Helaba | Ṡ

Principles for Responsible Banking

UNEP Finance Initiative

Reporting and Self-Assessment February 2025

Herausgeber:

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Im nachfolgenden Text wird die Landesbank Hessen-Thüringen im Sinne einer besseren Lesbarkeit des Textes kurz „die Bank“ genannt.

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Response	*Links and references*
Helaba Landesbank Hessen-Thüringen Girozentrale (Helaba) is a public-law institution situated in the German financial capital of Frankfurt am Main. With around 6,500 employees and total assets of €202.1bn, Helaba is one of Germany's leading banks. As a full-service bank, Helaba distinguishes itself through its regional emphasis, selective international market presence and strong ties to the Sparkassen-Finanzgruppe. Helaba's registered offices are located in Frankfurt am Main and Erfurt, and are complemented by a network of representative and sales offices in Germany and abroad. A key strategic focus for Helaba Bank and its main lending subsidiaries Frankfurter Sparkasse, Landesbausparkasse Hessen-Thüringen (LBS) and Wirtschafts- und Infrastrukturbank Hessen (WIBank) is to work with customers to support their transition to climate-neutral business models and their implementation of circular strategies. This is achieved by offering customised sustainable finance solutions across a range of financial instruments, including loans, promissory notes, bonds, leases and guarantees. Helaba provides public financing, real estate loans, loans to corporate customers, financial institutions and project finance, amongst others, whilst serving as the Sparkasse central bank for Hesse, Thuringia, North Rhine-Westphalia and Brandenburg. As a strong partner to around 40% of Germany's Sparkassen, we provide them with innovative, high-quality financial products and services. With sustainable financing accounting for 51% of our business volume, we are already making a significant contribution to the successful transition to a sustainable society.	*Annual Report '23, p.2* *Sustainability Report '23, p.7* *Annual Report '23, p. 15* *Sustainability Report '23, p.4*

Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

☒ Yes

☐ No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

☐ UN Guiding Principles on Business and Human Rights

☒ International Labour Organization fundamental conventions

☒ UN Global Compact

☐ UN Declaration on the Rights of Indigenous Peoples

☐ Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: --------------------

☐ Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: ------------------------

☐ None of the above

Response	*Links and references*
Helaba meets its economic, ecological and social responsibilities by integrating sustainability at all levels of the company and leading a sustainable transformation together with the bank's customers. Sustainability is firmly anchored in our organisation, from specific measures in our core business and operations to our Code of Conduct, which provides everyone who works at Helaba with a binding framework for their actions. Our ambitions in all three ESG pillars of sustainability must not be at the expense of others. To underline Helaba's commitment to the objectives of the Paris Agreement, the climate targets of the European Union and the German federal government, the bank became a signatory of the UN Principles for Responsible Banking in 2022. In addition, since 2017, Helaba has been committed to the ten principles of the UN Global Compact, the Universal Declaration of Human Rights and the fundamental conventions of the International Labour Organization (ILO). Additionally, Helaba Invest (2018) and Frankfurter Bankgesellschaft (2020) have committed to the Principles for Responsible Investment (PRI) to encourage investors to consider environmental, social and governance factors in their investment decisions. In 2022, Helaba further implemented a sustainable lending framework comprising a comprehensive set of criteria, including the UN SDGs and a standardised Group-wide method for classifying sustainable financing. This has resulted in an increased share in the total lending volume. Helaba has defined five overarching sustainability goals that help us to drive our continued progress in sustainability matters: 1. We are reducing the emissions at our own company as far as possible. 2. Our actions contribute to achieving the Paris Climate Agreement. 3. We encourage diversity. 4. We are investing in our employees and society. 5. We aim to achieve a good and stable ESG rating position.	*Sustainability Report '23, p.13* *Sustainability Report '23, p.16* *Sustainability Report '23, p. 15* *Annual Report '23, p. 63*

We want our actions to be measured against these principles. Therefore, in 2023, Helaba reviewed its KPI system, aligning the business activities of all Helaba Group companies and improving the performance of the Group as a whole. In 2024, the KPI system will be further developed.	*Sustainability Report '23, p. 15*

Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly[1] and fulfil the following requirements/elements (a-d)[2]:

a) ***Scope:*** What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Response	*Links and references*
Helaba has performed its second impact analysis using the UNEP FI Portfolio Impact Analysis Tool for Banks to update last year's results and gain further insights into the impacts of our loan portfolio. We conducted an impact analysis using the Institutional Banking Impact Identification module as well as the Real Estate module to assess our loan portfolio. The impact analysis included loans of our corporate client portfolio, financial institutions, WIBank loans, the public sector and our real estate portfolio, representing our core business areas. We focused on the countries with the highest share of our loan portfolio, namely Germany, France, Luxembourg, the United Kingdom and the United States. This allowed us to cover almost 80% of our total lending portfolio in our second impact analysis. The areas of "Investment Banking" and "Consumer Banking" were not considered in our second impact analysis, as they only account for a small share of the total portfolio. Like in our first impact analysis, we categorised our loan portfolio by economic activity under NACE code level two, ensuring comparability. Further, we have started to gradually collect more detailed data on economic activities for our portfolio in accordance with NACE code level 4. As part of the process, we were	*Investors Presentation '24, p.31*

[1] That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.
[2] Further guidance can be found in the Interactive Guidance on impact analysis and target setting.

able to collect enhanced data for more than half of our loan portfolio, providing the basis for additional, in-depth insights into the impacts of our loan portfolio. We plan to progressively add more detailed data over the next few years to deepen our understanding of the impacts of our operations. The results of this year's impact analysis confirm the relevance of our prioritised impact areas and form the basis of our target-setting process within these areas.	

b) ***Portfolio composition:*** Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope
i) by sectors & industries[3] for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or
ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Response

We determined the proportion of outstanding loan balances based on the country of operation and the industry sector or economic activity for which the loans were granted.

Germany serves as the main market for Helaba's activities, although the company also operates in other parts of Europe, the United States and various global markets. A more detailed breakdown by region and portfolio can be found in the tables below.

Continuing last year's approach, we estimated our scale of exposure by integrating the NACE code industry classifications into the tools. This year, in addition to last year's analysis based on NACE code level 2, we conducted an extended analysis based on NACE code level 4, allowing us to gain deeper insights into the potential impacts of our portfolio. Using data from the UNEP FI impact radar, we evaluated the portfolio for areas where Helaba can either enhance its positive impacts or where we could potentially induce negative ones. Building on last year's impact analysis, we focused specifically on impact-related sectors that constitute a significant portion of our loan portfolio.

