Helaba

Sustainability Strategy 2026

Excerpt from the Group business strategy 2026

Publisher:

Helaba
Sustainability Management
Neue Mainzer Straße 52 – 58
60311 Frankfurt am Main
T +49 69/91 32–01

In the following text, Landesbank Hessen-Thüringen is referred to as “the Bank” for the sake of better readability. The text is referred to as “the Bank” for short.

Content

1 Mission and Vision

Helaba sees it as its corporate duty to take responsibility for the environment, society and the lives of current and future generations. Acting sustainably is a core element of the Bank's strategic agenda. The focus is on the sustainable alignment of business operations, especially in terms of supporting customers in the necessary transition towards a climate-neutral circular economy. Helaba is committed to the objectives of the Paris Agreement, which aims to limit global warming to significantly less than 2 °C – and ideally to 1.5 °C – compared with pre-industrial levels and to the climate objectives set by the German federal government and the European Union.

Helaba has undertaken to make its own business operations climate neutral by 2035 at the latest and to include climate protection aspects in its customer portfolio and in its internal operations. At the start of 2022, to underscore the seriousness of its sustainability efforts in its business operations, Helaba also committed to the Principles of Responsible Banking (PRB) and joined the United Nations Environment Programme Finance Initiative (UNEP FI). Based on an analysis of the portfolio, Helaba has identified climate stability, biodiversity and the circular economy as the relevant areas of impact. Starting with climate stability, targets will be developed to mitigate the negative effects of the portfolio on this area of impact. Each year, Helaba publishes progress reports on the implementation of the PRB

In particular, the social aspects of the sustainability criteria are addressed through Helaba's membership of the UN Global Compact. By way of implementing the requirements of the German Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz – LkSG) and the human rights conventions referred to therein, Helaba created the position of a Human Rights Officer to monitor compliance with statutory due diligence obligations.

2 ESG targets

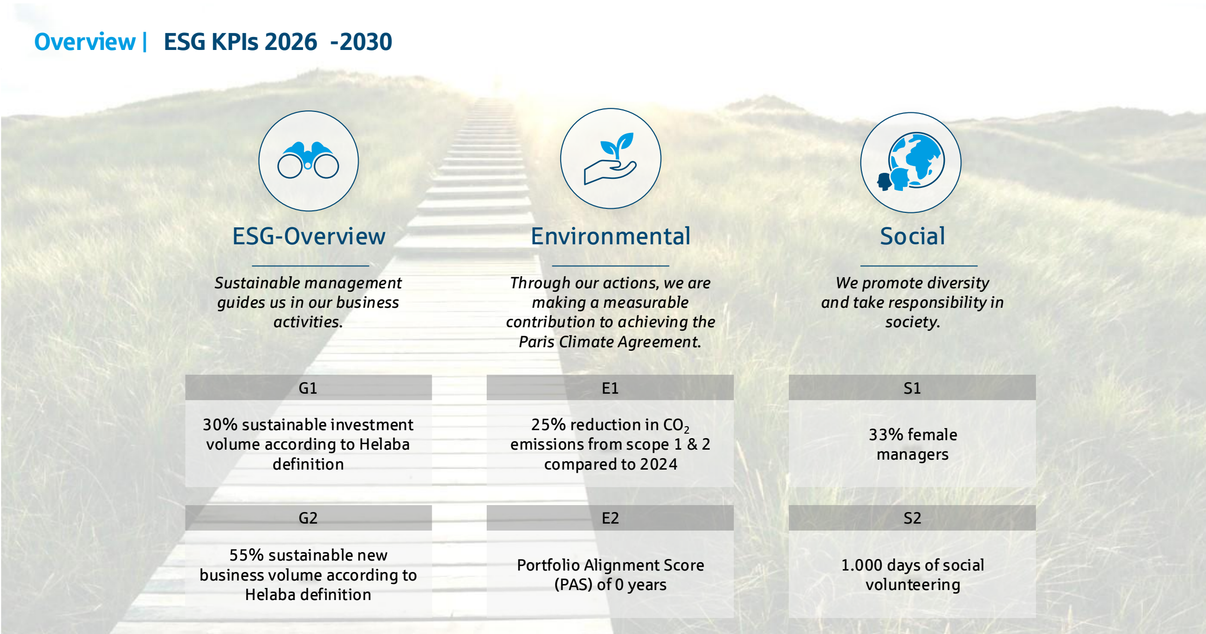

Figure 1: The Helaba Group's ESG targets and key performance indicators (KPIs)

Helaba is committed to the objectives of the Paris Agreement, which informs its ambition of supporting economic transformation. In order to achieve this ambition, the Helaba Regulatory Group has set itself strategic sustainability (ESG) objectives underpinned by key performance indicators (KPIs) (see Figure

1). These are implemented as Group-wide control parameters. The content of the KPIs was updated in 2025 and aligned with the next target year (2030).

