SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Bond Framework

Landesbank Hessen-Thueringen Girozentrale
30 April 2021

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	• Green Bonds
Relevant standards	• International Capital Market Associated (ICMA) Green Bond Principles, Draft Model of EU Green Bond Standard and associated Technical Annex (March 2020) and Draft Delegated Act (November 2020)
Scope of verification	• Landesbank Hessen-Thueringen Girozentrale Green Bond Framework (as of February 2021)
Lifecycle	• Pre-issuance verification
Validity	• As long as the Green Bond Framework remains unchanged

CONTENTS

Scope of work

Landesbank Hessen-Thueringen Girozentrale ("Helaba" or "the issuer") commissioned ISS ESG to assist with its Green Bonds by assessing three core elements to determine the sustainability quality of the instrument:

1. Green Bond's link to Helaba's sustainability strategy – drawing on Helaba's overall sustainability profile and issuance-specific Use of Proceeds categories.
2. Helaba's Green Bond Framework (February 2021 version) – benchmarked against the International Capital Market Association's (ICMA) Green Bond Principles (GBPs), as well as on a best effort basis against the Draft Model of the EU Green Bond Standard[1] (EU GBS).
3. The eligible project categories – whether the projects contribute positively to the UN SDGs and align with the Technical Expert Group Final Report on EU Taxonomy and associated Technical Annex[2] (EU Taxonomy – Delegated Acts 2020) on a best effort basis.

[1] Usability Guide EU Green Bond Standard (March 2020): https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/200309-sustainable-financeteggreen-bond-standard-usability-guide_en.pdf
[2] Delegated Acts: Technical Annex https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12302-Climate-change-mitigation-and-adaptation-taxonomy#ISC_WORKFLOW
ISS ESG reviewed the alignment of the due diligence processes of Helaba for each project category to be (re-)financed under this instrument against the Draft Delegated Act (November 2020) version of the Taxonomy Report.
The EU Commission released a Draft Delegated Act on the EU Taxonomy in November 2020, and the adoption by the Commission is as of now pending. The first company report and investor disclosures using the EU Taxonomy are due at the start of 2022, covering the financial year 2021. Thus, as of the date of publication of this SPO report, it is not possible to conclude to any definite alignment with the EU Taxonomy, which is not yet finalized and implemented, and the Draft Delegated Acts 2020 version of the Technical Annex was used as reference point.

ISS ESG ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION[3]
Part 1: **Green Bond link to issuer's sustainability strategy**	According to the ISS ESG Corporate Rating published on 23.02.2021, the issuer shows a high sustainability performance against the industry peer group on key ESG issues faced by the Regional and Public Banks sector. The issuer is rated 9th out of 277 companies within its sector. The Use of Proceeds financed through this bond are consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing green bonds is clearly described by the issuer.	**Consistent with issuer's sustainability strategy**
Part 2: **Alignment with GBPs and EU GBS**	The issuer has defined a formal concept for its Green Bond regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the Green Bond Principles and in line with the Draft Model of EU Green Bond Standard on a best effort basis.	**Positive**
Part 3: **Sustainability quality of the eligible project categories**	The Green Bond will (re-)finance eligible projects under the category Renewable Energy, which entails Solar PV and Wind power projects. Those use of proceeds categories have a significant contribution to SDGs 7 'Affordable and clean energy' and 13 'Climate action'. ISS ESG assessed the alignment of Helaba's due diligence processes against the requirements of the EU Taxonomy (Draft Delegated Act version of November 2020), on a best effort basis. Based on robust processes for selection, the green eligible projects are considered to be aligned with the EU Taxonomy and the relevant activity-specific Technical Screening Criteria, Do No Significant Harm Criteria and Minimum Social Safeguards.	**Positive**

[3] ISS ESG's evaluation is based on Helaba's Green Bond Framework (February 2021 version) and on the ISS ESG Corporate Rating applicable at the SPO delivery date (updated on the 26.02.2021).

ISS ESG SPO ASSESSMENT

PART I: GREEN BOND LINK TO HELABA'S SUSTAINABILITY STRATEGY

A. ASSESSMENT OF HELABA'S ESG PERFORMANCE

The ISS ESG Corporate Rating provides material and forward-looking environmental, social and governance (ESG) data and performance assessments.

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

This means that the company currently shows a high sustainability performance against peers on key ESG issues faced by the Public and Regional Banks sector and obtains a Decile Rank relative to industry group of 1, given that a decile rank of 1 indicates highest relative ESG performance out of 10.

ESG performance

As of March 2021, this Rating places Helaba 9th out of 277 companies rated by ISS ESG in the Public and Regional Banks sector.

Key challenges faced by companies in terms of sustainability management in this sector are displayed in the chart on the right, as well as the issuer's performance against those key challenges in comparison to the average industry peers' performance.

Sustainability Opportunities

For financial companies, the main opportunities are the provision of financial services with social and environmental benefits as well as the provision of equal access to financial products and services. With regard to the latter, Helaba has taken some steps such as the offering of a basic banking account as well as specific banking services for clients with disabilities. Moreover, the company and its business unit WI-Bank provide a wide range of social financial services, including financing for social housing programmes or community lending (e.g. financing of hospitals and educational initiatives). The company also provides green loan programmes, including financing for renewable energy and energy-efficiency technology as well as some socially responsible investment products. Furthermore, the group is involved in real estate management activities through several subsidiaries. In its portfolio, Helaba has affordable housing projects, social housing projects as well as projects in structurally weak regions. It further manages buildings certified to a sustainable building standard. Yet, it was assumed that those projects are still negligible compared to the total building portfolio. In addition, the aforementioned banking products and services do not constitute the main business model of the company.

