



DZ BANK Group

Investors presentation

 **DZ BANK Group**

Contents

1.

**Volksbanken Raiffeisenbanken
cooperative financial network**

2.

Overview of DZ BANK Group's financial situation

3.

Asset Quality

4.

Funding and Rating

5.

Sustainability

6.

Contact

Contents

1.

**Volksbanken Raiffeisenbanken
cooperative financial network**

2.

Overview of DZ BANK Group's financial situation

3.

Asset Quality

4.

Funding and Rating

5.

Sustainability

6.

Contact

The three pillars of the German banking sector



European Central Bank (ECB)

Deutsche Bundesbank

BaFin (Federal Financial Supervisory Authority)

Public banking sector



- 5 Landesbank groups
- DekaBank
- 353 Savings banks

Domestic market share¹⁾: 35 %

Cooperative banking sector



- One cooperative central institution
- Specialized cooperative companies (e.g. one insurer, one building society, one asset manager, etc.)
- 697 Cooperative banks

Domestic market share¹⁾: 25 %

Private banking sector and foreign banks



Domestic market share¹⁾: < 10 % (each)

1) Market share according to deposits of private households

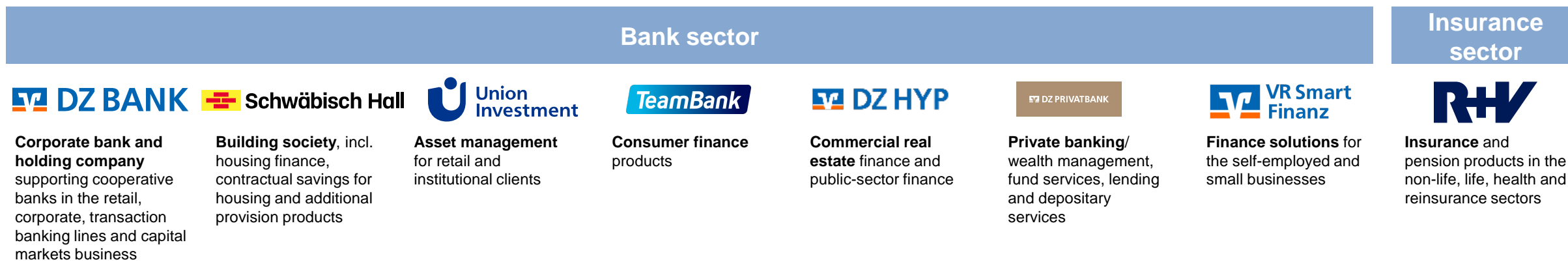
Structure of the cooperative financial network and of DZ BANK Group

30 million customers, thereof 17.9 million members

Cooperative financial network



DZ BANK Group



Interaction within the German cooperative financial network

30 million customers,
thereof 17.9 million members

Members



Customer relationship

Cooperative financial
network



Volksbanken
Raiffeisenbanken

697 cooperative banks

Shareholders



Products and services

 **DZ BANK** Group

 Schwäbisch Hall

 R+V

 TeamBank

 Union
Investment

 **DZ BANK**

 **DZ HYP**

 **DZ PRIVATBANK**

 **VR Smart
Finanz**

The cooperative protection scheme protects our clients' deposits

Responsible body:



Bundesverband der Deutschen Volksbanken und Raiffeisenbanken

» Comprehensive institution protection for all members

Members:



Volksbanken Raiffeisenbanken

DZ BANK

DZ PRIVATBANK

» No bankruptcy among members since 1934

Sparda-Bank



deutsche apotheker- und ärztebank



Schwäbisch Hall

» Monitoring by the Federal Financial Supervisory Authority (BaFin)



Münchener Hypothekenbank eG



TeamBank

DZ HYP

BVR protection scheme (BVR-SE) institution and indirect deposit protection

- Oldest (since 1934), privately financed bank protection scheme worldwide
- Averting or remedying imminent or existing economic difficulties of the member institutions (preventive prevention of insolvencies)
- Indirectly protects customer deposits held by non-banks, including bearer bonds and certificates issued by cooperative banks

BVR-Institutssicherung GmbH (BVR-ISG) direct deposit protection

- Meets the legal requirements of the EU and the German Deposit Guarantee Act (Einlagensicherungsgesetz)
- Officially recognized deposit protection system
- Protects customer deposits of up to € 100,000 per person per institution

Our vision determines the strategic framework of the DZ BANK Group

*The **DZ BANK Group** will align itself toward the **cooperative banks** such that the ...*



*... will further develop its position as **the leading financial services provider** in Germany.*



The most important requirement for the **success of the cooperative financial network** is the **strengthening of the cooperative banks** in their market (mandate for sponsorship).