In its core business of lending, Helaba is making an effective contribution to financing the transformation. Helaba's front office divisions have set themselves ambitious joint targets: In order to sustain the share of sustainable business volume in their existing portfolios at the already high level of 52 %, Helaba is seeking to increase the share of sustainable new business to 60 % by 2030. Helaba's Sustainable Lending Framework provides a transparent definition of which businesses are considered ecologically and socially sustainable and which positive effects they can have. Moreover, the Helaba Regulatory Group has a target of 30 % sustainable investments as defined in its Sustainable Investment Framework.

Helaba is also making an active contribution to limiting global warming by defining sector-specific decarbonisation pathways and targets for 2030 on the basis of physical emission intensity values. In order to measure progress in decarbonisation along the defined sector-specific pathways, individual sector targets were consolidated in a key performance indicator at the portfolio level. In its own operations as well, the Helaba Regulatory Group has committed to cutting emissions, setting a target of a 25 % reduction in Scope 1 and 2 emissions compared with 2024.

Helaba Group has also set two targets aimed at fostering diversity and making an active contribution to society. First, the proportion of women in management positions is to be increased to one third by 2030. Second, Helaba aims to deliver 1,000 social volunteering days each year by 2030.

3 Climate strategy

In light of ongoing global warming and increasing environmental destruction, it is scientifically proven that a fundamental transformation of the economic system towards net zero emissions is necessary. Helaba recognises the particular urgency of the climate crisis and its responsibility to contribute to limiting climate change. That is why sector-specific decarbonisation pathways and targets for 2030 have been defined for Helaba's lending portfolio on the basis of physical emission intensity values. In order to measure progress in decarbonisation along the defined sector-specific pathways, individual sector targets were consolidated in a key performance indicator at the portfolio level. The portfolio alignment score (PAS) describes the sectors' time gap to their respective target decarbonisation pathway and presents an aggregate overview of whether the sectors can achieve decarbonisation sooner or later than defined in their sector-specific pathways.

At present, sector-specific pathways are being developed for the power generation, commercial real estate, residential real estate, cement and steel production and automotive (OEM) sectors. This uses the methodology of the Science Based Target Initiative (SBTi), which is an internationally recognised and science-based standard that can be applied in both the financial and real sectors. In this way, Helaba is working towards its strategic ambition of cooperating with the real economy to facilitate and steer the transformation in a balanced way. To define the target pathways, the SBTi considers scientifically recognised climate scenarios such as those developed by the IEA and IPCC.

Other sectors will be subject to control tools such as exclusion criteria in the risk strategy (e.g. coal financing) and limiting/monitoring transition risks, especially in the case of customers with a high economic emission intensity. In connection with the strategic decision to withdraw from aviation finance until further notice, a degradation pathway was defined for this portfolio.

A dedicated client engagement serves to identify transformation potential and the associated business opportunities for Helaba's customers, among other things. Transforming the real economy is and remains a basic requirement for achieving the 1.5 °C target in the portfolio. In principle, the SBTi methodology requires regular review of these pathways. Adjustment may be necessary due to changes in the available data quality or the publication of new or amended climate scenarios or calculation methodologies.

3.1 Key focus areas in connection with climate and environmental risk

The detailed assessment of various climate-related and environmental factors during the strategy process and the comparison with the ICAAP materiality analysis of climate and environmental risks influenced the way the topics were consolidated and prioritised.

As a result, pursuing the climate pathways was identified as a central and effective factor in mitigating transition climate and environmental risks and, at the same time, leveraging the associated business opportunities, especially in the area of transformation financing. As part of the strategy process, actions, responsibilities and measurement criteria with time frames were developed to support alignment of the business with the climate pathways in the short, medium and long term.