Sustainability Risks

Due to its business model, Helaba faces mainly sustainability risks in its core banking business as well as with regard to its real estate activities. Concerning the management of risks in its core banking business, the company has set up sustainable lending guidelines addressing some relevant aspects such as human and labour rights, and environmental protection. Additionally, banned or controversial weapons are excluded from lending and investment activities and the company has lending guidelines for specific sectors with higher sustainability risks in place. Regarding its asset management business, Helaba has taken first steps to integrate sustainability aspects into its mainstream asset management starting with mutual funds and considers some relevant exclusion criteria in its own investment activities. The company has further taken some measures to ensure responsible marketing and tax compliance by clients. With regard to employee-related issues, the company has comprehensive policies and measures in place, while a reasonable strategy addressing climate-related issues seems to be lacking. To reduce risks related to its real estate business, the company has a commitment to consider socio-demographic developments in building design or measures to reduce greenhouse gas emissions by applying energy-efficient technologies. A strategy to comprehensively manage aspects such as sustainable building materials or tenant health and safety seems to be missing. As concerns business ethics, the company has established a group-wide code of conduct addressing various relevant compliance issues such as corruption, insider dealings, and conflicts of interest. Some important compliance measures such as reporting channels and compliance audits are implemented.

Governance opinion

With regard to the governance structure, the independence of the company's chairman, Mr. Gerhard Grandke (as at January 2021) is limited since he is the president of the major shareholder Sparkassen- und Giroverband Hessen-Thüringen at the same time. However, the majority of board members are independent (as at January 2021) and the board has set up committees in charge of audit, remuneration and nomination, which are also composed of a majority of independent members (as at January 2021). The company discloses its remuneration policy for executives, including long-term incentive components, which could incentives sustainable value creation.

Regarding the company's governance of sustainability, there is no evidence of a comparable committee tasked with the supervision of sustainability issues. In terms of remuneration, it remains unclear whether ESG targets are also included in the executive remuneration scheme. As concerns business ethics, the company has established a group-wide code of conduct addressing various relevant compliance issues such as corruption, insider dealings, and conflicts of interest. Some important compliance measures such as reporting channels and compliance audits are implemented. However, other steps such as a clear commitment to protect whistleblowers are lacking.

Sustainability impact of products and services portfolio

Using a proprietary methodology, ISS ESG assessed the contribution of Helaba's current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs). This analysis is limited to the evaluation of final product characteristics and does not include practices along Helaba's production process.

PRODUCT/SERVICES PORTFOLIO	ASSOCIATED PERCENTAGE OF REVENUE	DIRECTION OF IMPACT	UN SDGS
Renewable energy loans	1%	CONTRIBUTION	
Others	N/A	NO NET IMPACT	N/A

Breaches of international norms and ESG controversies

The company is not facing any controversy.

B. CONSISTENCY OF GREEN BOND WITH HELABA'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the issuer

Helaba's commitment to sustainability is set out in the Treaty of the Formation of a Joint Savings Banks Association Hesse-Thuringia, which requires it to operate in the public interest. Helaba aims to minimize any negative effects on sustainability aspects arising from financing activities, including transitional and physical risks resulting from climate change.

Sustainability in the sense of ecological and social responsibility and a stringent governance are a component of the Group's business strategy. Helaba pledges its commitment to the objectives of the Paris Agreement and the climate objectives of the German federal government and the European Union. Helaba also signed the ten principles of the UN Global Compact, through which it recognized international standards for environmental protection, human, labor rights and anti-corruption measures. At both national and international levels, Helaba applies the Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work issued by the International Labour Organization (ILO) as overarching principles for all its business activities and within its sphere of influence. Helaba's sustainability strategy contains sustainability guidelines applicable for the Group, which acknowledge Helaba's environmental and social responsibilities, and lay down standards of conduct in the areas of business interests, business operations, staff and corporate social responsibility.

Helaba has summarized the key pillars of its sustainability strategy into the following commitments:

1. Customer service and product quality: Systematic expansion of portfolio of sustainable financial solutions to support clients in their transition to a more sustainable future
2. Common good and protection of nature: Committed to the goals of the Paris Agreement and support the climate goals of the Federal Republic of Germany and the European Union
3. Society: Support sustainable action in social, scientific, cultural and sporting spheres
4. Corporate Social Responsibility: Corporate culture characterized by transparent communication, fairness, reliability and respect.

Rationale for issuance

Lending business is Helaba's core activity. As part of its risk management system, Helaba aims at minimizing environmental, social and governance (ESG) risks, including the transitional and physical risks caused by climate change that may arise from its financing activities. In 2017, Helaba therefore developed sustainability and exclusion criteria for all of its lending activities. These criteria are integrated into the overarching risk management processes and apply throughout the Group.

In order to support its sustainability strategy and the financing of projects and assets contributing to climate change mitigation and energy transition, Helaba has decided to issue Green Bonds.

Helaba reflected market best Green Bond practices and related regulations foremost the EU GBS and EU Taxonomy Directive in its Green Bond Framework. Funds raised by issuance of Green Bonds in line with the Helaba Green Bond Framework will be used to fund projects and assets that comply with the European taxonomy for sustainable finance as currently proposed by the TEG, and focus on renewable energy thereby contributing substantially to the EU Environmental Objective of climate change mitigation and to the United Nations Sustainable Development Goal 7 "Affordable and clean energy".