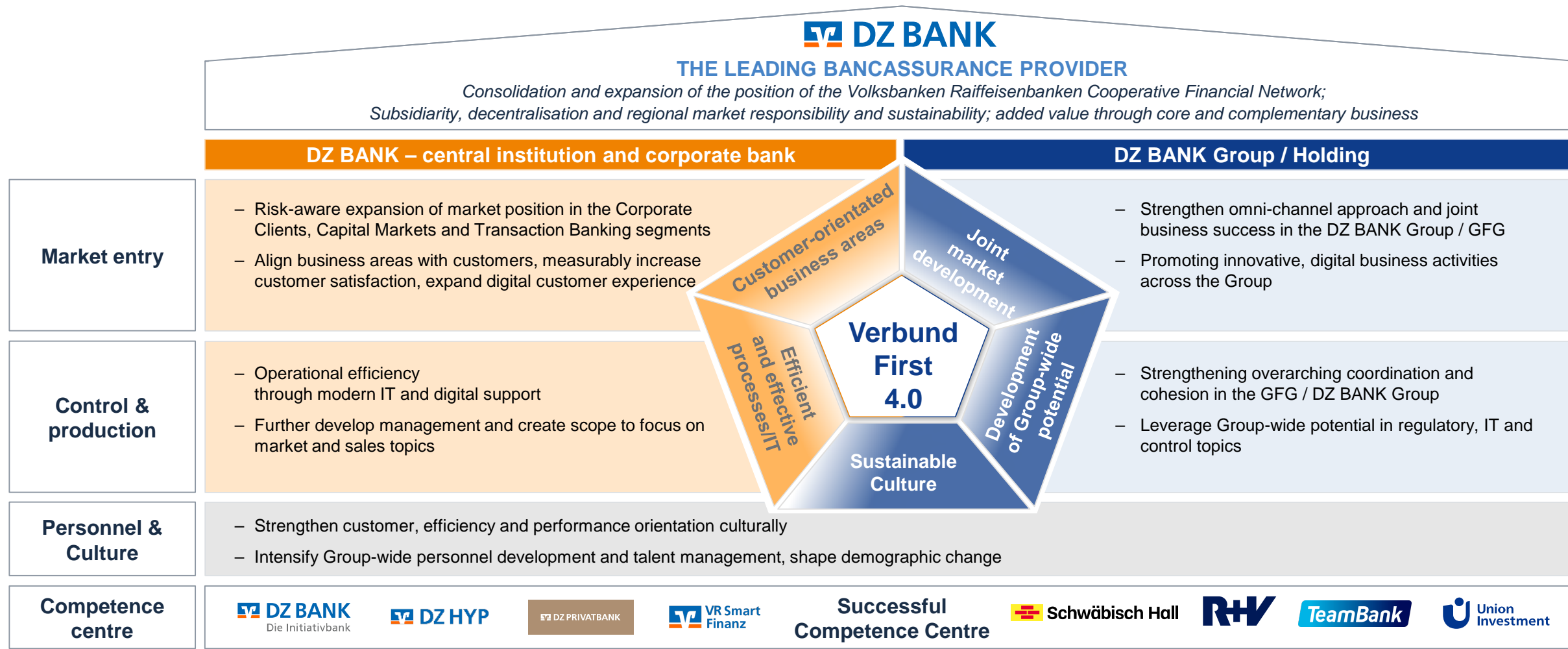


The **high network orientation** of the central institution is reflected by the fact that the **emphasis is on the interests of the cooperative financial network** which is in **close proximity to local market conditions** and takes into account the **respective features** of the different market sections.



The **basis of the cooperation** between cooperative banks on the one hand and the central institution and specialized service providers of the cooperative financial network on the other hand is subject to the principles of **subsidiarity, decentralization and regional market responsibility**.

With Verbund First 4.0, DZ BANK is further developing its strategy as the leading bancassurance provider for the cooperative financial network