Total Lending by Region (Narrow Group Companies)	**Share of Loan Portfolio**
Germany	70%
Rest of Europe	21%
North America	8%
Other	1%
Total	**100%**

Links and references

Annual Report '23, p. 47

[3] 'Key sectors' relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

Total Lending by Portfolios (Narrow Group Companies)	Share of Loan Portfolio
Public Authorities	28%
Commercial Real Estate	19%
Corporate Customers	16%
Financial Institutions	15%
WIBank	9%
Project Finance	4%
Asset Backed Finance	4%
Retail Customers	3%
Transport and Equipment	2%
Total	**100%**

Annual Report '23, p. 46

Corporate Banking & Asset Finance Portfolio – Breakdown by Product Area	Share of Loan Portfolio
Corporate Loans & Lease Finance	38%
Asset Backed Finance	19%
Project Finance	18%
Structured Trade & Export Finance	11%
Acquisition Finance	6%
Land Transport Finance	5%
Aviation	3%
Total	**100%**

Investor Presentation '24, p.34

Corporate Banking & Asset Finance Portfolio – Breakdown by Region	Share of Loan Portfolio
Germany	57%
Rest of Europe	25%
North America	8%
United Kingdom	7%
Other	3%
Total	**100%**

Real Estate Finance Portfolio – Breakdown by Type of Use	Share of Loan Portfolio
Office Buildings	49%
Residential	22%
Retail	14%

Investor Presentation '24, p.38

Logistics	7%
Other	8%
Total	**100%**

Real Estate Finance Portfolio – Breakdown by Region	**Share of Loan Portfolio**
Germany	40%
North America	26%
GB/France	16%
Rest of Europe	18%
Total	**100%**

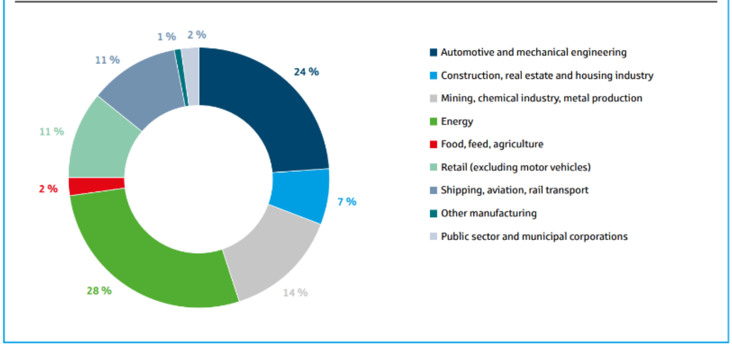
<table>
<tr><td colspan="2"><u>c) Context:</u> What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?[4] Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.</td></tr>
<tr><td>Response
As with last year's context analysis, the first step was to identify significant impact areas. We were able to confirm last year's results, highlighting "Availability, accessibility, affordability, quality of resources & services", "Climate Stability", "Biodiversity & Healthy Ecosystems" and "Circularity" as relevant impact areas for our portfolio.
As loans in Germany account for around 70% of Helaba's loan portfolio, we paid particular attention to the country's contextual characteristics. By setting up and ensuring a sustainable energy supply, decarbonising industry and investing in green infrastructure such as in the transportation or building sector, the country is taking a comprehensive approach that balances all three pillars of sustainability. We found that Helaba's lending activities are in line with Germany's ambitions for and approach to sustainable development. Running at the forefront of the German financial system, Helaba's emphasis on the protection of ecosystems and the promotion of circular business models is indispensable in shaping a sustainable future.
In reference to needs mapping, the emphasis on "Availability, accessibility, affordability, quality of resources & services" reflects the need for sustainable resources and services such as water, mobility and housing. To ensure a balanced socio-economic development in Germany, accessibility and affordability are pivotal.
Within the significant impact areas "Climate Stability" and "Biodiversity & Healthy Ecosystems", water bodies are proposed as a potential impact to emphasise the importance of a stable climate for the conservation of biodiversity and the overall health of our ecosystems.
Complementary to the potential impacts of Helaba's lending activities, the needs assessment highlights the importance of expanding circular production processes to increase resource intensity and minimise waste and resource loss under the impact area "Circularity".</td><td>Links and references</td></tr>
<tr><td colspan="2">Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)5? Please disclose.</td></tr>
<tr><td>Response
The evaluation of our second impact analysis using the provided Sector-Impact Map confirmed our initial results from last year. Therefore, Helaba continues to prioritise the following three key impact areas:</td><td>Links and references</td></tr>
</table>

[4] Global priorities might alternatively be considered for banks with highly diversified and international portfolios.
[5] To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

1. Climate Stability 2. Biodiversity & Healthy Ecosystems 3. Circularity **Climate Stability:** The context module underscores the importance of climate stability as a priority in all five focus countries that were analysed. Further, the results of both the Real Estate and Institutional Banking modules confirm the significant influence of Helaba's portfolio on climate stability. The results from the Institutional Banking module showed that the three largest industries in terms of credit volume may have negative impacts on climate stability. The fact that the financial services, public administration and electricity and gas supply industries account for roughly 75% of the volume analysed in the module underscores how important it is for Helaba to prioritise climate stability as a key impact area. Referring to the Real Estate module, both commercial and residential real estate can have a potential significant negative impact on climate stability. However, the analyses showed that both public administration and electricity and energy supply may also have a significant positive impact on climate stability. Given its alignment with SDG 13 (Climate Action), prioritising climate stability is crucial for Helaba's contribution to global climate goals. **Circularity:** Circularity is recognised as a priority in all focus countries analysed. The Real Estate module emphasises the potential negative impacts of the entire analysed real estate portfolio on circularity. The Institutional Banking module further underscores the significance of circularity, driven by key sectors. While the economic activities of financial services and public administration have a potential moderate negative impact on circularity, loan activities in the areas of electricity and energy have potential significant negative impacts. However, providing loans to public administrations may have significant positive impacts on circularity. Emphasising circularity aligns with SDGs 11 (Sustainable Cities and Communities) and 12 (Responsible Consumption and Production), highlighting its importance as a key impact area for Helaba. **Biodiversity & Healthy Ecosystems:** Biodiversity is a priority in four out of the five focus countries. The Real Estate module indicates that the entire analysed real estate portfolio can potentially negatively influence biodiversity. The Institutional Banking module reveals that while some industries have potential positive impacts, others might exert negative effects. Specifically, financial services have a potential moderate negative impact on the impact topics "Waterbodies, Air, Soil, Species and Habitat" summarised under the impact area "Biodiversity & Healthy Ecosystems". While public administration efforts have a potential significant positive impact, loan activities in the areas of electricity and energy have potential negative impacts on the impact topic "Waterbodies, Air, Soil, Species and Habitat". Given the intricate nature of biodiversity and its influence on multiple SDGs, including SDGs 6 (Clean Water and Sanitation), 11, 12, 14 (Life Below Water) and 15 (Life on Land), it is evident that biodiversity is a highly relevant topic to tackle.	