Contribution of Use of Proceeds categories to sustainability objectives and priorities

ISS ESG mapped the Use of Proceeds categories financed under this Green Bond Framework with the sustainability objectives defined by the issuer, and with the key ESG industry challenges as defined in the ISS ESG Corporate Rating methodology for the Regional and Public Banks sector. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g. climate change and energy efficiency in the buildings sector. From this mapping, ISS ESG derived a level of contribution to the strategy of each Use of Proceeds categories.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
Renewable Energy (Solar PV and Wind Power)	✓	✓	Contribution to a material objective

Opinion: *ISS ESG finds that the Use of Proceeds financed through this bond are consistent with the issuer's sustainability strategy and material ESG topics for the issuer's industry. The rationale for issuing green bonds is clearly described by the issuer.*

PART II: ALIGNMENT WITH THE GREEN BOND PRINCIPLES

1. Strategy and rationale (EU GBS)

Helaba has decided to issue Green Bonds in order to support its sustainability strategy and the financing of projects and assets contributing to climate change mitigation and energy transition. Helaba reflected market best Green Bond practices and related regulations foremost the EU GBS and EU Taxonomy Directive in its Green Bond Framework. Funds raised by issuance of Green Bonds in line with the Helaba Green Bond Framework will be used to fund projects and assets that comply with the European taxonomy for sustainable finance as currently proposed by the TEG, and focus on renewable energy thereby contributing substantially to the EU Environmental Objective of climate change mitigation and to the United Nations Sustainable Development Goal 7 "Affordable and clean energy".

Further information on Helaba's sustainability strategy and rationale for Green Bonds issuances can be found in Helaba's Green Bond Framework.

Opinion: *ISS ESG considers the Strategy and Rationale description provided by Helaba's Green Financing Framework as aligned with the draft model of the EU Green Bond Standard. The bonds' environmental objectives appropriately link to the issuer's strategy with the environmental objectives defined in the EU Taxonomy. The rationale for issuing green bonds is clearly stated and aligns with the sustainability objectives and targets the company set itself. Further, Helaba is a signatory of the UN Global Compact and supports the principles.*

2. Green Projects (EU GBS) – Use of Proceeds (GBPs)

Helaba will allocate the amount corresponding to the net proceeds of the Green Bonds issued under the Helaba Green Bond Framework exclusively to an Eligible Green Loan Portfolio. This portfolio is composed of new and/or existing loans ("Eligible Green Loans") financing or refinancing, in whole or in part, the acquisition, production, transmission, expansion or development of projects ("Eligible Green Projects") which supports the transition to a clean and environmentally sustainable economy.

In order to be eligible for inclusion into the Green Portfolio, the loan must be granted to renewable energy projects (NACE code D35.1.1) that meet the specific eligibility criteria and contribute to the EU Environmental Objective of Climate Change Mitigation.

The table below outlines the eligibility criteria and corresponding eligibility requirements under the EU Taxonomy for projects to be considered as Eligible Green Projects. The table also maps the Eligible Categories to the relevant SDGs.

Eligible Green Projects are all subject to local laws and regulations regarding labour standards and social conditions. Helaba is active in countries that have adopted the UN Guiding Principles on Business and Human Rights and have ratified all ILO core labor conventions."

The selection criteria are in accordance with conditions as outlined in this section and might be extended by the currently still evolving criteria around the do-no-significant-harm assessment as proposed through the EU Taxonomy directive in the future.

Eligible category	Eligibility criteria
Renewable Energy	Loans in projects related to renewable energy projects, including but not limited to the following technologies: ▪ Wind energy: Onshore and offshore wind energy generation facilities ▪ Solar energy: Solar energy Photovoltaics, concentrated solar power, and solar thermal facilities **Eligibility requirements under the EU Taxonomy to be considered**: ▪ **Substantial Contribution to Climate mitigation objective** to ensure alignment with focused environmental objective ▪ **Compliance with "do-no significant harm criteria**" to ensure alignment with other environmental objectives" ▪ **Compliance with Minimum Social Safeguard** requirements to ensure sound labour standards and respect for human rights

Opinion: *ISS ESG finds that the Green Projects description proposed by Helaba's Green Financing Framework aligns with the draft model of the EU GBS. Green Projects are defined in line with the EU Taxonomy activities, and the selection criteria clearly align with EU Taxonomy Technical Screening Criteria, Do No Significant Harm Criteria and Minimum Social Safeguards requirements. The issuer links the eligible green project category directly to the EU Taxonomy Environmental Objectives. Moreover, ISS ESG finds that the Use of Proceeds description provided by Helaba aligns with the Green Bond Principles.*

3. Process for Selection of Green Projects (EU GBS) - Process for Project Evaluation and Selection (GBPs)

All Eligible Green Loans comply with Helaba's standard credit procedures, which include compliance with the Helaba sustainability criteria for lending activities and as well as compliance to any applicable regulatory environmental and social requirements.