DZ BANK Group: strong brands – strong partners



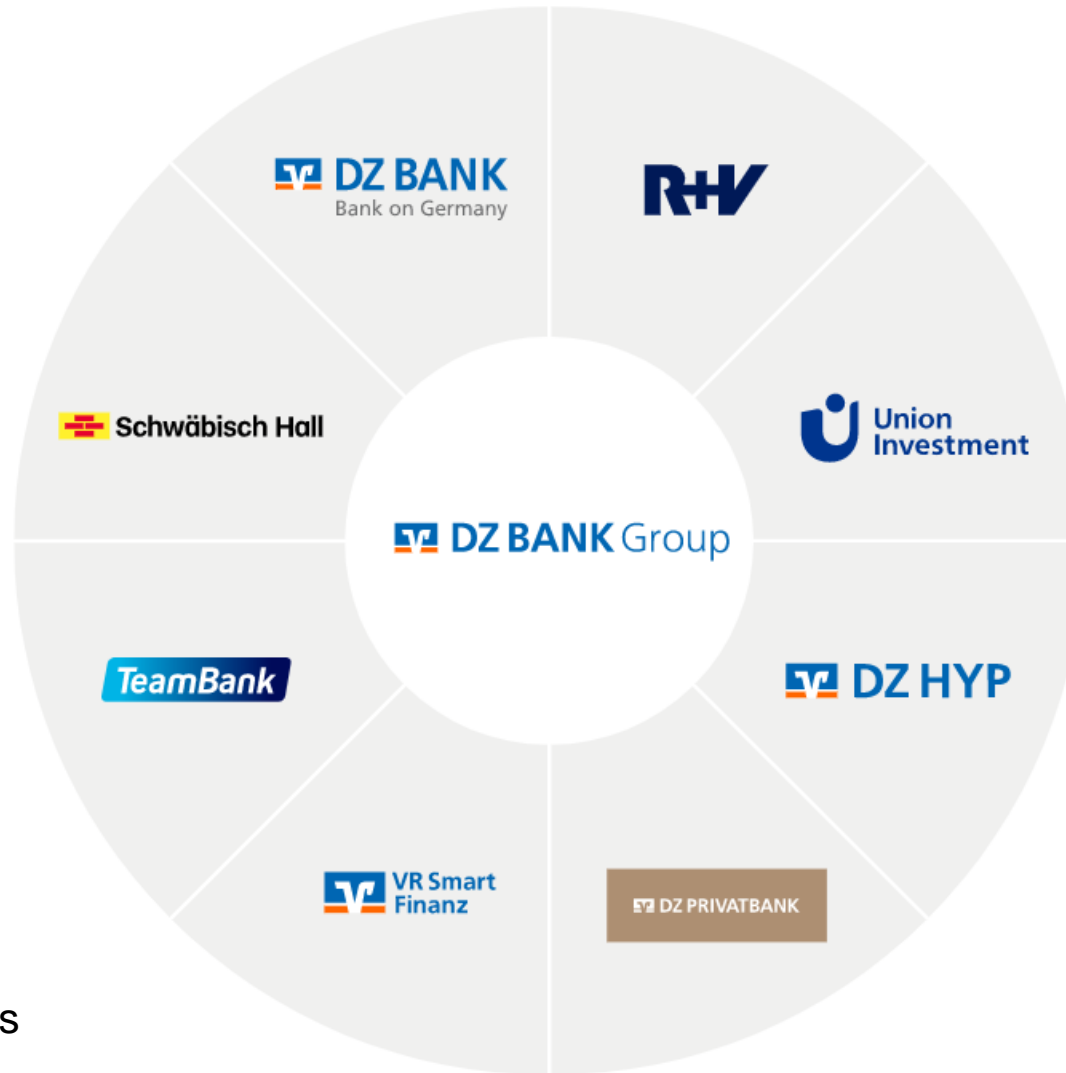
€ 3,189 million
Profit before taxes



Second-largest German
Banking Group with
consolidated total assets of
€ 645 billion



33,622
Employees



S&P	A+
Fitch Ratings	AA-
Moody's	Aa2

One of the best
ratings in the EU
banking market



Stable development of
capital ratios:
CET 1 ratio: **15.5 %**
Leverage ratio: **6.2 %**

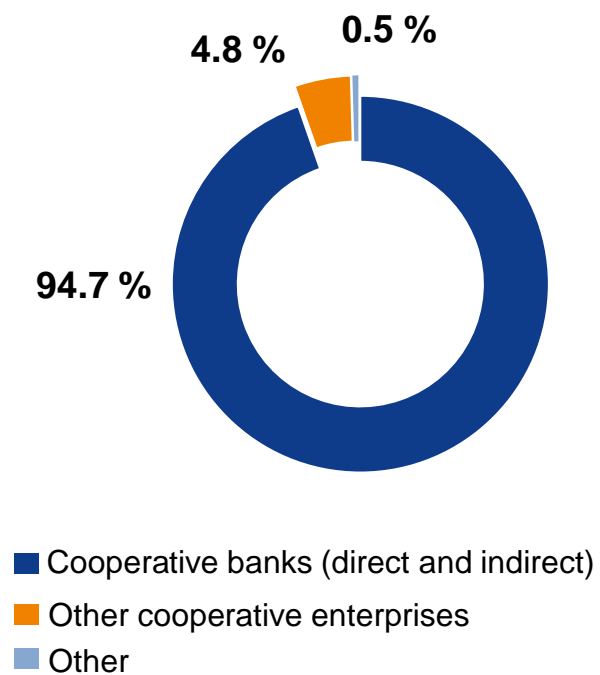
(As of Dec 31, 2023)

DZ BANK Group

Shareholding structure

The cooperative banks are the main shareholders of the DZ BANK AG

Shareholding structure of DZ BANK AG



(As of Dec 31, 2023)

1) Rest belongs to other shareholders, mainly cooperative banks

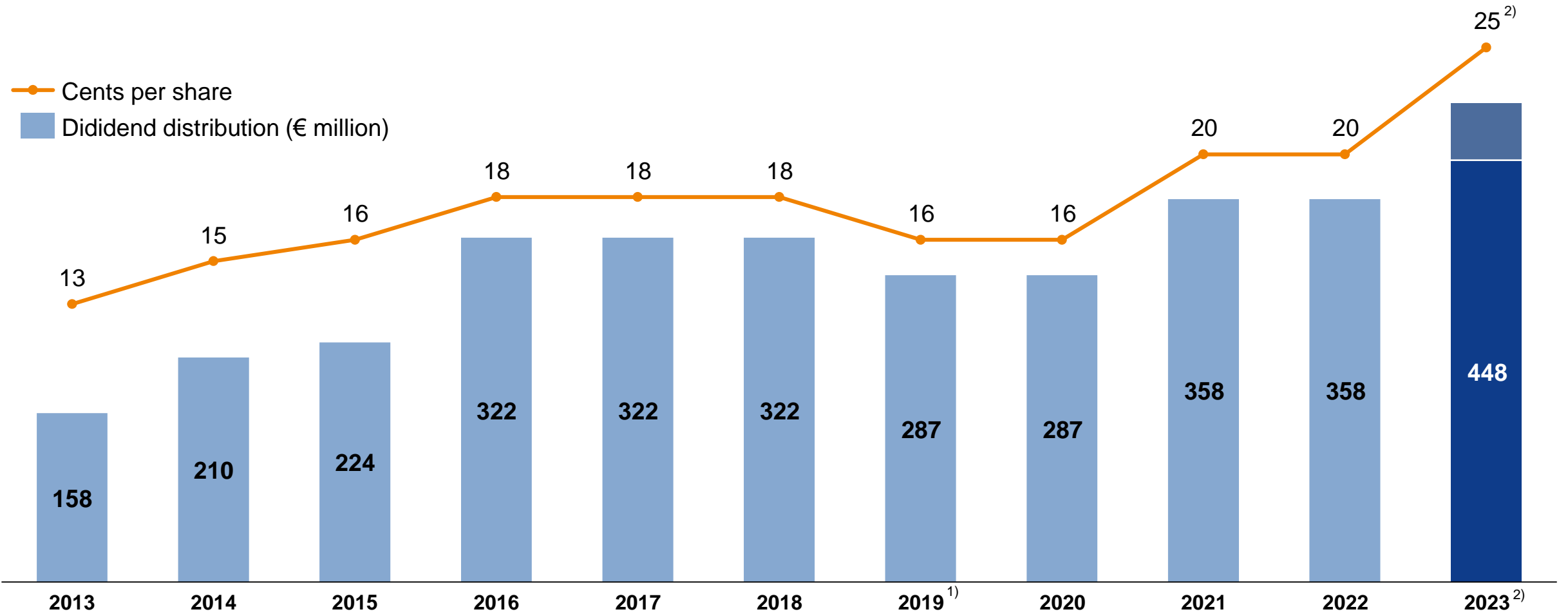
DZ BANK AG holds major ownership stakes in the companies of the DZ BANK Group