3.2 Actions and metrics relating to the circular economy as a contribution to biodiversity

The circular economy is both an economic and environmental factor. It is creating new market opportunities, reducing long-term risk potential and protecting economic bases. By making careful use of natural resources, it is also making a substantial contribution to preserving biodiversity. The goal is to generate greater data transparency in order to expand this business area.

In the wind turbine sector, the short-term objective is the systematic monitoring and recording of data in respect of dismantling obligations and provisions for wind energy installations (especially offshore). The medium-term aim is to integrate recycling aspects into the due diligence process for battery storage projects. In the long term, the goal is to promote closed resource circulation systems in all infrastructure projects financed by the Bank.

3.3 Climate-neutral bank operations

In order to protect nature and the environment, Helaba organises its operations in such a way as to preserve resources to the greatest possible extent. One focus is on reducing CO2 emissions: first, avoiding them with the aim of minimising the use of resources in the long term; second, substituting the unavoidable use of resources by using low-emission energy sources, by revising the business travel policy to focus more strongly on rail travel and by gradually switching the company vehicle fleet to alternative drives such as electromobility; third, compensating after the avoidance and substitution of any remaining unavoidable emissions which has been achieved using suitable certificates since the 2021 financial year.

4 Sustainable product and service portfolio

Helaba supports its customers in their transformation with a portfolio of services tailored to their needs and to the future, thus making an important contribution to the transformation of the economy as a whole. To this end, the Bank is working on the continuous expansion of its service portfolio.

4.1 Sustainable product portfolio

In addition to structuring projects in the renewable energy, sustainable mobility and digital infrastructure segments, Helaba is also involved in the syndication of green, social and ESG-linked financing arrangements and promissory notes. It intends to continue expanding this commitment.

The Sustainable Lending Framework serves as the Helaba Regulatory Group's compass for classifying the sustainable lending business, it addresses both the environmental and social dimensions. Helaba aims to increase the share of sustainable transactions in the new lending business to 55 % per year by 2030.

As well as more general exclusion criteria for own-account investing activities and asset management, the Sustainable Investment Framework (SIF) defines minimum standards for sustainable investments in accordance with Article 8 of the EU Sustainable Finance Disclosure Regulation for asset management. Helaba has set itself the goal of increasing the share of sustainable investments in accordance with its own definition to 30 % for the Group by 2030.

4.2 Green bonds

In the context of its Green Bond Framework for funding, Helaba issues green bonds that comply with criteria such as those of the EU Taxonomy. The Bank has undertaken to present an annual impact report for these green bonds. It is continuously expanding the financing portfolio for green bonds to include additional asset classes such as rail financing and is reviewing the development of further sustainable funding instruments.

4.3 Group-wide product portfolio

- **Frankfurter Sparkasse:** In the private customer business, Frankfurter Sparkasse recognises financial inclusion as a key component of its mandate to operate in the public interest. To ensure that access to banking services is available to all sectors of the population, particularly economically and socially disadvantaged customers, Frankfurter Sparkasse offers various types of basic account.
- **Helaba Invest** and **Frankfurter Bankgesellschaft:** In asset management, Helaba Invest offers a number of fund products that encompass various aspects of sustainability in the form of ethical standards, risk management and climate-related issues. Frankfurter Bankgesellschaft has integrated sustainability to a large extent in its asset management activities. With their ESG Investment Policies published in 2021 and by signing the Principles for Responsible Investment (PRI), Helaba Invest and Frankfurter Bankgesellschaft have underscored their strategic ESG focus.
- **GWH** and **OFB**: GWH rents modern and affordable homes to broad segments of the population and complies with high environmental standards in its own housing stock. In developing its real estate projects, OFB considers the objectives of the EU Taxonomy, focusing in particular on the procurement of sustainable materials, protecting biodiversity and ecosystems, minimising harmful environmental impacts caused by emissions, and the circular economy. Smart building management systems, digital planning and modern construction processes are elements of all OFB projects. The investment in othermo and the new GWH Navigator has resulted in products to optimise heat generation and carbon emissions.
- **LBS:** LBS supports home owners through its finance options and is thus contributing to improving the energy efficiency of buildings and to climate protection. It uses the LBS Modernisation Cost Calculator and LBS Energy Savings Check as tools to provide energy advice.