Helaba's decision to prioritise these three impact areas stems from a thorough analysis of its portfolios, discussions and the potential for synergies with other impact areas. The prioritisation aligns with the results of our impact analysis and the connected potential positive and negative impacts on global sustainability goals, showcasing Helaba's commitment to tackle the right significant impact areas and thereby contributing to a sustainable future. By targeting these areas, Helaba is not only mitigating its most substantial potential negative impacts but also fostering innovative solutions that can lead to positive transformations in the banking sector and beyond.	
d) *For these (min. two prioritized impact areas)*: ***Performance measurement***: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context. In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex. If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this. *The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.*	
Response ***Climate Stability*** To determine which sectors and industries have the greatest impact on climate stability, Helaba calculates its financed greenhouse gas emissions using the Partnership for Carbon Accounting Financials' (PCAF) Global GHG Accounting and Reporting Standard for the Financial Industry. The coverage of the portfolio analysed by Helaba increased to 50% (€66.7bn) as of 31 December 2022. Exceptions for which no emissions were calculated mainly relate to public finance, for which there is no PCAF calculation methodology. The sectors prioritised by Helaba are based on the mapping of the emissions financed. The calculated carbon footprint serves as the basis for developing a decarbonisation strategy with sector-specific reduction pathways.	*Links and references* *Sustainability Report '23, p. 35*



Financed emissions by sector cluster (%)

Sustainability Report '23, p. 36

Circularity

Helaba aims to develop a performance measurement approach for circularity.
Based on the criteria of the ESRS, Helaba has already analysed potential negative and positive impacts as well as risks and opportunities for circularity and several other environmental, social and governance issues as part of the materiality analysis in 2023. The Corporate Sustainability Reporting Directive (CSRD) requires not only Helaba but also its clients to disclose relevant sustainability information for material topics such as circularity. While the first clients will be required to report in accordance with the ESRS in 2025, the majority of Helaba's clients will be required to report from 2026 onwards. The baseline, and therefore the finalisation of the SMART target, will depend on data availability and will therefore be published in later reports.

Sustainability Report '23, p. 19

Biodiversity & Healthy Ecosystems

Due to the overlaps and interdependencies with circular economy, Helaba has decided to focus its efforts on developing comprehensive circularity goals. However, as Helaba recognises the critical role of biodiversity in achieving the goal of a sustainable and resilient continent, biodiversity targets will be incorporated and considered within Helaba's circularity SMART target.

Self-assessment summary:

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?[6]

Scope:	☒ Yes	☐ In progress	☐ No
Portfolio composition:	☒ Yes	☐ In progress	☐ No
Context:	☒ Yes	☐ In progress	☐ No
Performance measurement:	☐ Yes	☒ In progress	☐ No

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate Stability, Circularity, Biodiversity& Healthy Ecosystems

How recent is the data used for and disclosed in the impact analysis?

☐ Up to 6 months prior to publication

☐ Up to 12 months prior to publication

☒ Up to 18 months prior to publication

☐ Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.: *(optional)*

[6] You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) ***Alignment:*** which international, regional or national policy frameworks to align your bank's portfolio with[7] have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.

You can build upon the context items under 2.1.

Response	*Links and references*
Helaba takes a comprehensive approach to sustainability and is therefore increasingly financing industries and sectors that contribute to a more climate-friendly and resource-efficient economy while preserving natural systems. In doing so, the bank is committed to the United Nations' Sustainable Development Goals, the Paris Agreement targets and the climate goals of the German government and the European Union.	*Sustainability Report '23, p. 36* *Sustainability Report '23, p. 23*
In 2025, Helaba will be required to report in accordance with the Corporate Sustainability Reporting Directive (CSRD) for the first time for the 2024 financial year. In line with the European Sustainability Reporting Standards (ESRS), sustainability reporting will be significantly more comprehensive than the previous non-financial statements.	*Sustainability Report '23, p.19*
Climate Stability Helaba's commitment to climate stability is in line with SDG 13 (Climate Action – Take urgent action to combat climate change and its impacts). By determining the greenhouse gas emissions of its lending business – the financed emissions – in 2022, Helaba created the basis for developing a reduction strategy in line with the 1.5°C target of the Paris Agreement. Therefore, Helaba has defined sector-specific reduction pathways and developed appropriate measures, starting with the energy and real estate portfolios. The decarbonisation pathways are determined using the Science Based Targets initiative (SBTi) methodology, which explicitly specifies sector-specific pathways in line with the 1.5°C target. The SBTi comprises various scientific climate scenarios such as the IEA's "Net Zero Emissions by 2050 Scenario" or the pathways from the IPCC database. Other sectors will follow in 2024.	*Sustainability Report '23, p.34/35*
Circularity Accelerating the transition to a circular economy is one of the key pillars of the European Green Deal, to reach the goal of becoming the first carbon-neutral continent by 2050. To keep resource consumption within planetary boundaries, a large number of initiatives have already been launched under the European Commission's Circular Economy Action Plan. On this basis, the German government's sustainability	*EU Green Deal (2019), p. 7* *EU Circular Economy Action Plan (2020)*

strategy focuses on further increasing overall resource productivity within Germany. As investments in the circular economy can significantly accelerate the transition, Helaba aims to contribute to the above-mentioned European and national goals by focusing on the impact area of circularity. As promoting biodiversity conservation is another key pillar of the European Green Deal, Helaba aligns its efforts in the area of biodiversity with the EU Biodiversity Strategy for 2030 and the German sustainability strategy, which emphasise the enhancement of biodiversity. Helaba aims to integrate biodiversity initiatives into its “Circularity” target.	Deutsche Nachhaltigkeitsstrategie (2020), p. 228, 229

b) ***Baseline:*** Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.

You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

A package of indicators has been developed for climate change mitigation and financial health & inclusion to guide and support banks in their target setting and implementation journey. The overview of indicators can be found in the Annex of this template.

If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex, using an overview table like below including the impact area, all relevant indicators and the corresponding indicator codes:

Impact area	*Indicator code*	*Response*
Climate change mitigation	…	
	…	
	…	

Impact area	*Indicator code*	*Response*
Financial health & inclusion	…	
	…	
	…	

In case you have identified other and/or additional indicators as relevant to determine the baseline and assess the level of alignment towards impact driven targets, please disclose these.