Subsidiaries of DZ BANK AG: ownership stakes

Bausparkasse Schwäbisch Hall	98 % ¹⁾
R+V Versicherung	92 % ¹⁾
TeamBank	93 % ¹⁾
Union Investment	97 % ¹⁾
DZ HYP	96 % ¹⁾
DZ PRIVATBANK	92 % ¹⁾
VR Smart Finanz	100 %

DZ BANK Group

DZ BANK dividend payments

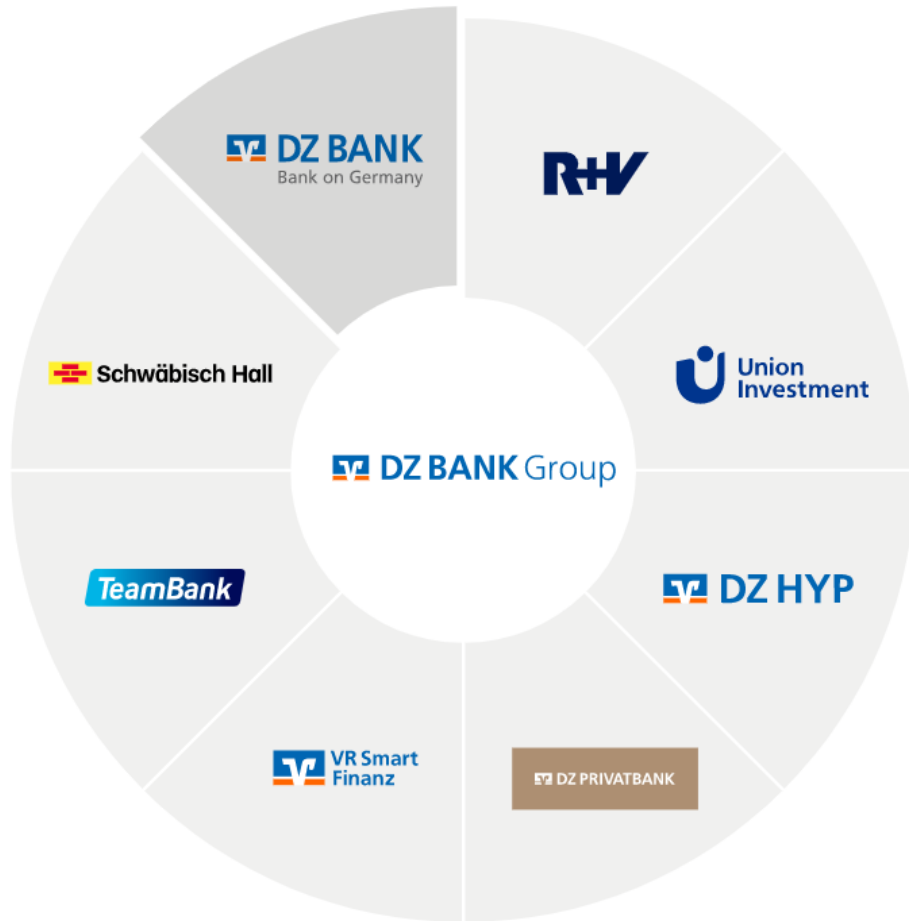


1) Paid a year later due to rules introduced as a result of the coronavirus pandemic

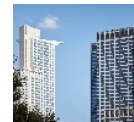
2) To be proposed to the Annual General Meeting; includes an additional 3 cents for the dividend depending on business performance

DZ BANK Group companies

DZ BANK AG – Cooperative central institution



€ 1,035 million
Profit before taxes¹⁾



Headquarter
Frankfurt am Main



€ 375.5 billion
Consolidated total assets¹⁾



5,469
Employees



DZ BANK serves as **central institution** of the Volksbanken Raiffeisenbanken cooperative financial network and **commercial bank**. It is the central institution for all cooperative banks in Germany, which hold the majority of its shares.



DZ BANK **supports** the business of the independent **cooperative banks** in their regions with the aim of strengthening their competitiveness. The combination of **local customer knowledge and central product expertise** has proved to be highly effective.



Additionally, DZ BANK AG acts as the **holding company** for the DZ BANK Group.

(As of Dec 31, 2023)

1) Related to DZ BANK – central institution and corporate bank

Contents

1.

**Volksbanken Raiffeisenbanken
cooperative financial network**

2.

Overview of DZ BANK Group's financial situation

3.

Asset Quality

4.

Funding and Rating

5.

Sustainability

6.

