty of setting boundaries between professional and private life when home became the office. People experiencing long-lasting or even permanent stress can find their resources depleted. That makes it all the more important to be responsible and mindful towards one's own mental health. Helaba's employee assistance programme, which we are implementing with the

Fürstenberg Institut, helps employees and their family members to reduce mental stresses and protect themselves from serious mental health issues. GRI 403-6

Lifelong learning

For us, sustainable investment not only includes environmental issues and responsible governance but also means looking after another precious resource: people. Alongside occupational health management, a key part of this is regular, structured dialogue between managers and employees, looking at every individual's performance, motivation and training. Individual meetings for this purpose are available to all our employees at least once a year. They create transparency around work requirements and individual targets and provide space to determine development opportunities and appropriate steps. GRI 404-3

A good investment strategy – investing in our employees

With our diverse training and education offering, we want to maintain our employees' existing expertise and promote their professional development. From a strategic viewpoint, we want to make Helaba even more competitive by strengthening the motivation of everyone who works here. This principle has been a firm part of Helaba's sustainability strategy since 2021. The volume of training is to be increased to an average of two days a year per person by 2025.

We invested some € 2.7 m in training and professional development in 2021. GRI 404-1 This means all employees have access to a needs-based range of internal seminars covering professional, personal, social and methodological development. Employees can also make use of external training services; sponsored opportunities in the form of work and study programmes or courses leading to professional qualifications are also available. The reduction in training costs in 2020 and 2021 was primarily due to the ongoing Covid-19 pandemic. The restrictions on face-to-face contact in order to tackle the pandemic severely restricted the options for

training formats, meaning that lower-cost online formats were often used as a substitute. As part of the HelabaSustained programme, we have introduced a dedicated KPI for employee training. This will show how Helaba is investing in building, developing and adapting its employees' skills.

Training KPIs

	2021	2020	2019
Training costs in € m	2.7	3.2	4.8

Specific additional training is required for staff to be able to properly assess sustainability-related opportunities and risks. Since 2021, Helaba has therefore been developing a tailor-made training concept that covers the various knowledge areas and specialist requirements involved in the topic of sustainability. Of six planned basic training courses on the topic of sustainability, two were fully implemented in 2022. The courses are bringing understanding and enthusiasm around sustainable development to every area and every level of our organisation, driving change from the inside out. G4-FS4 Helaba is involved in the Green and Sustainable Finance Cluster of the Hessian Ministry of Economics and in Deutsche Börse's cross-sectoral Accelerating Sustainable Finance Initiative. Among other things, we are contributing the knowledge and experience we gained from designing our sustainability training.

Investment in training and professional development in 2021:

€ 2.7 m

In financial year 2021, we began to develop bespoke training courses to give our employees a fundamental understanding of sustainability in Helaba's business environment. Two of a total six modules of the basic sustainability training have already been released in the first half of 2022. The training courses provide an overview of the central concepts involved in sustainability and sustainable finance and focus on climate change, biodiversity and human rights. Building on this, they explain the basic idea behind sustainable financial products and create an overview of the ESG products available at Helaba and in the wider market. In the coming weeks and months, further modules will be added on the topics of ESG risk assessment and risk management, reporting, regulatory issues and measuring impact.

## Employee engagement

Helaba wants to make its contribution to society as a good corporate citizen. The HelabaSustained programme has therefore developed a corporate citizenship plan in collaboration with the Human Resources and Legal Services unit. In addition to social engagement by Helaba and its subsidiaries, this includes social volunteering, where our employees can donate their time and expertise to charity projects. To help our employees participate in environmental and social projects, we grant them up to two special days of leave every year. The Vostel platform allows employees to volunteer for a wide variety of ever-changing social and environmental projects, individually or as a team. Following the successful completion of the pilot phase in Düsseldorf, the concept is set to be rolled out to Helaba Bank's remaining locations in 2022. We also plan to roll it out across the whole Group in the near future. In keeping with our sustainability strategy, we would like to reach a total of at least 1,000 employee social volunteering days a year across the Group by 2025.

Russia's invasion of Ukraine and its humanitarian consequences have been on the minds of Helaba's employees since it began. Many employees are helping Ukrainians, for example by donating money and supplies, delivering aid to the Ukrainian border or offering a place to live. In addition, the Helaba Executive Board decided in May 2022 to offer employment opportunities at Helaba to Ukrainian refugees. We use the platform Job Aid for Ukrainian Refugees to provide specially created job opportunities for German- and English-speaking refugees. We offer language courses and other support to help our new employees when they arrive at Helaba.