Helaba has established a dedicated "Green Bond Committee" to manage and monitor the Process for Project Evaluation and Selection as defined by the eligibility criteria in the above section. This committee meets at least on a quarterly basis and is composed of the Chief Sustainability Officer (CSO) of Helaba and senior representatives from Helaba's:

- Asset Finance
- Credit Risk Management
- Group Strategy (Chief Sustainability Officer)
- Treasury

The Green Bond Committee is responsible for the following:

1. Review and validation of the selection process of Eligible Green Loans in accordance with the eligibility criteria
2. Monitoring the portfolio of Eligible Green Loans ("Green Loan Portfolio") during the life of the transaction.
3. Management of any future updates of the Helaba Green Bond Framework.
4. Coordination of allocation and impact reporting

The Process for Project Evaluation and Selection process is the following:

1. The relevant business lines of Helaba carry out a pre-selection of potential Eligible Green Loans in accordance with the eligibility criteria. This pre-selection comprises a pre-screening of the potential green loans for meeting the eligibility category and a check for alignment with the EU Taxonomy.

2. The potential Eligible Green Loans are reviewed and validated by credit risk management as part of the standard loan granting process.

3. The Green Bond Committee monitors the portfolio of Eligible Green Loans ("the Green Portfolio") during the life of the transaction. Specifically, the committee can decide to replace some Eligible Green Loans if an asset no longer meets the eligibility criteria. The Green Bond Committee monitors and refines the selection process of eligible green loans on a regular basis.

A reputable verifier is mandated to evaluate on an annual basis the compliance of the Green Loan Portfolio with the requirements set by the Helaba Green Bond Framework. Any issue regarding one or multiple green loans in the portfolio raised by the verifier in this process can lead to the exclusion of the respective loan(s), following the exclusion process through the Green Bond Committee.

Opinion: *ISS ESG considers the Process for Project Evaluation and Selection description provided by Helaba's Green Financing Framework as aligned with the Green Bond Principles and the draft model of the EU Green Bond Standard. The issuer shows substantial contribution of the green eligible category to a selected environmental objective, selection criteria in line with the Technical Screening Criteria, alignment with the Do No Significant Harm criteria, and a process at a corporate level that aligns with Minimum Social Safeguards. Moreover, the Green Bond Committee will be comprised of various stakeholders and responsibilities are clearly defined.*

4. Management of Use-of-Proceeds (EU GBS) – Management of Proceeds (GBPs)

The net proceeds of any Green Bond issued under the Helaba Green Bond Framework as well as the allocation of the funds to the Green Loan Portfolio will be managed by Helaba's Treasury division.

The Eligible Green Loans comprising the Green Loan Portfolio stem from the Eligible Categories and are subject to the loan evaluation and selection process. An amount corresponding to the net proceeds of any Green Bond issued by Helaba under the Framework, irrespective of the legal form of the instrument, will be used to finance Helaba's Eligible Green Loans. The Green Loan Portfolio is expected to grow in size over time as further sectors are added to the Framework.

Helaba commits to allocate a sufficient amount of Eligible Green Loans to the Green Loan Portfolio in order to secure that the outstanding balance of Eligible Green Loans exceeds the total balance of all outstanding Green Bonds. In practice, this implies that amortised or redeemed Eligible Green Loans are replaced by new Eligible Green Loans as timely as practically possible.

If an Eligible Green Loan no longer meets the eligibility criteria, it will be removed from the Green Loan Portfolio and it will be as soon as possible replaced, subject to availability.

All new Eligible Green Loans will be added automatically to the Green Loan Portfolio to provide for sufficient and timely allocation of the incremental net proceeds. Helaba commits on a best efforts basis to reach full allocation within one year following each Green Bond issuance.

Based on the internal monitoring of the Green Loan Portfolio, the Green Bond Committee will review and approve allocations of bond proceeds to Eligible Green Loans on a quarterly basis. In order to provide high level of transparency a third party will verify the internal tracking and allocation process of the Green Bond's proceeds on an annual basis.

Opinion: *ISS ESG finds that Management of (Use-of-) Proceeds proposed by Helaba's Green Bond Framework is well aligned with the Green Bond Principles, as well as the draft model of the EU Green Bond Standard. Proceeds are appropriately tracked and allocated. Furthermore, Helaba defined an expected allocation period of one year for the proceeds of its Green Bonds.*

5. Reporting (EU GBS and GBPs)

As long as there is any Green Bond issued in line with the Helaba Green Bond Framework outstanding, Helaba is committed to publish relevant information and documents regarding its Green Bond activities in a dedicated Green Bond Report, which will be made available in the investor relations section on Helaba's website (www.helaba.com/int/investors).

The Green Bond Report details both the allocation of the net proceeds of the Green Bonds (Allocation Reporting) and the environmental impact of the Eligible Green Loans included in the Green Loan Portfolio (Impact Reporting). The report will be available to investors within one year from the date of the bond issuance, and thereafter on an annual basis until the bond matures.

Moreover, Helaba shall communicate any material evolution of the Green Loan Portfolio on an ad-hoc basis.

Contents of the Green Bond Report will be externally reviewed once the bonds proceeds are fully allocated to Eligible Green Loans and will be made available in the investor relations section on Helaba's website (www.helaba.com/int/investors).

Allocation Reporting

Helaba will publish an annual report on the use of the Green Bonds' proceeds until maturity. The reporting will contain details including but not limited to the following:

- Confirmation that the use of proceeds of Green Bonds outstanding are in alignment with the eligibility criteria set by the Helaba Green Bond Framework and thereby also with the EU GBS and EU Taxonomy Directive
- The total amount of outstanding Green Bonds and the share of proceeds used for financing or re-financing purposes

- The potential balance of unallocated Green Bond proceeds
- A breakdown of allocated amounts to Green Projects at level of Eligible Category (further breakdowns possible)
- The geographical distribution of Green Projects on country level

Impact Reporting

Renewable-energy projects represent a key element for the transition to a low-carbon economy. The construction and operation of solar and wind power plants, eligible under the Green Bond Framework, positively contribute to the environmental goal of climate change mitigation.