- **WIBank**: At WIBank, sustainability issues such as energy efficiency, environmental protection, the preservation of resources and the sustainable social and economic development of the State of Hesse are key aspects of the funding programme. WIBank is providing subordinated loans to finance the transformation of municipally owned companies in Hesse by 2028.

4.4 Sustainable Finance Advisory

Sustainable finance has become an important competitive factor for banks. A growing number of customers are recognising the importance of sustainability to their financing and view their core banks as important partners in this regard. At the same time, financing products with an explicit reference to sustainability strategy – whether through the specific use of funds or an interest rate linked to sustainability indicators – are now firm features of the market. Against this backdrop, Helaba has established a Sustainable Finance Advisory. The team operates flexibly and serves all customer groups although its main focus is on corporate clients as well as on syndicated loan financing and promissory notes. Especially in the case of SMEs and unlisted companies, this focus makes it possible to intensify customer relationships by providing appropriate advisory services and to leverage additional earnings potential.

5 ESG in risik management

5.1 Including ESG factors in the overall risk strategy

The sustainability strategy is an integral part of the business and risk strategy. In the context of risk management, Helaba defines ESG factors[1] as events or conditions in the environment, social or corporate governance areas, the occurrence of which may have a negative impact on the Bank's net assets (including capital), financial position, results of operations or liquidity position, in addition to the sustainability objectives described in section 2 ESG factors can therefore act as potential risk drivers for all existing risk types and are not considered a separate risk type. ESG factors must therefore be taken into account within the context of the risk management processes for the identified risk types. The extent of the necessary risk management and monitoring measures is aligned with the relevance of the ESG factors to the individual risk types.

5.2 Sustainability review as part of the lending process

Helaba can influence the environment and society via the loans it grants. The Bank takes this responsibility very seriously and seeks to minimise the sustainability risks associated with its funding activities, including the transition and physical risks caused by climate change (inside-out perspective). As part of its customer assessment, Helaba also systematically reviews the ESG factors in the risks emanating from its customers and their business models (outside-in perspective). In particular, the focus is on the potential effects of environmental factors and climate change on the borrower's repayment capacity, taking account of any risk-mitigating measures taken by the borrower.

In addition, Helaba has developed sustainability criteria and exclusion conditions for granting loans. These apply across the Group and are updated annually. The exclusion criteria integrated into the risk strategy provide Helaba with an effective tool for preventing risks relating to ESG factors in new business. The filter for these risks is therefore already tightly meshed on a qualitative basis and

[1] Helaba uses the terms "ESG risks" or "sustainability risks" in various regulatory publications to refer to ESG factors which can act as risk drivers to impact Helaba's existing material risk types.

implemented as a mandatory part of the standard risk management process.

In addition, a dedicated ESG analysis will be conducted for new transactions which, alongside conformity with the Sustainable Lending Framework, covers aspects such as ESG scoring and the TRA of the affected customers.

When financing the construction and renovation of power plants, the Bank strongly promotes the use of particularly environmentally friendly technologies and products to support the switch to renewable energy sources. In addition, Helaba excludes certain controversial business areas from its operations altogether. These include investment products based on agricultural commodities, transactions that involve speculating on agricultural commodities and financing the manufacture and trading of controversial types of weapon.

6 Corporate Citizenship

As a corporate citizen, Helaba is committed to exerting a positive influence on society that goes beyond its traditional business operations. The Bank's corporate citizenship concept fosters social outreach at the institutional level and on the basis of individual employee activities – both internal and external.

All corporate citizenship activities contribute to improving the quality of life in the regions where Helaba operates. In addition, social outreach is reflected in the Bank's ESG targets 3) We promote diversity and 4) We invest in our employees and society.

6.1 Diversity management:

Diversity management is aimed at fostering diversity in the workforce and leveraging the available potential to make the Bank more inclusive and innovative. One tool is the Bank's life-stage model with offerings that address employees equally at different phases of their professional and private lives. Thanks to its long-term approach, it provides sustainable support to human resources activities and delivers added value for employees of all ages.