Response	*Links and references*
Climate Stability Helaba set 2022 as the baseline for financed emissions. In cooperation with third-party providers (ISS ESG), financed emissions were calculated according to market standards based on the Global GHG Accounting and Reporting Standard for the Financial Industry from the Partnership for Carbon Accounting Financials (PCAF). Financed emissions (based on customers’ Scope 1 and Scope 2 emissions)	Sustainability Report ’23, p. 35/36

[7] Your bank should consider the main challenges and priorities in terms of sustainable development in your main country/ies of operation for the purpose of setting targets. These can be found in National Development Plans and strategies, international goals such as the SDGs or the Paris Climate Agreement, and regional frameworks. Aligning means there should be a clear link between the bank’s targets and these frameworks and priorities, therefore showing how the target supports and drives contributions to the national and global goals.

amount to approximately 16.4 million tons of CO_2e and approximately 40.1 million tons of CO_2e in customers' value chains. In addition, financed emissions were broken down by sector to show the potential for decarbonisation pathways.	
Financed emissions by PCAF asset class as of 31 December 2022	[Sustainability Report '23, p.35]()

Asset class	Credit amount [€ bn]	Financed emissions, Scope 1 and 2 [kt CO_2e]	Financed emissions, Scope 3 [kt CO_2e]	Average PCAF data quality score, weighted by credit amount
Real estate finance	32.0	796	190	4.0
Movables and real estate leasing	2.3	4,138	483	4.0
Project finance	5.2	2,962	113	3.3
Corporate loans	27.2	8,448	39,282	3.6
Total	**66.7**	**16,345**	**40,068**	**3.8**

A breakdown of the financed emissions by sector clusters reveals a concentration on particularly carbon-intensive sectors, such as mining, chemicals industry, metal production; energy; automotive and mechanical engineering; food, feed, agriculture; public sector and municipal corporations; shipping, aviation, transport; construction, real estate, housing; retail (excluding motor vehicles); and other manufacturing. Greenhouse gas emissions are also recorded for major corporates, real estate financing, project financing and the transport and equipment portfolio, which are significant to the bank's loan book.

Sustainability Report '23, p. 36

Circularity

As a basis for establishing a baseline for this impact issue, Helaba is currently evaluating possible approaches to measure circularity impacts.

PRB Guidance: Resource efficiency and circular economy guidance (2023), p.13-16

ESRS Annex I, p. 144ff.

c) ***SMART targets*** (incl. key performance indicators (KPIs)[8]): Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs are you using to monitor progress towards reaching the target? Please disclose.

[8] Key Performance Indicators are chosen indicators by the bank for the purpose of monitoring progress towards targets.

Response	Links and references
Climate Stability While Helaba is already committed to the goals of the Paris Agreement, the bank is currently still in the process of developing sector-specific reduction targets in accordance with the 1.5 °C target. Based on the results of the carbon footprint of its lending business, Helaba is currently finalising targets for the energy and real estate portfolios. In addition, the bank has started working on decarbonisation pathways for the automotive sector, e.g. car manufacturers, the steel and cement sectors as well as the aviation and shipping sectors. The SMART target for climate stability will be published in subsequent reports. **Circularity** As soon as an impact measurement approach for circularity has been implemented and a baseline has been developed, Helaba intends to define a circularity SMART target. The bank has already laid the groundwork by conducting an analysis of the relevant regulatory framework in the EU and Germany, as well as of relevant peers. The transition to a circular economy, which involves the efficient use of resources and avoidance of waste, also represents a major opportunity for banks to contribute to the biodiversity agenda. Helaba is therefore seeking to develop a circularity target that will positively impact biodiversity. The respective SMART target will be published in a subsequent report.	Sustainability Report '23, p. 34/35
d) *Action plan:* which actions including milestones have you defined to meet the set targets? Please describe. Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.	
Response	*Links and references*
Once the SMART targets for the areas of climate stability and circularity have been finalised, Helaba intends to develop a detailed action plan in accordance with the relevant ESRS requirements to implement the necessary measures for achieving the targets. Helaba is already taking action in the fields of climate stability, circularity and biodiversity by supporting a range of WIBank initiatives. This includes support for environmental and climate protection projects in cities and municipalities in Hesse, the promotion of energy-related modernisation measures in housing and municipal construction projects, as well as in infrastructure-related facilities such as hospitals, and various support programmes to strengthen sustainable agriculture and forest ecosystems. WIBank also supports innovation in the field of the circular economy, for example by financing a recycling plant that recovers aluminium, PVC and other materials from discarded aluminium sidings and façade elements.	Sustainability Report '23, p. 8 WIBank press release, 18.04.24

Self-assessment summary Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your…			
	… first area of most significant impact: … *(please name it)*	… second area of most significant impact: … *(please name it)*	*(If you are setting targets in more impact areas)* …your third (and subsequent) area(s) of impact: … *(please name it)*
Alignment	☒ Yes ☐ In progress ☐ No	☒ Yes ☐ In progress ☐ No	☐ Yes ☐ In progress ☐ No
Baseline	☒ Yes ☐ In progress ☐ No	☐ Yes ☒ In progress ☐ No	☐ Yes ☐ In progress ☐ No
SMART targets	☐ Yes ☒ In progress ☐ No	☐ Yes ☒ In progress ☐ No	☐ Yes ☐ In progress ☐ No
Action plan	☐ Yes ☐ In progress ☒ No	☐ Yes ☐ In progress ☒ No	☐ Yes ☐ In progress ☐ No

2.3 Target implementation and monitoring (Key Step 2)

For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2nd and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

Response	*Links and references*
Helaba is in the process of assessing its influence on the prioritised impact areas. Our aim is to establish two specific targets, which are then foreseen to be published in subsequent reports.	Sustainability Report '23, p.15

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Client engagement

Does your bank have a policy or engagement process with clients and customers[9] in place to encourage sustainable practices?

☒ Yes ☐ In progress ☐ No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

☒ Yes ☐ In progress ☐ No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities[10]). It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

Response	*Links and references*
Recognising its socio-political responsibility, Helaba is committed to supporting its customers' sustainability efforts by adhering to applicable legislation and internal guidelines through an effective compliance system. This commitment ensures that the bank's actions serve the public interest, prevent criminal activities and support sustainable development beyond its core operations.	*Sustainability Report '23, p.17*
To guide ethical behaviour in its daily business operations and product offerings, Helaba has established a Code of Conduct. The Code of Conduct addresses various issues, such as managing conflicts of interest, handling insider information, preventing white-collar crime, ensuring data protection, enhancing transparency, combating corruption, promoting fair competition and ensuring tax compliance.	*Sustainability Report '23, p.36*
Furthermore, as part of the materiality assessment under the CSRD, Helaba engages with stakeholders to develop a business and sustainability strategy that aligns with the company's objectives. This collaborative approach ensures that Helaba's sustainability initiatives are comprehensive, effective and aligned with broader societal goals.	
Helaba believes that the 1.5°C climate target can only be achieved by proactively managing customer relationships and promoting sustainable business growth. For this reason, Helaba provides financial resources to enable the social and ecological transformation of its clients' businesses by means of dedicated transformation financing. The bank offers more than 20 ESG products, including green and social loans, ESG-linked	*Sustainability Report '23, p.17*

loans and sustainable development loans, to incentivise clients to improve their sustainability efforts. Helaba has established a dedicated Sustainable Finance Advisory team to assist clients in developing tailored solutions to meet their unique sustainability-related financing needs and assess their contribution to achieving decarbonisation targets.	