Until the bond matures, Helaba commits to publish an annual report that demonstrates the environmental benefits associated with the Green Loans Portfolio

Subject to feasibility and data availability, this impact report will contain the following information:

- A description of the Green Projects financed by the outstanding Green Bonds including the Environmental Objective(s) pursued
- Eligibility Category aggregated results and related environmental impact indicators (such as CO2 emissions avoided, renewable energy capacity in MW added)

An exemplary selection of potential impact indicators for the respective Eligible Category to be financed is provided by the table below. In case other Eligible Categories will be added in the future, the Helaba Green Bond Framework update would also include the addition of the respective impact reporting indicators for those categories.

Eligible Category	Output indicators	Impact indicators
Renewable energy	▪ Green Loan Portfolio breakdown by technologies (%) ▪ Green Loan Portfolio breakdown by geographical areas (%) ▪ Expected total energy generation (MWh/year) ▪ Number of renewable energy projects financed	Estimated annual avoided GHG emissions (in tCO_2e/year)

Opinion: *ISS ESG finds that the reporting proposed by Helaba's Green Bond Framework is aligned with the Green Bond Principles, as well as partially aligned with the draft model of the EU Green Bond Standard. The allocation and impact reports will be appropriately disclosed and publicly available. The allocation and impact report will be published annually until allocation of proceeds, following best market practice. Helaba describes how the impact metrics contribute to the environmental objectives of the bond, and links them to the Do No Significant Harm criteria.*

6. External review (EU GBS)

Second Party Opinion

This Helaba Green Bond Framework has been reviewed by ISS ESG prior to issuance of the first Green Bond referring to it. The Second Party Opinion document will be made available in the investor relations section on Helaba's website (www.helaba.com/int/investors).

External Verification

In order to ensure sustained compliance of all issued bonds with the methodology set out by the Helaba Green Bond Framework, Helaba will appoint ISS ESG as an external annual verifier. The external verification will be included into the dedicated Green Bond Report.

Opinion: *ISS ESG finds that the external review proposed by Helaba's Green Bond Framework is aligned with the draft model of the EU Green Bond Standard. Helaba's Green Bond Framework is subject to pre- and post-issuance verification.*

PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE

A. CONTRIBUTION OF THE GREEN BOND TO THE UN SDGs

Based on the assessment of the sustainability quality of the Green Bond Framework and using a proprietary methodology, ISS ESG assessed the contribution of Helaba's Green Bond asset pool to the Sustainable Development Goals defined by the United Nations (UN SDGs).

This assessment is displayed on 5-point scale (see Annex 2 for methodology):

Significant Obstruction	**Limited Obstruction**	**No Net Impact**	**Limited Contribution**	**Significant Contribution**

Each of the Green Bond's Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Solar PV	**Significant contribution**	
Wind Power	**Significant contribution**	

B. ALIGNMENT OF THE ASSET POOL WITH THE EU TAXONOMY

B.1 Production of Electricity from Solar PV (4.1.)

ISS ESG assessed the alignment of the Green Projects included in the Green Bond asset pool and the due diligence and selection processes in place with the EU Taxonomy. Green Projects are located predominantly in Europe and North America. The results of this assessment are displayed below:

EU TAXONOMY REQUIREMENT	GREEN PROJECTS OWN PERFORMANCE AND SELECTION PROCESSES	ISS ESG ANALYSIS AGAINST REQUIREMENTS
1. CLIMATE CHANGE MITIGATION – *TECHNICAL SCREENING CRITERIA*		
Facilities operating at life cycle emissions lower than $100gCO_2e/kWh$, declining to net-$0gCO_2e/kWh$ by 2050, are eligible.	Solar PV activities are currently deemed to be taxonomy eligible.	✓
2. CLIMATE CHANGE ADAPTATION – *DO NO SIGNIFICANT HARM CRITERIA*		
Reducing material physical climate risks	The processes for selection of Green Projects are aligned with European and American legislation requiring an Environmental Impact Assessment at the planning stage. Thus, environmental risk assessment is conducted at the planning stage and relevant measures are applied to reduce identified risks.	✓
Supporting system adaptation	The Green Projects do not increase the risks of adverse climate impact on other stakeholders and align with national and international adaptation efforts.	✓
Monitoring adaptation results	Adaptation results can be monitored and measured against defined indicators and are reviewed by the issuer.	✓
3. WATER – *DO NO SIGNIFICANT HARM CRITERIA*		
Not applicable		-
4. CIRCULAR ECONOMY – *DO NO SIGNIFICANT HARM CRITERIA*		
High durability, easy dismantling, refurbishment, and recycling ensured by PV panels design and manufacture	As part of the due diligence process, it is verified whether the equipment meets the necessary contractual and regulatory requirements based on Lenders' Technical Advisors reports. The reports also include relevant information on the dismantling,	✓

	refurbishment, recycling of the equipment and selection criteria for modules regarding high durability.	
Reparability ensured by accessibility and exchangeability of PV panels components.	Based on the Lenders' Technical Advisor reports the O&M concept for the operation phase is reviewed, and includes spare parts management for the projects.	✓
5. POLLUTION – *DO NO SIGNIFICANT HARM CRITERIA*		
Not applicable		-
6. ECOSYSTEMS – *DO NO SIGNIFICANT HARM CRITERIA*		
Environmental Impact Assessment or Strategic Environmental Assessment has been conducted and required mitigation measures implemented.	The Environmental Impact Assessments have been prepared in accordance with environmental laws and regulation of the project countries in order to be granted the necessary permits to build and operate. As part of the due diligence process the status of the EIA process and its findings is reviewed based on Lenders' Legal Advisor/Lenders' Technical Advisor reports in order to verify whether the projects meet the regulatory requirements.	✓
CONTROVERSY ASSESSMENT AND MITIGATION ACTION PLAN		
Helaba has mitigation action plans in place in case of potential controversies that can ultimately lead to the removal of the assets from the Green Bond asset pool.		