Contact

Results of the DZ BANK Group for 2023

Very good
profit before taxes

€ **3.2** billion
↗ + 41.6 %

Profit
before taxes

Unremarkable
risk situation

€ **362** million

Loss allowances –
additions

Very healthy
capital adequacy

15.5¹⁾ percent

Common equity Tier 1
capital ratio

Focus on
efficiency

56.4 percent

Cost/income
ratio

1) The common equity Tier 1 capital ratio of 15.5% was calculated using the supervisory authority's official method for recognizing profit and the supervisory authority's assumed dividend payout ratio; if the current dividend policy were to be applied, the common equity Tier 1 capital ratio would stand at 15.8%

DZ BANK Group

Income statement (IFRS)

€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (%)
Net interest income	4,333	3,322	+30.4%
Net fee and commission income	2,807	2,749	+2.1%
Gains and losses on trading activities	-175	823	>100%
Gains and losses on investments	-72	-119	+39.5%
Other gains and losses on valuation of financial instruments	298	-286	>100%
Gains and losses from the derecognition of financial instruments measured at amortized cost	11	35	-68.6%
Net income from insurance business ¹⁾	891	276	>100%
Loss allowances	-362	-304	+19.1%
Administrative expenses	-4,597	-4,447	+3.4%
Other net operating income	56	204	-72.5%
Profit before taxes	3,189	2,252	+41.6%
Income taxes	-955	-912	+4.7%
Net profit	2,234	1,341	+66.6%

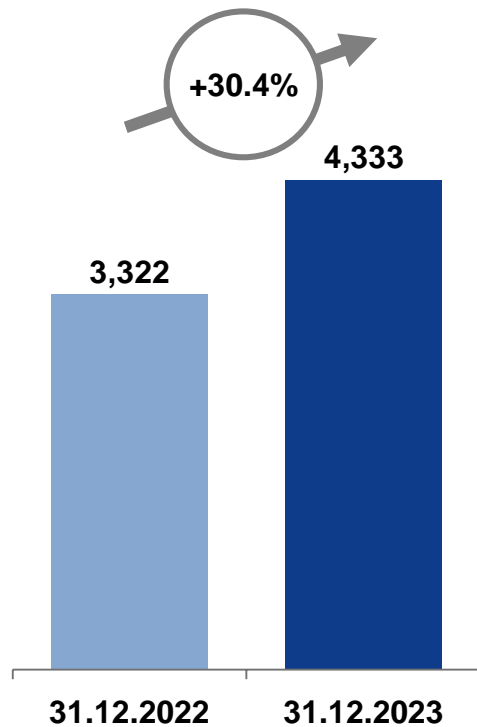
1) First-time application of IFRS 17 in the reporting year; comparative period 31.12.2022 adjusted in accordance with IFRS 17

DZ BANK Group

Net interest income and net fee and commission income

Net interest income

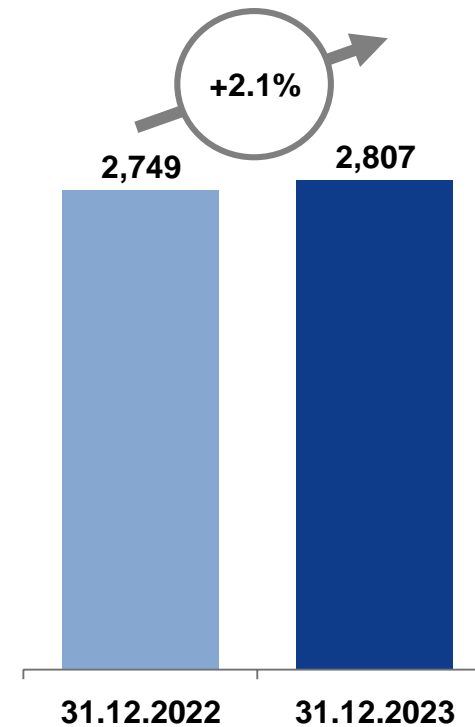
(€ million)



- Net interest income increased significantly compared to the previous year
- Increases in net interest income at **TeamBank**, **UMH**, **DZ BANK - VuGB** and **DZ BANK - VuGB** and **DZ PRIVATBANK**; in contrast, a decline at **BSH**
- In addition, shift between net interest income and gains and losses on trading activities neutral to income

Net fee and commission income

(€ million)



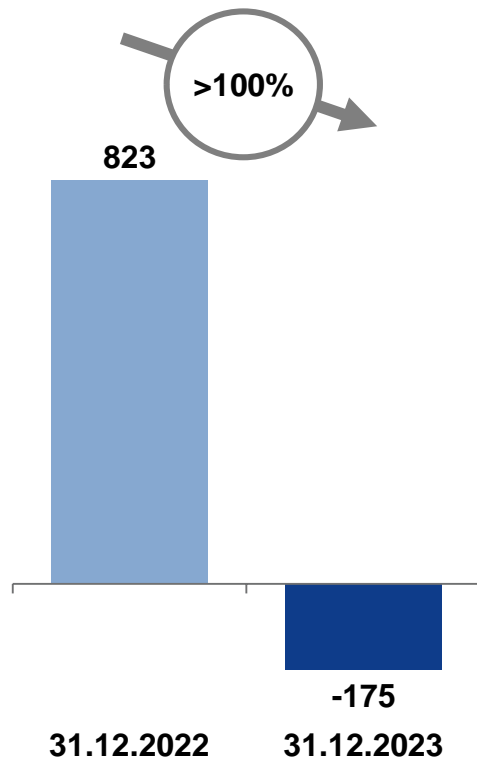
- Increase in net fee and commission income
- Declines at **BSH**, **TeamBank** and **UMH**; counterbalanced by an increase at **DZ BANK - VuGB**