3.2 Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Response	*Links and references*
Helaba recognises that its core business of lending is the most important lever for driving the transition to a carbon-neutral circular economy. We actively support our clients in their transition to socially and environmentally responsible practices by allocating our lending resources to sustainable sectors and initiatives. In order to identify new business opportunities, we focus on financing companies with low emissions or low emission intensity, and provide transitional financing for the decarbonisation efforts of emission-intensive clients. As a result, Helaba is continuously expanding its range of tailored and innovative ESG products, including ESG-linked loans, investment loans with a specified sustainable use of funds and green promissory notes and bonds. Between 2020 and 2023, Helaba supported 170 financing transactions with contractually agreed sustainability elements (ESG-linked loans or green loans).	Sustainability Report '23, p. 17, 36 Sustainability Report '23, p. 31
Helaba has acquired additional lead mandates in the field of sustainable finance and will continue to demonstrate its expertise in this area. In addition, Helaba is steadily increasing project-specific financing in areas like renewable energy, water, waste disposal, recycling and transport, as well as social and digital infrastructure. Helaba's efforts to encourage small, medium-sized and large companies to take part in the sustainable transformation process are a constant focus of its activities. In doing so, Helaba currently contributes positively to at least ten SDGs, particularly SDG7 (Affordable and Clean Energy), SDG11 (Sustainable Cities and Communities) and SDG16 (Peace, Justice and Strong Institutions).	Sustainability Report '23, p. 15 Sustainability Report '23, p. 33
As part of the bank's KPI System, Helaba is committed to increase its sustainable portfolio to 50% by 2025. To achieve this goal, Helaba clearly defined which transactions qualify as sustainable in the context of sustainable lending and investment.	
As of 31 December 2023, the total volume of sustainable finance in Helaba's portfolio amounted to €80.6 billion, reflecting an 8.3% increase compared to the previous year (€74.4 billion). The proportion of sustainable financing in the portfolio's total lending volume rose from 46% to 51%, allowing us to reach our target ahead of schedule. This	

[9] A client engagement process is a process of supporting clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.
[10] Sustainable economic activities promote the transition to a low-carbon, more resource-efficient and sustainable economy.

accomplishment provides us with the momentum to further develop our ambitions beyond 2025. The increase in new sustainable financing is the primary driver behind the overall growth in sustainable financing within the portfolio. By the end of 2023, sustainable finance accounted for 57% of our new business, underscoring our commitment to expanding our sustainable portfolio.	

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups[11]) you have identified as relevant in relation to the impact analysis and target setting process?

☒ Yes ☐ In progress ☐ No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Response	*Links and references*
Regular stakeholder engagement is an integral part of Helaba's materiality assessment process. To effectively identify stakeholders, Helaba employs a systematic approach, assessing both their impact on our activities and our impact on them. The feedback and insights gained from this engagement are crucial to Helaba's action planning process, ensuring that the sustainability initiatives align with stakeholder expectations and industry best practices. Additionally, the bank's Code of Conduct ensures responsible interaction with all stakeholders.	*Sustainability Report '23, p. 19*
Helaba is prioritising active engagement with customers to understand their needs and expectations, particularly regarding sustainable finance and ESG-related products. As an active promoter of a sustainable transition, our Capital Markets Conference gave us the opportunity to	*Sustainability Report '23, p. 17*

[11] Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations

explore sustainable capital market financing solutions and the application of digital innovation in the financial sector with our clients. Furthermore, Helaba is in constant communication with regulators and policymakers to stay informed about evolving sustainability regulations and ensure our adherence to these standards. Partnering with non-governmental organisations provides us with vital insights into societal expectations and emerging sustainability trends. Our active participation in various industry associations allows us to contribute to the development of best practices and industry standards through collaborative efforts. Additionally, we provide regular updates on our business performance to the Supervisory Board, which holds the highest-ranking control function within our organisation. The Supervisory Board comprises representatives from employee groups, political entities and the business sector, ensuring comprehensive oversight of our operations. Helaba also actively engages with its own employees in the area of sustainability, focusing on topics such as circularity, biodiversity and climate change. Through a comprehensive training programme, the bank enables its employees to properly assess sustainability-related opportunities and risks. This in-depth knowledge also helps the bank's front-office units to work more closely with customers.	*Sustainability Report '23, p. 17*

Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

☒ Yes ☐ In progress ☐ No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Response	*Links and references*
Helaba has fully integrated sustainability into the bank's governance structure in order to manage the achievement of the sustainability goals more effectively and to continuously improve Helaba's ESG profile. The sustainability strategy is approved by the Executive Board, the Supervisory Board and the Board of Owners of Helaba as part of the business strategy. It is subject to annual review and updated as necessary. The Executive Board holds overall responsibility for all sustainability-related topics. Supporting this effort is the Chief Sustainability Officer (CSO), who leads sustainability management and is organisationally assigned to Group Sustainability Management in the Group Steering unit. Since 2020, the CSO has overseen the Group-wide sustainability programme, HelabaSustained. The programme was completed as planned in November 2023, with its outcomes transferred to the line organisation. The principal goal of this programme was to enhance the sustainability profile of Helaba and develop an ambitious sustainability strategy. Consequently, a Group Sustainability Committee (GSC) has been established to coordinate the implementation of the developed ESG objectives. While the Sustainability Board acts as a committee of the Executive Board, the Sustainability Steering Committee acts as an operational body within Helaba Bank. Furthermore, a sustainability management function was created in the line organisation, with structured and documented processes. The Compliance, Money Laundering and Fraud Prevention department is the designated point of contact for all inquiries relating to the Code of Conduct. In addition, we have implemented a whistleblowing system (WhistProtect®) that allows employees to report potentially illegal transactions. Employees have the option to reach out to a neutral	*Sustainability Report '23, p. 18/19* *Sustainability Report '23, p. 13* *Sustainability Report '23, p. 51*

ombudsperson anonymously and confidentially through various communication channels. This governance structure ensures that Helaba's sustainability initiatives are strategically managed and effectively implemented across the entire Group.	