## The respectful corporate culture management approach GRI 3-3

### Guiding principle

The knowledge, experience and dedication of its employees are key to Helaba's long-term success. Helaba aims to foster a corporate culture founded on mutual trust and confidence to enable this flexible, agile and innovative collaborative ethos to flourish and grow.

### Strategic/operational objectives

- Helaba promotes diversity in its workforce and will increase the proportion of women in management positions to 30 % in the medium term.
- Helaba invests in its employees and will increase the number of training and continuing professional development days per person to two per year by 2025.
- Helaba invests in society and will create the space to increase social volunteering activity by the Group's employees to a total of 1,000 days per year by 2025.

## Measures in 2021

	Deadline	Status
Implementing the "Scope – Growth through Efficiency" project	Since 2019	In the process of implementation
Establishing and enhancing a working model that can adjust to every stage of life	Since 2019	Ongoing
Offering mentoring to promote individual development	Since 2020	Ongoing
Creating part-time opportunities for managers	Since 2021	In the process of implementation
Implementing gender equality in identifying high-potential employees, planning succession, shortlisting and job hunting	Since 2021	In the process of implementation
Social volunteering pilot project (in Düsseldorf)	Since 2021	Completed
Designing and implementing basic sustainability training	Since 2021	In the process of implementation
Designing and implementing advanced sustainability training	From 2022	In the process of planning
Creating access to alternative career paths	From 2022	In the process of implementation
Rolling out social volunteering (Group-wide)	From 2022	In the process of implementation
Creating career prospects for Ukrainian war refugees	From 2022	In the process of implementation

# Facts and figures of the Helaba Group

## Operations

### Sustainable business development

	2021	2020	2019
	in € m	in € m	in € m
Consolidated net profit	501	177	470
Total assets	212,341	219,324	207,018
	in € bn	in € bn	in € bn
Total lending volume	220.8	215.2	208.3
Statistical population*	154.8	–	–
of which sustainable under the Sustainable Lending Framework (introduced in 2021)	66.7	–	–
Total volume of green bonds issued	0.6	–	–

\* The statistical population for determining the share of sustainable business in the portfolio is the total lending volume of the narrow Group (plus FSP, FBG, Schweiz AG, Helaba Asset Services) as at 31 December 2021, less money market trading, repurchasing, derivatives, securities and central banking.

### Sustainability ratings

Rating agency	2021	2020	2019
ISS ESG	<b>"C" (prime)</b> [Scale from A+ to D–]  Amongst the <b>top 10 %</b> in comparison group of 243 banks  Grade B – for partial rating "Social and Governance"	"C"	"C"
Sustainalytics	<b>21.7 (medium risk)</b> [Scale from 0 (best) to 100]  Amongst the <b>top 20 %</b> in the comparison group of 416 banks  <b>Top score</b> for partial rating "Corporate Governance"	19.1	20.7
MSCI ESG Ratings	<b>"A" (average)</b> [Scale from "AAA" to "CCC"]  <b>In the upper middle range</b> of the comparison group of 192 banks  <b>Top score</b> for partial rating "Financing Environmental Impact"	"A"	"A"

## Human resources

### Distribution of employees in the Helaba Group

	2021	2020	2019
Employees in Germany and Switzerland	6,035	6,051	5,986
of which Helaba Bank	3,235	2,754	2,796
of which Frankfurter Sparkasse	1,504	1,591	1,523

### Employment relationships\*

	2021	2020	2019
Average length of service in the Group (years)	15.1	14.8	14.9
Turnover rate (employee-initiated)**	3.2 %	3.1 %	3.6 %
Proportion of temporary employees	3.3 %	5.1 %	2.7 %
Proportion under collective bargaining remuneration	56.0 %	56.0 %	60.1 %
of which bank remuneration	83.9 %	85.2 %	81.5 %
of which wage groups 7–9	75.5 %	74.9 %	74.1 %
Part-time proportion	22.5 %	23.1 %	23.1 %
of whom women	86.4 %	85.7 %	87.0 %
Employees on parental leave***	228	240	329
of whom women	174	186	236

\* Relates to employees in Germany and Switzerland.

\*\* Number of employees terminating their contracts as a proportion of the total number of active employees as at 31 December.