B.2 Production of Electricity from Wind Power (4.3.)

ISS ESG assessed the alignment of the Green Projects included in the Green Bond asset pool and the due diligence and selection processes in place with the EU Taxonomy. Green Projects are located predominantly in Europe and North America. The results of this assessment are displayed below:

EU TAXONOMY REQUIREMENT	GREEN PROJECTS OWN PERFORMANCE AND SELECTION PROCESSES	ISS ESG ANALYSIS AGAINST REQUIREMENTS
1. CLIMATE CHANGE MITIGATION – *TECHNICAL SCREENING CRITERIA*		
Facilities operating at life cycle emissions lower than 100gCO_2e/kWh, declining to net-0gCO_2e/kWh by 2050, are eligible.	Wind power activities are currently deemed to be taxonomy eligible.	✓
2. CLIMATE CHANGE ADAPATION – *DO NO SIGNIFICANT HARM CRITERIA*		
Reducing material physical climate risks	The processes for selection of Green Projects are aligned with European legislation requiring an Environmental Impact Assessment at the planning stage. Thus, environmental risk assessment is conducted at the planning stage and relevant measures are applied to reduce identified risks.	✓
Supporting system adaptation	The Green Projects do not increase the risks of adverse climate impact on other stakeholders and align with national and international adaptation efforts.	✓
Monitoring adaptation results	Adaptation results can be monitored and measured against defined indicators and are reviewed by the issuer.	✓
3. WATER – *DO NO SIGNIFICANT HARM CRITERIA*		
Water quality and water consumption	An environmental assessment has been conducted at Green Projects planning stage, including water considerations	✓
Compliance with the EU Water legislation	The Environmental Impact Assessments for Eligible Green Projects in the EU have been prepared in accordance with environmental laws and regulation of the project countries in order to be granted the necessary permits to build and operate. As part of the due diligence process the approval status is reviewed based on Lenders' Legal Advisors/ Lenders' Technical	✓

	Advisors reports in order to verify whether the projects meet the regulatory requirements.	
4. CIRCULAR ECONOMY – *DO NO SIGNIFICANT HARM CRITERIA*		
End-of-life waste management and decommissioning	As part of the due diligence process, the decommissioning to the degree required under regulation of the project countries (or due to contractual obligations as well as the decommissioning reserve to cover the associated costs) are reviewed based on Lenders' Technical Advisor reports. The reports also include relevant information on the dismantling, refurbishment, recycling of the equipment and selection criteria for modules regarding high durability.	✓
5. POLLUTION – *DO NO SIGNIFICANT HARM CRITERIA*		
Not applicable		-
6. ECOSYSTEMS – *DO NO SIGNIFICANT HARM CRITERIA*		
Environmental Impact Assessment or Strategic Environmental Assessment has been conducted and required mitigation measures implemented.	The Environmental Impact Assessments for these Eligible Green Projects have been prepared in accordance with environmental laws and regulation of the project countries in order to be granted the necessary permits to build and operate. As part of the due diligence process the status of the EIA process and its findings is reviewed based on Lenders' Legal Advisor/ Lenders' Technical Advisor reports in order to verify whether the projects meet the regulatory requirements. Within EU Countries it is deemed that they have implemented all relevant EU regulations when conducting EIAs and granting the permits eventually.	✓
CONTROVERSY ASSESSMENT AND MITIGATION ACTION PLAN		
Helaba has mitigation action plans in place in case of potential controversies that can ultimately lead to the removal of the assets from the Green Bond asset pool.		

Minimum Social Safeguards

ISS ESG assessed the alignment of the due diligence and selection processes in place with the EU Taxonomy Minimum Social Safeguards. The results of this assessment are applicable for every green project category financed under this framework and are displayed below:

EU TAXONOMY REQUIREMENT	GREEN PROJECTS OWN PERFORMANCE AND SELECTION PROCESSES	ISS ESG ANALYSIS AGAINST REQUIREMENTS
OECD Guidelines on Multinational Enterprises	Overarching sustainability criteria for Green Projects include compliance with the OECD Guidelines for Multinational Enterprises.	✓
UN Guiding Principles on Business and Human Rights	Eligible Green Projects are all subject to local laws and regulations regarding labour standards and social conditions. Helaba is active in countries that have adopted the UN Guiding Principles on Business and Human Rights and have ratified all ILO core labor conventions.	✓
ILO Core Labor Conventions	Overarching sustainability criteria include compliance with the UN Global Compact principles, Human Rights and ILO labor standards. At both national and international levels, Helaba applies the Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work issued by the International Labour Organization (ILO) as overarching principles for all its business activities and within its sphere of influence.	✓