5.2 Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Response	*Links and references*
Helaba believes that its employees play a vital role in ensuring responsible operations, embodying the bank's sustainability philosophy and enabling customers to navigate and advance their ongoing transformation towards greater sustainability. Committed to ongoing training and professional development, Helaba invests substantially in the growth and development of its workforce.	
In financial year 2021, Helaba initiated the development of customised training courses to provide employees with a fundamental understanding of sustainability within the bank's business environment. By 2023, the training programme was expanded to include additional in-depth modules focused on specialised topics. These courses offer a comprehensive overview of key concepts in sustainability and sustainable finance, covering topics such as climate change, biodiversity, circularity and ESG reporting. As of 31 December 2023, 3,253 Helaba employees had completed the online training course and around 140 people, especially from the bank's front-office units, had attended the in-depth ESG master classes.	*Sustainability Report '23, p. 18*
Helaba has also introduced an online training module focusing on information security and data protection, which all employees must complete annually. This module provides insights into cyber threats, data protection principles and how to handle data subject requests and data breaches, ensuring that employees are aware of the importance of these issues. Regular training on information security and data protection promotes responsible behaviour in our day-to-day business, emphasising its integral role in responsible banking.	*Sustainability Report '23, p. 72/73*
Additionally, Helaba has implemented a corporate citizenship concept that integrates the community involvement of the bank and its subsidiaries, including elements of social volunteering. The bank actively encourages employees to engage in environmental and social projects by offering up to two days off per year to participate in these initiatives. Helaba aims to expand its social volunteering efforts within the Group, targeting at least 1,000 volunteer days per year by 2025, in collaboration with its employees.	

5.3 Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio?[12] Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Response	*Links and references*
Helaba aims to have a clear and distinct understanding of the term sustainability. The bank has established sustainability criteria and exclusion criteria for lending that apply across the Group. These criteria are reviewed and updated annually to ensure their validity and effectiveness. Incorporating exclusion criteria into the risk strategy is part of Helaba's regular risk management process. Additionally, the due diligence processes are designed to identify and address environmental and social risks associated with lending activities. Priority is given to assessing the potential impact of environmental factors and climate change on repayment ability. Supported by a Sustainability Data Management (SDM) tool, these impacts are thoroughly assessed, taking into account any risk-reducing measures implemented by the borrower. This comprehensive approach ensures that environmental factors and climate change risks are central to Helaba's considerations.	*Sustainability Report '23, p. 31* *Nachhaltigkeit in der Kreditvergabe, 2024* *Annual Report '23, p. 72*

Self-assessment summary

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

☒ Yes ☐ No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

☒ Yes ☐ No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

☒ Yes ☐ In progress ☐ No

[12] Applicable examples of types of policies are: exclusion policies for certain sectors/activities; zero-deforestation policies; zero-tolerance policies; gender-related policies; social due diligence policies; stakeholder engagement policies; whistle-blower policies etc., or any applicable national guidelines related to social risks.

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

☐ Yes ☐ Partially ☒ No

If applicable, please include the link or description of the assurance statement.

Response	*Links and references*
Will start in year 3	

6.2 Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

☒ GRI

☐ SASB

☐ CDP

☐ IFRS Sustainability Disclosure Standards (to be published)

☐ TCFD

☐ Other: ….

Response	*Links and references*

6.3 Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis[13], target setting[14] and governance structure for implementing the PRB)? Please describe briefly.

Response	*Links and references*
Helaba strives to continuously improve the bank's sustainability efforts and has therefore committed itself to the Principles for Responsible Banking (PRB). Based on the results of the impact analysis, Helaba	

[13] For example outlining plans for increasing the scope by including areas that have not yet been covered, or planned steps in terms of portfolio composition, context and performance measurement

[14] For example outlining plans for baseline measurement, developing targets for (more) impact areas, setting interim targets, developing action plans etc.

intends to develop and publish two SMART targets – one focusing on climate stability and the other on circularity. To ensure the successful achievement of these targets, Helaba aims to develop detailed action plans in the future, which will outline the strategies and measures required to realise the targets.	

6.4 Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months (optional question).

If desired, you can elaborate on challenges and how you are tackling these:

☐ Embedding PRB oversight into governance

☐ Gaining or maintaining momentum in the bank

☐ Getting started: where to start and what to focus on in the beginning

☐ Conducting an impact analysis

☒ Assessing negative environmental and social impacts

☐ Choosing the right performance measurement methodology/ies

☒ Setting targets

☐ Other: …

☐ Customer engagement

☐ Stakeholder engagement

☒ Data availability

☒ Data quality

☐ Access to resources

☐ Reporting

☐ Assurance

☐ Prioritizing actions internally

If desired, you can elaborate on challenges and how you are tackling these:

Annex

A set of indicators has been produced for the impact areas of climate mitigation and financial health & inclusion. These indicators will support you in your reporting and in showing progress against PRB implementation. Banks are expected to set targets that address minimum two areas of most significant impact within the first four years after signing the PRB. That means that Banks should ultimately set targets using impact indicators. Acknowledging the fact that banks are in different stages of implementation and on different levels of maturity and therefore might not be able to report on impact from the beginning, a Theory of Change approach has been used to develop the set of indicators below. [15] The Theory of Change shows the **pathway to impact** and considers the relationship between inputs, actions, outputs, and outcomes in order to achieve impact. The Theory of Change for climate mitigation can be found here, the Theory of Change for financial health & inclusion can be found here.

How to use: Both practice (action, outcome and output) and impact performance need to be understood because practice is the conduit for achieving desired impacts (including targets). The Theory of Change allows to identify metrics and set targets which align with a bank's maturity. The indicators below are all connected to a bank's impact and can be considered as steps towards measuring impact. Some of the practice indicators (on the action, output, and outcome levels respectively) are connected to portfolio composition and financial targets[16] (highlighted in green) or to client engagement[17] targets (highlighted in blue), which enable your overall target. If your bank has prioritized climate mitigation and/or financial health & inclusion as (one of) your most significant impact areas, it is strongly recommended to report on the indicators in the Annex to measure your performance and baseline.[18] Once you have set the target, you can use the indicators as guidance for your action plan as well as defining Key Performance Indicators (KPIs) which you can then use to measure progress against the set targets.

[15] It is not required from banks to work with the Theory of Change concept internally. In fact, the Theory of Change has been used to structure the requirements of setting SMART targets using relevant indicators.
[16] Financial targets also aim for real economy outcomes but are not directly expressed as such. Instead, they are expressed with financial indicators and metrics, e.g., to redirect flows of lending and investments to sectors, activities or projects aligned with SDGs and/or related to the selected impact area. Banks can also set financial targets related to specific types of customers e.g., low-income customers or female entrepreneurs.
[17] Client engagement targets involve engaging relevant clients and customers to enable your overall target. The purpose of client engagement is to support clients towards transitioning their business models in line with sustainability goals by strategically accompanying them through a variety of customer relationship channels.
[18] You might not be able to report on all indicators and/or or levels of practice (i.e. from left to right), in which case you should report on all applicable indicators on the respective level of practice no matter if it is an action, output or outcome indicator.