Offerings include various mentoring programmes including Group-wide cross-mentoring, the Nauta programme for high-potential employees, the Lead-Up Lounge for developing managers to head departments, the Stay-in-Touch programme for employees during parental leave, child care at various locations and part-time working in management roles. As an advisor to the divisions, Human Resources Development supports the creation of suitable actions to increase the number of women in management positions. In addition, Helaba seeks to achieve a balance in its development programmes and succession planning.

As a signatory to the Diversity Charter, the Bank has committed to ensuring a non-discriminatory working environment. The Diversity Policy and the guideline on gender-neutral language foster respect and equality. By actively supporting a large number of diversity networks and knowledge communities and conducting regular campaigns on diversity, Helaba demonstrates the priority it gives to diverse perspectives.

6.2 Well-being

Occupational health management is built on a holistic approach by Helaba that aims to foster good awareness of physical and mental health and well-being. Helaba has created a framework that offers its employees an optimal working environment to ensure their safety and health. The Helaba VITAL health programme is another element alongside occupational safety, providing regular presentations and workshops for all employees on topics such as mental balance, nutrition and exercise, which are relevant to health and well-being.

Helaba employees can obtain information on health topics from the VITAL platform, receive support from the Employee Assistance Programme when they face challenges in their professional or private lives and participate in a company sports programme to strengthen team spirit and the working climate.

6.3 Inclusion

Helaba considers it an obligation to offer disabled people better working and career opportunities. By way of the current inclusion agreement between the body representing disabled employees, the General Human Resources Council and the Executive Board, Helaba supports a diverse world of work and ensures that all employees – but especially those with managerial responsibility – are aware of the needs of disabled people in all work processes. The inclusion agreement is simultaneously a target agreement and is intended to foster the participation of disabled people in working life at Helaba.

6.4 Corporate giving

Helaba considers it a key task to support society and social activities, the arts and culture, sport, education, science and business. The Bank engages in these areas in many ways through donations and sponsorships, both in its home states of Hesse and Thuringia and in the states of North Rhine-Westphalia and Brandenburg, where it serves as the central bank for the Sparkassen.

Also for some years, the Bank has been fostering a great many cultural projects with a major impact on the region’s identity and supporting museums. It likewise sponsors exhibitions, cultural prizes and festivals. Moreover, Helaba supports Hesse’s professional and amateur sports foundation and sponsors individual youth sports clubs and sporting events.

6.5 Social volunteering

The Bank supports its employees’ commitment to ecological and social projects by giving all employees the opportunity to take two days of paid leave per year for this purpose. Helaba aims to work with its employees to expand the Group’s social volunteering activities to at least 1,000 days per year. This is anchored in Helaba’s ESG targets.

6.6 Training and professional development

The Bank’s employees are its largest success factor and crucial to the future of Helaba. To help employees remain efficient and motivated, the Bank facilitates two days of training and professional development each year. A large number of training courses are offered on various topics and in a range of formats.

6.7 Employee benefits

The Bank has implemented measures to encourage employees, increase their motivation and appropriately reward outstanding performance. Since May 2023, employees in Germany have received a monthly sustainability allowance for flexible use. In addition, an inflation compensation allowance exempt from tax and social security contributions was paid out by the end of 2024. Eligible employees are able to obtain a bicycle via the Helaba JobRad programme. Mobile working from abroad is permitted for up to 20 days and meal vouchers were introduced as a way of rapidly rewarding special performance.

6.8 Art collection

As a public law organisation, Helaba considers it important to support young artists. As part of the Bank's corporate culture, the Helaba art collection has fulfilled important functions since it was established in 1996. It fosters debate and dialogue, confronts the public with varied exhibitions and ideas and promotes innovative capability. Today, the art collection encompasses 1,500 works by some 350 artists. Almost all the collection's works are exhibited permanently in the Bank's business premises in Germany and abroad, enabling direct encounters with modern and contemporary art.