DZ BANK Group

Gains and losses on trading activities and gains and losses on investments

Gains and losses on trading activities

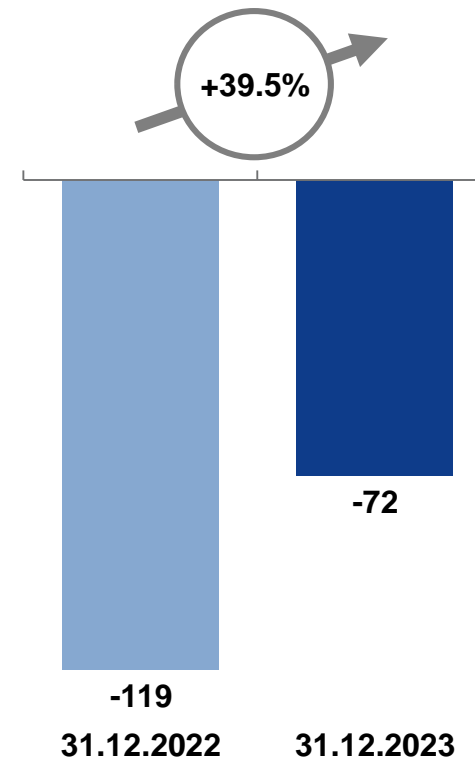
(€ million)



- Gains and losses on trading activities down significantly compared to the previous year
- **DZ BANK - VuGB:** Increase in operating profit from the capital markets business; countered by decline in non-operating, IFRS-related effects
- In addition, shift between net interest income and gains and losses on trading activities neutral to income

Gains and losses on investments

(€ million)



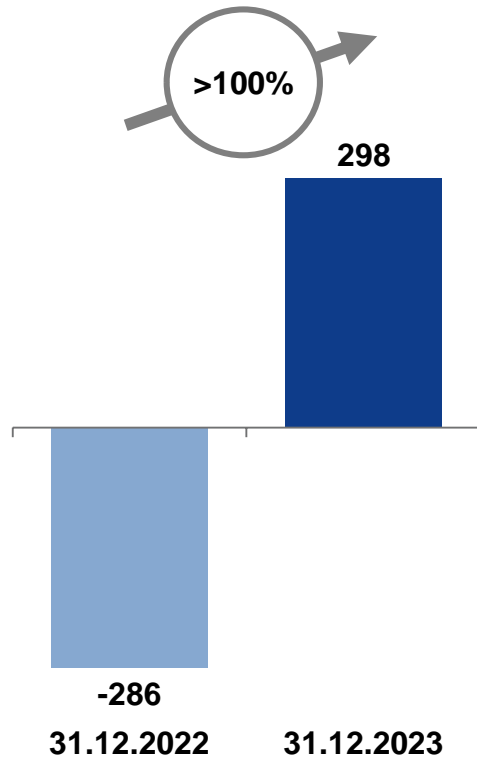
- Result from gains and losses on investments improved compared to previous year
- **BSH:** Negative result in the previous year from the sale of FVOCI bonds and from the valuation of joint venture companies
- **UMH:** I.W. improved result from the sale of investment shares from UI's own investments
- **DZ HYP:** Income from the sale of Portuguese bonds in the previous year

DZ BANK Group

Other gains and losses on investments and loss allowances

Other gains and losses on valuation of financial instruments

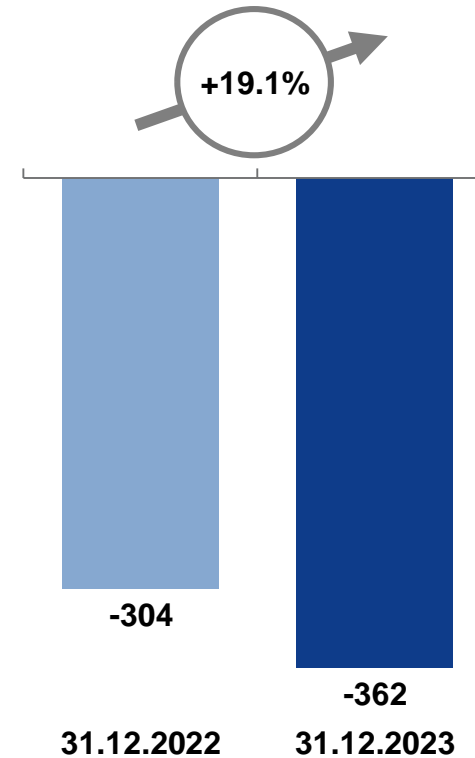
(€ million)



- Other gains and losses on valuation of financial instruments improved
- Significant increases at **UMH** (valued guarantee commitments and FV valuation of own investments) and **DZ HYP** (positive earnings contribution from own issues and development of peripheral bonds)

Loss allowances

(€ million)