- **For Signatories of the Net-Zero Banking Alliance**: please report on the climate targets set as required in the Guidelines for Climate Target Setting. As a member of the Alliance, you are required to publish first 2030 targets for priority sectors within 18 months and further sectoral targets within 36 months after signing. You can use the PRB template to disclose the required climate target information if its publication date is in line with the committed NZBA timeframe.

- **For Signatories of the Collective Commitment to Financial Health & Inclusion**: please report on financial health and/or financial inclusion targets set as required in the Financial Health and Inclusion Commitment Statement. As a signatory to the Commitment, you have agreed to set a SMART ambitious target within 18 months after signing. To facilitate your process, please refer to the Guidance on Target Setting for Financial Health and Inclusion and the Core Indicators to measure financial health and inclusion. Keep in mind that signatories of the Commitment are encouraged to measure as many indicators as possible from the Core Set or their equivalent to be able to set a SMART impact driven target.

Impact area	Practice[19] (pathway to impact)									Impact[20]		
	1. Action indicators			2. Output indicators			3. Outcome indicators			4. Impact indicators		
	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics	Code	Indicator	Response options & metrics
A. Climate change mitigation	A.1.1	**Climate strategy:** Does your bank have a climate strategy in place?	Yes / In progress / No	A.2.1	**Client engagement process:** Is your bank in an engagement process with clients regarding their strategy towards a low(er)-carbon business model (*for business clients*), or towards low(er)-carbon practices (*for retail clients*)?	Yes / Setting it up / No; *If yes:* Please specify for which clients (types of clients, sectors, geography, number of clients etc.)	A.3.1	**Financial volume of green assets/low-carbon technologies:** How much does your bank lend to/invest in green assets / loans and low-carbon activities and technologies?	bln/mn USD or local currency, and/or % of portfolio; *please specify* the definition of green assets and low-carbon technologies used	A.4.1	**Reduction of GHG emissions:** how much have the GHG emissions financed been reduced?	% over time; baseline and tracking GHG emissions in kg of CO_2e (or applicable metrics)[21]
	A.1.2	**Paris alignment target:** Has your bank set a long-term portfolio-wide Paris-alignment target? To become net zero by when?	Yes / In progress / No; *If yes*: - please specify: to become **net zero by when**? - **Emissions baseline / base year**: What is the emissions baseline / base	A.2.2	**Absolute financed emissions**: What are your absolute emissions (financed emissions = scope 3, category 15) in your lending and/or	Total GHG emissions or CO_2e (*please also disclose what is excluded for now and why*)	A.3.2	**Financial volume lent to / invested in carbon intensive sectors and activities and transition finance:** How much does your bank lend to / invest in carbon-intensive	bln/mn USD or local currency, and/or % of portfolio	A.4.2	**Portfolio alignment:** How much of your bank's portfolio is aligned with Paris (depending on the target set [A.1.2] either 1.5 or 2 degrees)?	% of portfolio (*please specify which portfolio; for corporate and business clients: % of sectors financed*)

[19] Practice: the bank's portfolio composition in terms of key sectors, its client engagement, and its relevant policies and processes, and, if applicable, its advocacy practices
[20] Impact: the actual impact of the bank's portfolio
[21] If possible and/or necessary, please contextualize the progress: Greenhouse gas emissions might even increase initially because the scope of measurements is extended and financed emissions from a growing proportion of the portfolio are measured, emission factors are updated etc. Emission reductions made by the clients should over time lead to a decrease in GHG emissions financed.

			year for your target? - **Climate scenario used:** What climate scenario(s) aligned with the Paris climate goals has your bank used?		investment portfolio?			sectors and activities[22]? How much does your bank invest in transition finance[23]?			
	A.1.3	**Policy and process for client relationships:** has your bank put in place rules and processes for client relationships (both new clients and existing clients), to work together towards the goal of transitioning the clients' activities and business model?	Yes / In progress / No	A.2.3	**Sector-specific emission intensity** (per clients' physical outputs or per financial performance): What is the emission intensity within the relevant sector?	Please specify which sector (*depending on the sector and/or chosen metric*): kg of CO_2e/ kWh, CO_2e / m2; kg of CO_2e/USD invested, or kg of CO_2e/revenue or profit					
	A.1.4	**Portfolio analysis:** Has your bank analyzed (parts of) its lending and/or investment portfolio in terms of financed emissions (Scope 3, category 15); technology mix or carbon-intensive sectors in the portfolio?	Yes / In progress / No; *If yes:* please specify which parts of the lending and investment portfolio you have analyzed	A.2.4	**Proportion of financed emissions covered by a decar-bonization target:** What proportion of your bank's financed emissions is covered by a decar-bonization target, i.e. stem from clients with	% *(denominator: financed emissions in scope of the target set)*					

[22] A list of carbon-intensive sectors can be found in the Guidelines for Climate Target Setting.
[23] Transition finance is defined as financing the transition towards a low-carbon future in alignment with the Paris climate goals. It entails any form of financial support for non-pure play green activities to become greener and reduce emissions.

	A.1.5	**Business opportunities and financial products:** Has your bank developed financial products tailored to support clients' and customers' reduction in GHG emissions (such as energy efficient mortgages, green loans, green bonds, green securitisations etc.)?	Yes / In progress / No; Please specify which ones, and what financial volume and/or % of the portfolio they account for		a transition plan in place?							
B. Financial health	B.1.1 *	# of products and services in the portfolio with a focus on financial health	Internal data based. Measures how many of the products and services in the portfolio have a financial health focus. We deem a product or service to have this focus when it facilitates decision making and supports financial health increase based on our definition of financial health. This covers products and services embedded with nudges to simplify decision making, round-up, high yield savings accounts, easy investment tools, etc.	B.2.1 *	# of individuals supported with dedicated and effective financial and/or digital education initiatives	Based on internal data. Measures the number of users (customers and non customers) of financial and/or digital skills-building initiatives offered by the bank. An initiative encompasses courses, programs, training videos, articles, SMS education campaigns, etc. Dedicated means that the initiative was specially created for a defined group of individuals (in many cases a prioritized group). Effective means that the bank has	B.3.1 *	% of individuals with a good and/or very good level of financial skills	Assessment based. Measures the percentage of individuals with a good and/or very good level of financial skills according to the assessment chosen by the financial institution. Should be measured on individuals benefitting from the bank's financial education initiatives.	B.4.1	% of customers with a high level of financial health	Survey and/or transactional data based. Measures the percentage of customers with a high level of financial health according to the score chosen by the financial institution.