DISCLAIMER

1. Validity of the SPO: As long as the Green Bond Framework remains unchanged

2. ISS ESG uses a scientifically based rating concept to analyse and evaluate the environmental and social performance of companies and countries. In doing so, we adhere to the highest quality standards which are customary in responsibility research worldwide. In addition, we create a Second Party Opinion (SPO) on bonds based on data from the issuer.
3. We would, however, point out that we do not warrant that the information presented in this SPO is complete, accurate or up to date. Any liability on the part of ISS ESG in connection with the use of these SPO, the information provided in them and the use thereof shall be excluded. In particular, we point out that the verification of the compliance with the se- lection criteria is based solely on random samples and documents submitted by the issuer.
4. All statements of opinion and value judgements given by us do not in any way constitute purchase or investment recommendations. In particular, the SPO is no assessment of the economic profitability and credit worthiness of a bond but refers exclusively to the social and environmental criteria mentioned above.
5. We would point out that this SPO, in particular the images, text and graphics contained therein, and the layout and company logo of ISS ESG and ISS-ESG are protected under copyright and trademark law. Any use thereof shall require the express prior written consent of ISS. Use shall be deemed to refer in particular to the copying or duplication of the SPO wholly or in part, the distribution of the SPO, either free of charge or against payment, or the exploitation of this SPO in any other conceivable manner.

The issuer that is the subject of this report may have purchased self-assessment tools and publications from ISS Corporate Solutions, Inc. ("ICS"), a wholly-owned subsidiary of ISS, or ICS may have provided advisory or analytical services to the issuer. No employee of ICS played a role in the preparation of this report. If you are an ISS institutional client, you may inquire about any issuer's use of products and services from ICS by emailing disclosure@issgovernance.com.

This report has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While ISS exercised due care in compiling this report, it makes no warranty, express or implied, regarding the accuracy, completeness or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. In particular, the research and scores provided are not intended to constitute an offer, solicitation or advice to buy or sell securities nor are they intended to solicit votes or proxies.

ISS is an independent company owned by entities affiliated Genstar Capital ("Genstar"). ISS and Genstar have established policies and procedures to restrict the involvement of Genstar and any of Genstar's employees in the content of ISS' reports. Neither Genstar nor their employees are informed of the contents of any of ISS' analyses or reports prior to their publication or dissemination. The issuer that is the subject of this report may be a client of ISS or ICS, or the parent of, or affiliated with, a client of ISS or ICS.

ANNEX 1: Methodology

Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, ISS ESG identifies the extent to which Helaba's Green Bond contributes to related SDGs.

ANNEX 2: ISS ESG Corporate Rating Methodology

The following pages contain methodology description of the ISS ESG Corporate Rating.

Landesbank Hessen-Thueringen Girozentrale

Methodology - Overview

The ESG Corporate Rating methodology was originally developed by Institutional Shareholder Services Germany (formerly oekom research) and has been consistently updated for more than 25 years.

ESG Corporate Rating - The ESG Corporate Rating universe, which is currently expanding from more than 8,000 corporate issuers to a targeted 10,000 issuers in 2020, covers important national and international indices as well as additional companies from sectors with direct links to sustainability and the most important bond issuers that are not publicly listed companies.

The assessment of a company's social & governance and environmental performance is based on approximately 100 environmental, social and governance indicators per sector, selected from a pool of 800+ proprietary indicators. All indicators are evaluated independently based on clearly defined performance expectations and the results are aggregated, taking into account each indicator's and each topic's materiality-oriented weight, to yield an overall score (rating). If no relevant or up-to-date company information with regard to a certain indicator is available, and no assumptions can be made based on predefined standards and expertise, e.g. known and already classified country standards, the indicator is assessed with a D-.

In order to obtain a comprehensive and balanced picture of each company, our analysts assess relevant information reported or directly provided by the company as well as information from reputable independent sources. In addition, our analysts actively seek a dialogue with the assessed companies during the rating process and companies are regularly given the opportunity to comment on the results and provide additional information.

Analyst Opinion - Qualitative summary and explanation of the central rating results in three dimensions:
(1) Opportunities - assessment of the quality and the current and future share of sales of a company's products and services, which positively or negatively contribute to the management of principal sustainability challenges.
(2) Risks - summary assessment of how proactively and successfully the company addresses specific sustainability challenges found in its business activity and value chain, thus reducing its individual risks, in particular regarding its sector's key issues.
(3) Governance - overview of the company's governance structures and measures as well as of the quality and efficacy of policies regarding its ethical business conduct.

Norm-Based Research - Severity Indicator - The assessment of companies' sustainability performance in the ESG Corporate Rating is informed by a systematic and comprehensive evaluation of companies' ability to prevent and mitigate ESG controversies. ISS ESG conducts research and analysis on corporate involvement in verified or alleged failures to respect recognized standards for responsible business conduct through Norm-Based Research.

Norm-Based Research is based on authoritative standards for responsible business conduct such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights and the Sustainable Development Goals.

As a stress-test of corporate disclosure, Norm-Based Research assesses the following:
- Companies' ability to address grievances and remediate negative impacts
- Degree of verification of allegations and claims
- Severity of impact on people and the environment, and systematic or systemic nature of malpractices

Severity of impact is categorized as Potential, Moderate, Severe, Very severe. This informs the ESG Corporate Rating.