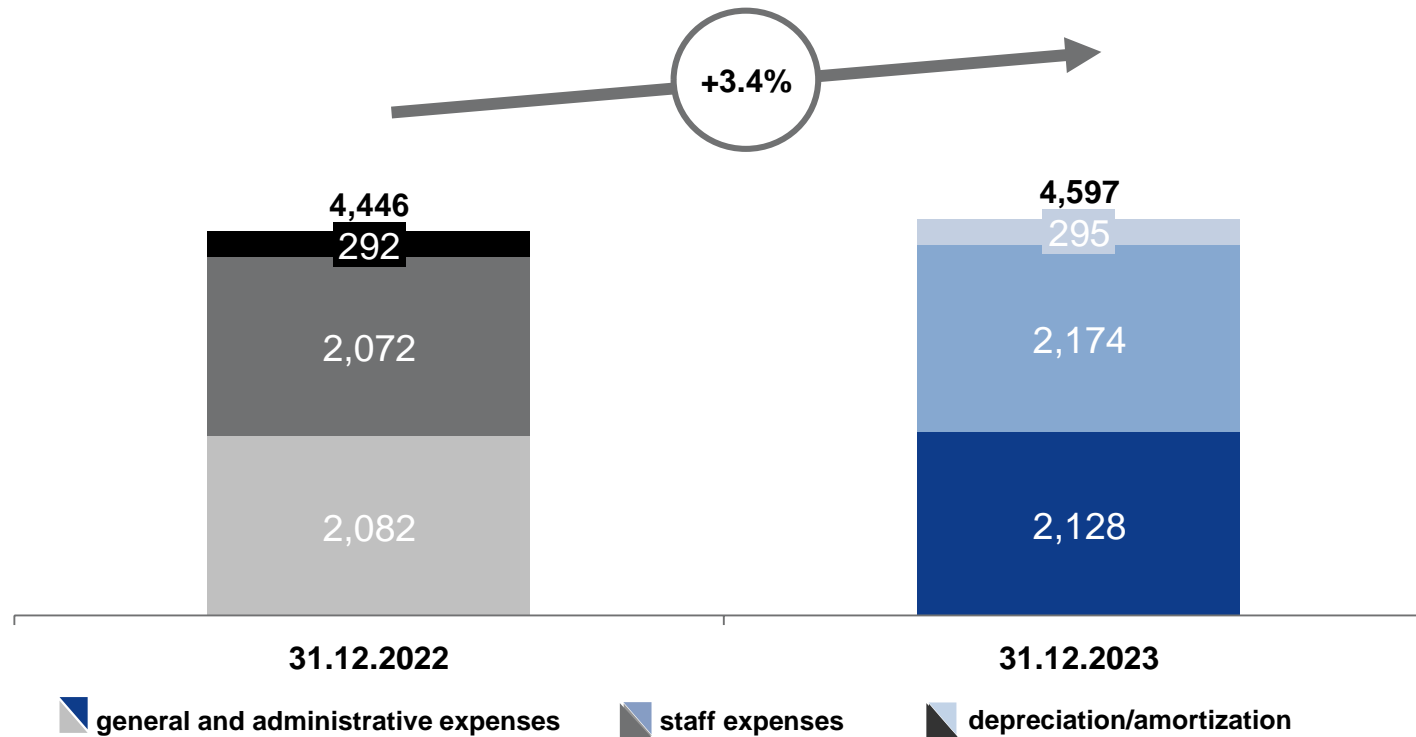
- Loss allowances remains unremarkable with net additions
- Additions in particular at **TeamBank**, **DZ BANK - VuGB** and **DZ HYP**

DZ BANK Group

Administrative expenses

Administrative expenses

(€ million)



- Increases in personnel expenses at **BSH, UMH** and **DZ BANK - VuGB**
- Increased consulting and IT costs, in particular at **DZ BANK - VuGB** and **DZ PRIVATBANK**
- In contrast, reduced contribution to the bank levy

DZ BANK Group

Income statement, by group company

€ million	Jan. 1– Dec. 31, 2023	Jan. 1– Dec. 31, 2022	Change (%)
BSH	20	143	-86.0%
R+V	1,008	187	>100%
TeamBank	81	134	-39.6%
UMH	974	695	+40.1%
DZ BANK – central institution and corporate bank	1,035	904	+14.5%
DZ HYP	476	455	+4.6%
DZ PRIVATBANK	83	52	+59.6%
VR Smart Finanz	1	3	-66.7%
DZ BANK – holding function	-356	-279	-27.6%
Other/Consolidation	-133	-42	>100%
Profit before taxes	3,189	2,252	+41.6%

X = holding companies

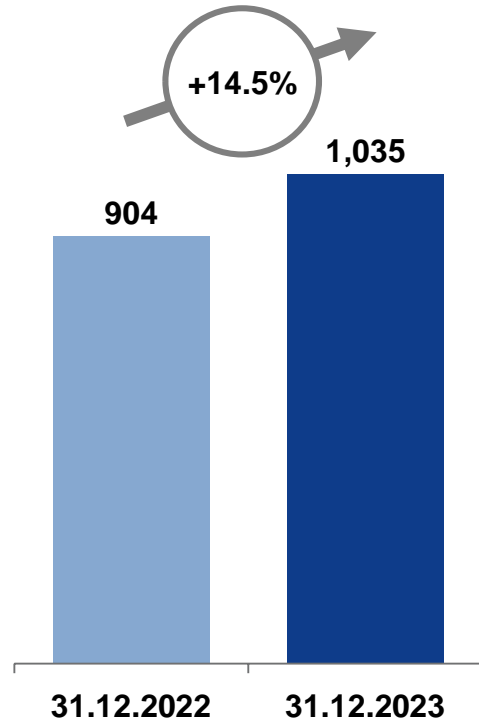
X = companies assigned to the central institution and corporate bank

Segment: DZ BANK – central institution and corporate bank



Profit before taxes

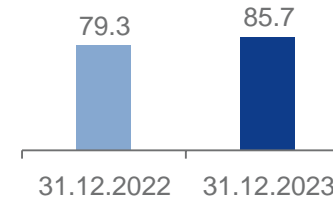
(€ million)