\*\*\* Employees who went on parental leave during the reporting year, regardless of whether they returned during the reporting year.

**Diversity\***

	2021	2020	2019
Number of different citizenships	50	44	44
Proportion of employees with German citizenship	94.9 %	97.5 %	96.6 %
Proportion of women	47.1 %	47.0 %	47.8 %
Proportion of female managers	23.4 %	22.8 %	21.8 %
Proportion of female Executive Board members (Helaba Bank)	0.0 %	0.0 %	0.0 %
Proportion of female Supervisory Board members (Helaba Bank)	30.2 %	28.3 %	29.4 %
Proportion aged over 50 years	50.1 %	48.6 %	48.4 %
Proportion aged between 30 and 50 years	41.8 %	42.5 %	45.7 %
Proportion aged under 30 years	8.4 %	8.8 %	8.0 %
Proportion of employees with a severe disability	6.0 %	5.9 %	6.1 %

**Human resources development\***

	2021	2020	2019
Proportion of young talents	1.7 %	2.4 %	2.7 %
Training costs	€ 2.7 m**	€ 3.1 m**	€ 4.8 m

\* Relates to employees in Germany and Switzerland.

\*\* The reduction in training costs in 2020 and 2021 was primarily due to the Covid-19 pandemic which significantly limited the ability to carry out training and professional development courses, meaning that lower-cost online formats were often used as a substitute.

**Occupational health and safety\***

	2021	2020	2019
Absence rate**	4.0 %	3.7 %	4.6 %
Number of work or commuting accidents	36	42	47
Work-related deaths	0	0	0
Injury rate***	0.0023 %	0.0028 %	0.0032 %

\* Relates to employees in Germany and Switzerland.

\*\* Days lost due to sickness evidenced by a doctor's note as a proportion of the total working days in the reporting year.

\*\*\* Number of accidents in relation to total working time.

**Environment****Greenhouse gas emissions (t)**

	2020	2019	2018
CO <sub>2</sub> emissions	7,530	9,985	9,464
of which Scope 1	33.3 %	32.8 %	28.9 %
of which Scope 2	26.4 %	14.5 %	15.7 %
of which Scope 3	40.3 %	52.7 %	55.4 %

**Resource consumption (kg)**

	2020	2019	2018
Paper	200,168	273,805	303,384
of which certified (FSC etc.)	78.9 %	80.6 %	89.3 %
of which recycled paper	14.8 %	16.3 %	18.7 %
Waste	493,372	825,257	554,464
of which recycled	60.0 %	60.0 %	60.0 %
of which combustion	40.0 %	40.0 %	40.0 %
of which hazardous waste	0.0 %	0.0 %	0.0 %
Water consumption (m <sup>3</sup> )	68,096	63,402	68,470

**Energy consumption (MWh)**

	2020	2019	2018
Total energy consumption (electricity and heating)	36,955	37,406	37,710
Electricity consumption (kWh)	16,992	16,377	17,208
of which green electricity	89.7 %	91.7 %	93.3 %
of which from combined heat and power plants	10.3 %	8.3 %	6.7 %
Heating energy consumption	19,963	21,029	20,502
of which natural gas	33.5 %	43.5 %	31.7 %
of which from local/district heating from combined heat and power plants	61.1 %	52.0 %	62.0 %
of which local/district heating from biogas	5.3 %	4.4 %	6.2 %
of which generated using light heating oil	0.1 %	0.1 %	0.1 %

**Business travel (km)**

	2020	2019	2018
Total business travel	9,756,434	22,652,120	22,465,555
of which rail	13.5 %	24.2 %	23.2 %
of which car	70.9 %	46.9 %	46.3 %
of which flight (short haul)	6.9 %	7.6 %	9.0 %
of which flight (long haul)	8.7 %	21.3 %	21.5 %



# GRI content index\*

Statement of use	Helaba has reported the information cited in this GRI content index for the period from 1 January 2021 to 31 December 2021 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI code	Content	Page
<b>GRI 2: General Disclosures 2021</b>		
<b>The organization and its reporting practices</b>		
2-1	Organizational details	2, 9
2-2	Entities included in the organization's sustainability reporting	2
2-3	Reporting period, frequency and contact point	2, 68
2-4	Restatement of Information	
	In the first year following this report format, there is no need to restate information from previous reporting period.	
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\* To date, the GRI Universal Standards 2021 have only been published in English.

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