6.9 Memberships and initiatives

Market initiatives	Sustainability initiatives	Industry initiatives
Advisory Council for the Reform of Housing Finance of the Ukrainian Ministry of Economics (2025) ECBC (European Covered Bond Council) ECORE – ESG Circle of Real Estate (2021) ICMA (International Capital Markets Association) (2020) Energy efficient Mortgages Action Plan (2020) IMPACT on sustainable aviation (2022) Principles for Responsible Investments (Helaba Invest 2018, Frankfurter Bankgesellschaft 2020) UN Principles for Responsible Banking (2022)	Diversity Charter (2011) CDP (investor signatory) (Helaba Invest) GreenTech Hub Allianz pro Schiene e.V. (2024)	German Investment Funds Association (Bundesverband Investment und Asset Management – BVI) (Helaba Invest, 2021) CARMA Fund I Capital GmbH & Co KG (WI-Bank) Green & Sustainable Finance Cluster (Helaba and WIBank, 2018) GreenTech Accelerator "ryon" (WIBank, 2023) TechQuartier (Helaba and WIBank, 2016) Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. (2011)

7 Governance

The Executive Board has overall responsibility for sustainability at Helaba. It is supported in this and other matters by Sustainability Management, which is part of Group Steering. To underscore the importance of sustainability in the development of the Helaba Group, the position of Chief Sustainability Officer (CSO) was created in 2020. The Board of Directors is consulted and informed at least once per quarter. In the future, its knowledge of sustainability will be strengthened via a range of formats.

In addition, the Helaba Regulatory Group established an extensive sustainability governance model in 2023. This model includes committees at various levels and plays a key role for the Helaba Regulatory Group. It fosters close and structured collaboration in the Group-wide implementation of the ESG strategy and sustainability topics. In addition to ESG risk issues, which are addressed primarily by the Risk Committee, the Sustainability Board is a committee of the Board of Directors that concerns itself with the Bank-wide management of target attainment on the basis of ESG KPIs, the continuous development of the Helaba Regulatory Group's ESG profile and the monitoring of the implementation of strategic sustainability issues such as decarbonisation, the Sustainable Finance Framework, the transition plan and the ESG management framework.

At the divisional management level, the Sustainability Steering Committee serves as the body for discussing overarching ESG topics within Helaba Bank, including WIBank and LBS. The goal of the Steering Committee is to ensure Bank-wide coherence on sustainability issues. At Group management level, the Group Sustainability Roundtable (GSRT) fosters Group-wide uniformity. The Group Sustainability Committee consolidates the operational and project level in respect of Group ESG activities. It is flanked by regular stakeholder meetings with Helaba's divisional sustainability managers. A Green Bond Committee is also in place to ensure compliance with the green bond process, including the evaluation and selection of permissible loans, and to coordinate the proper execution and development of the Green Bond Framework in accordance with the ICMA Green Bond Principles.

7.1 German Act on Corporate Due Diligence in Supply Chains

The German Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz – LkSG) came into force on 1 January 2023. For the first time, the law regulates corporate responsibility for respecting human rights in global supply chains by implementing defined due diligence obligations. With the amendment of this law in September 2025, it is likely that the reporting obligation will no longer be mandatory.

7.2 Sustainability reporting

In its Code of Conduct, Helaba has committed itself to an open and transparent communications policy. The central medium for communicating information of relevance to sustainability is the sustainability section of Helaba's website, which has included specific ESG information for analysts since 2022. All data and information of relevance to HR issues as well as to consumption and emissions are recorded, evaluated and published centrally. Helaba makes key elements of its environmental profile transparent by calculating and publishing environmental indicators.

As part of its annual reporting, Helaba publishes a sustainability report within the management report, together with an audit opinion issued by the independent auditor. This sustainability report is in accordance with the European Reporting Standards (ESRS) that are part of the EU Corporate Sustainability Reporting Directive (CSRD). Moreover, as a signatory to the UN Global Compact and the Principles for Responsible Banking, Helaba also publishes an annual progress report.

7.3 Rating

The Helaba Group is regularly assessed by sustainability rating agencies. MSCI, Sustainalytics and ISS ESG, the sustainability rating agencies considered to be of relevance to Helaba, have given the Helaba Group a stable rating in the upper average range for the global industry and the upper midrange for the relevant peer group. The findings of the sustainability rating agencies are published on Helaba's website. Helaba aims for a stable good ESG rating compared with its German peer group.

Helaba

Neue Mainzer Straße 52 – 58
60311 Frankfurt am Main
T +49 69 / 91 32-01
F +49 69 / 29 15 17

Bonifaciusstraße 16
99084 Erfurt
T +49 3 61 / 2 17-71 00
F +49 3 61 / 2 17-71 01

www.helaba.com