						measured if the initiative is successful in generating the desired results of stronger financial skills, and thus, any individual that is supported with the initiative will achieve the desired results. A bank can't count a click as an individual so we encourage that the data is presented as # of individuals for deanonymized users and # of interactions for anonymized users.						
	B.1.2 *	% of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health	Based on internal data. Measures the percentage of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health. Including training to attend the needs of prioritized groups. Effective means that the bank has measured if the initiative is successful in generating the desired results of stronger skills, and thus, any individual that is supported with the initiative	B.2.2 *	% of customers actively using the online/mobile banking platform/tools	Transactional data based. Measures the percentage of customers logging in, at least once a month, to one of the following digital platforms (measure those applicable for your bank): Online internet banking and/or mobile phone banking and/or digital tools (including financial health tools)	B.3.2	% of customers who use the bank's services to create a financial action plan with the bank	Transactional and/or survey data based. Measures the percentage of customers who create a financial action plan with the bank using the bank's services. A financial action plan is anything that helps the customer build financial resilience. It is done "with the bank" if the bank can visualize, through the transactions of the customer,	B.4.2	% of customers for which spending exceeded 90% of inflows for more than 6 months last year	Survey and/or transactional data based. Measures the percentage of customers with a transaction account and/or savings/investment accounts for which spending exceeded 90% of inflows for more than 6 months in the year within the reporting period compared to the total of customers within PRB scope. Focus on main financial institution customers.

			will achieve the desired results. Relevant employees are those the bank prioritizes in the training program due to their direct impact on the customers' financial health						the results of the plan.			
	B.1.3	# of partnerships active to achieve financial health and inclusion targets	Based on internal data. Measures the number of partnerships currently active to achieve financial health and inclusion targets. By active we mean that are currently undergoing actions and generating results. We suggest disclosing the results of the partnerships in the commentary of the reports.				B.3.3	% of customers using overdraft regularly	Transactional data based. Measures the percentage of customers using the overdraft option in their accounts or credit cards, regularly. Overdraft can be used to handle unexpected emergencies but more than 1/3 of the year (banks may deviate if proper reasons are provided) denotes regularity and a precursor to lower financial health	B.4.3	% of customers that feel confident about their financial situation in the next 12 months	Survey based data. Measures the percentage of customers that answered positively to feeling confident about their financial situation in the next 12 months compared to the total number of customers surveyed. By confident we mean not feeling worried about their financial situation.
							B.3.4	% of customers with a non-performing loan	Transactional data based. Measures the percentage of customers with past-due loans ("past due" defined by policies at each bank) compared to the total amount of customers with	B.4.4	% of customers with products connected to long-term saving and investment plans	Transactional and/or survey data based. Measures the percentage of customers with products connected to long-term saving and investment plans. "Long-term" will depend

									loans in the bank's lending portfolio.			on each bank's definition.
							B.3.5	% of customers showing an increase or stable amounts in savings, deposit and/or investment account balances, quarter on quarter.	Transactional data based. Measures the percentage of customers showing an increase or stable amounts in savings and/or deposit AND/OR invest ment accounts balances, quarter on quarter.	B.4.5	% of customers that would struggle to raise emergency funds or cover with insurance a major unexpected expense	Survey based data. Measures the percentage of customers that would struggle to raise emergency funds or cover with insurance a major unexpected expense. We consider a major unexpected expense, one that the customer hadn't planned for and would require them to spend more than what they have available for secondary expenses in their monthly budget or 1/20th of the country's Gross National Income (banks may deviate if proper reasons are provided). A good example is: unforeseen medical bills, large appliance malfunctioning, car repair, etc. Survey based using the question: "If a major unexpected expense arises, how can you cover it right now?" and give

												the multiple choice options of insurance, emergency funds, loan, credit card, family/friends, etc.
C. Financial Inclusion	C.1.1 *	# of products and services in the portfolio with a focus on financial inclusion	Internal data based. Measures how many of the products and services in the portfolio have a financial inclusion focus. We deem a product or service to have this focus when its design facilitates the access and usage by the prioritized customer. For example, no-fee savings account, low interest microloan, offline access or sim-based banking apps, etc	C.2.1	# of individuals supported with dedicated and effective financial and/or digital education initiatives	Based on internal data. Measures the number of users (customers and non customers) of financial and/or digital skills-building initiatives offered by the bank. An initiative encompasses courses, programs, training videos, articles, SMS education campaigns, etc. Dedicated means that the initiative was specially created for a defined group of individuals (in many cases a prioritized group). Effective means that the bank has measured if the initiative is successful in generating the desired results of stronger financial skills, and thus, any individual that is supported with the initiative will achieve the	C.3.1 *	% of individuals with a good and/or very good level of financial skills	Assessment based. Measures the percentage of individuals with a good and/or very good level of financial skills according to the assessment chosen by the financial institution. Should be measured on individuals benefitting from the bank's financial education initiatives.	C.4.1	% of customers with 2 or more active financial products, from different categories, with the bank	Transactional data based. Measures the percentage of customers with 2 or more active financial products, from different categories, with the bank. By active we mean there's at least one usage per month. By category we mean credit/debt, savings/deposit/payment, insurance, investment, etc. Once a target has been set for this indicator, we encourage banks to ensure responsible selling policies or other initiatives so that the target doesn't become a toxic incentive.

						desired results. A bank can't count a click as an individual so we encourage that the data is presented as # of individuals for deanonymized users and # of interactions for anonymized users.						
	C.1.2 *	% of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health	Based on internal data. Measures the percentage of relevant employees supported with effective training on financial inclusion, responsible credit and/or financial health. Including training to attend the needs of prioritized groups. Effective means that the bank has measured if the initiative is successful in generating the desired results of stronger skills, and thus, any individual that is supported with the initiative will achieve the desired results. Relevant employees are those the bank prioritizes in the training program due to their direct impact on the customers' financial health	C.2.2	% of customers with effective access to a basic banking product	Transactional data based. Measures the percentage of customers with effective access to a basic banking product. By effective we mean the usage beyond first access. Basic banking products vary by bank. Good examples are: checking accounts, payment accounts, credit cards, saving accounts, deposit accounts, e-money accounts, etc.	C.3.2	% of customers supported with dedicated customer journey/advisory services	"Transactional data based. Where dedicated customer journey/advisory services are in place for prioritized groups , this indicator measures the percentage of customers using such services. Depending on size of bank, either number or percentage can be the unit of measure.			

	C.1.3	# of partnerships active to achieve financial health and inclusion targets	Based on internal data. Measures the number of partnerships currently active to achieve financial health and inclusion targets. By active we mean that are currently undergoing actions and generating results. We suggest disclosing the results of the partnerships in the commentary of the reports.	C.2.3	# of new customers per month	Transactional data based. Measures the number of new customers per month. Once the bank sets a target, this indicator can become a KPI to measure the percentage of new customers from the prioritized groups, per month.	C.3.3 *	% of customers actively using the online/mobile banking platform/tools	Transactional data based. Measures the percentage of customers logging in, at least once a month, to one of the following digital platforms (measure those applicable for your bank): Online internet banking and/or mobile phone banking and/or digital tools (including financial health tools, if applicable)			

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