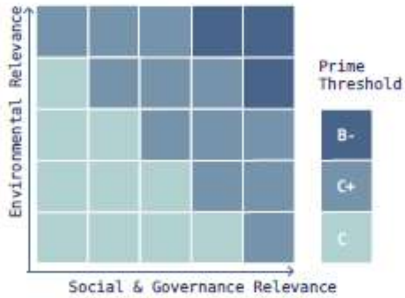
Decile Rank - The Decile Rank indicates in which decile (tenth part of total) the individual Corporate Rating ranks within its industry from 1 (best – company's rating is in the first decile within its industry) to 10 (lowest – company's rating is in the tenth decile within its industry). The Decile Rank is determined based on the underlying numerical score of the rating. If the total number of companies within an industry cannot be evenly divided by ten, the surplus company ratings are distributed from the top (1 decile) to the bottom. If there are Corporate Ratings with identical absolute scores that span a division in decile ranks, all ratings with an equal decile score are classified in the higher decile, resulting in a smaller number of Corporate Ratings in the decile below.

Distribution of Ratings - Overview of the distribution of the ratings of all companies from the respective industry that are included in the ESG Corporate Rating universe (company portrayed in this report: dark blue).

Landesbank Hessen-Thueringen Girozentrale

Methodology - Overview

Industry Classification - The social and environmental impacts of industries differ. Therefore, based on its relevance, each industry analyzed is classified in a Sustainability Matrix.
Depending on this classification, the two dimensions of the ESG Corporate Rating, the Social Rating and the Environmental Rating, are weighted and the sector-specific minimum requirements for the ISS ESG Prime Status (Prime threshold) are defined (absolute best-in-class approach).



Industry Leaders - List (in alphabetical order) of the top three companies in an industry from the ESG Corporate Rating universe at the time of generation of this report.

Key Issue Performance - Overview of the company's performance with regard to the key social and environmental issues in the industry, compared to the industry average.

Performance Score - The ESG Performance Score allows for cross-industry comparisons using a standardized best-in-class threshold that is valid across all industries. It is the numerical representation of the alphabetic ratings (D- to A+) on a scale of 0 to 100 with 50 representing the prime threshold. All companies with values greater than 50 are Prime, while companies with values less than 50 are Not Prime. As a result, intervals are of varying size depending on the original industry-specific prime thresholds.

Rating History - Development of the company's rating over time and comparison to the average rating in the industry.

Rating Scale - Companies are rated on a twelve-point scale from A+ to D-:
A+: the company shows excellent performance.
D-: the company shows poor performance (or fails to demonstrate any commitment to appropriately address the topic).
Overview of the range of scores achieved in the industry (light blue) and indication of the grade of the company evaluated in this report (dark blue).

Sources of Information - A selection of sources used for this report is illustrated in the annex.

Status & Prime Threshold - Companies are categorized as Prime if they achieve/exceed the sustainability performance requirements (Prime threshold) defined by ISS ESG for a specific industry (absolute best-in-class approach) in the ESG Corporate Rating. Prime companies are sustainability leaders in their industry and are better positioned to cope with material ESG challenges and risks, as well as to seize opportunities, than their Not Prime peers. The financial materiality of the Prime Status has been confirmed by performance studies, showing a continuous outperformance of the Prime portfolio when compared to conventional indices over more than 14 years.

Transparency Level - The Transparency Level indicates the company's materiality-adjusted disclosure level regarding the environmental and social performance indicators defined in the ESG Corporate Rating. It takes into consideration whether the company has disclosed relevant information regarding a specific indicator, either in its public ESG disclosures or as part of the rating feedback process, as well as the indicator's materiality reflected in its absolute weight in the rating. The calculated percentage is classified in five transparency levels following the scale below.
0% - < 20%: very low
20% - < 40%: low
40% - < 60%: medium
60% - < 80%: high
80% - 100%: very high
For example, if a company discloses information for indicators with a cumulated absolute weight in the rating of 23 percent, then its Transparency Level is "low". A company's failure to disclose, or lack of transparency, will impact a company's ESG performance rating negatively.

ANNEX 3: Quality management processes

SCOPE

Helaba commissioned ISS ESG to compile a Green Bond Framework SPO. The Second Party Opinion process includes verifying whether the Green Bond Framework aligns with the ICMA Green Bond Principles. Moreover, the assessment included whether the green project categories align with the EU Taxonomy and associated technical annex, on a best effort basis.

CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA GBPs
- EU Taxonomy and associated technical annex.

ISSUER'S RESPONSIBILITY

Helaba's responsibility was to provide information and documentation on:

- Framework
- Selection process
- Documentation of ESG risks management at the asset level for EU taxonomy

ISS ESG's VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly-reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

ISS ESG has conducted this independent Second Party Opinion of the Green Bond Framework to be issued by Helaba based on ISS ESG methodology and in line with the ICMA GBPs.

The engagement with Helaba took place in February and March 2021.

ISS ESG's BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behaviour and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About ISS ESG SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

As part of our Sustainable (Green & Social) Bond Services, we provide support for companies and institutions issuing sustainable bonds, advise them on the selection of categories of projects to be financed and help them to define ambitious criteria.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyse the sustainability quality of the assets and review the sustainability performance of the issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

Learn more: https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/

For Information about SPO services, contact:

Federico Pezzolato
SPO Business Manager EMEA/APAC
Federico.Pezzolato@isscorporatesolutions.com
+44.20.3192.5760

Miguel Cunha
SPO Business Manager Americas
Miguel.Cunha@isscorporatesolutions.com
+1.917.689.8272

For Information about this Green Bond SPO, contact: SPOOperations@iss-esg.com

Project team

Project lead	Project support	Project supervision
Patricia Dorig Associate ESG Consultant	Damaso Zagaglia Associate ESG Consultant	Viola Lutz Associate Director Deputy Head of Climate Services