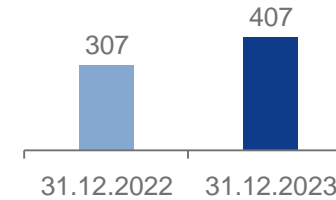
- Very good development in **customer business**
- Increase in **lending volume** with corporate customers to € 85.7 billion (previous year: € 79.3 billion)
- High **sales of interest rate products and investment certificates** at € 24.0 billion (previous year: € 14.9 billion)
- Continued **positive development in payment transactions** with an increase in transactions to 9.9 billion (previous year: 9.3 billion)
- Increase in **depository services** to € 332.5 billion (previous year: € 297.3 billion)
- **Earnings before taxes** at a very good level thanks to operating performance, low risk provisioning and supporting special factors

Operating performance

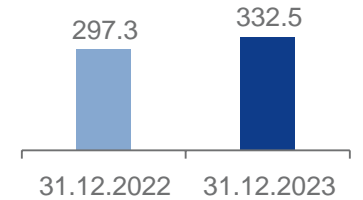
Corporate customer lending volume¹⁾
(€ billion)



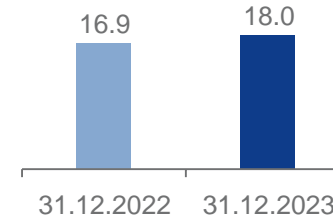
Cross-Selling CM I Corporate Customers
(€ million)



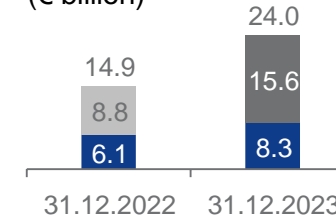
Depository services (AuD)
(€ billion)



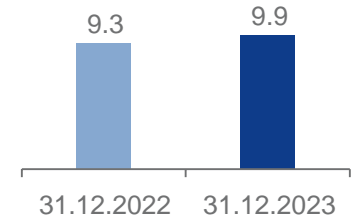
Joint credit volume
(€ billion)



Sales of Investment certificates and Interest rate products
(€ billion)



Number of payment transactions
(billions)



1) Domestic Corporate Banking and Structured Finance

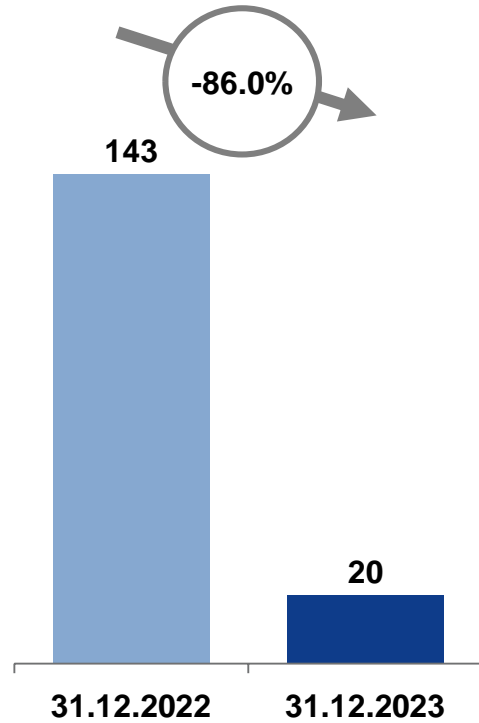


Segment: Home savings/consumer home finance



Profit before taxes

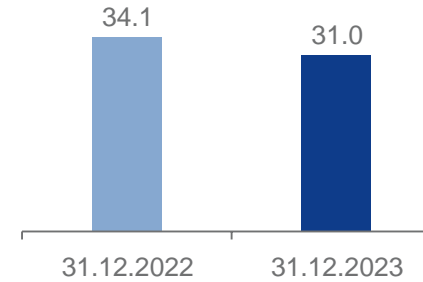
(€ million)



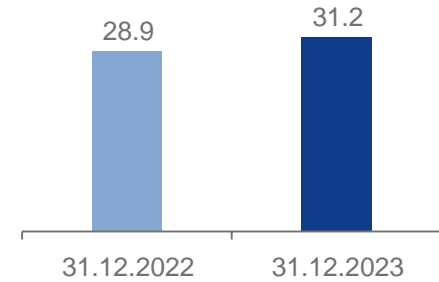
- Good level of **new home savings business** at €31.0 billion (2022: €34.1 billion)
- Strengthening of BSH's market position (market share of 31.2% in Germany)
- **Home finance:** Decline in new home finance business, on a par with the wider market; volume of home finance held steady at €64.2 billion (Dec. 31, 2022: €61.3 billion)
- **Profit before taxes:** Good operating performance; profit before taxes continues to be affected by shift in interest-rate policy but as budgeted; prior-year figure boosted by one-off reversal of provisions relating to building society operations

Operating performance

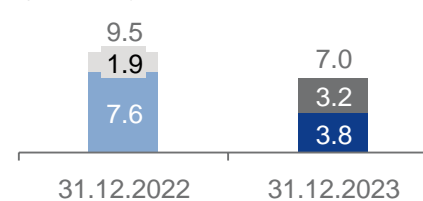
New home savings business (€ billion)



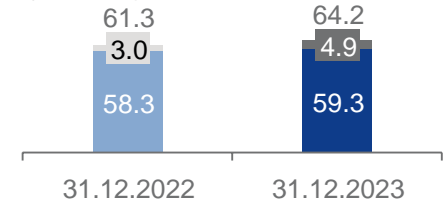
Market share in Germany (%)



New home finance (on BSH's books)¹⁾ and New home savings loans (€ billion)



Vol. of home finance (on BSH's books) and Vol. of home savings loans (€ billion)



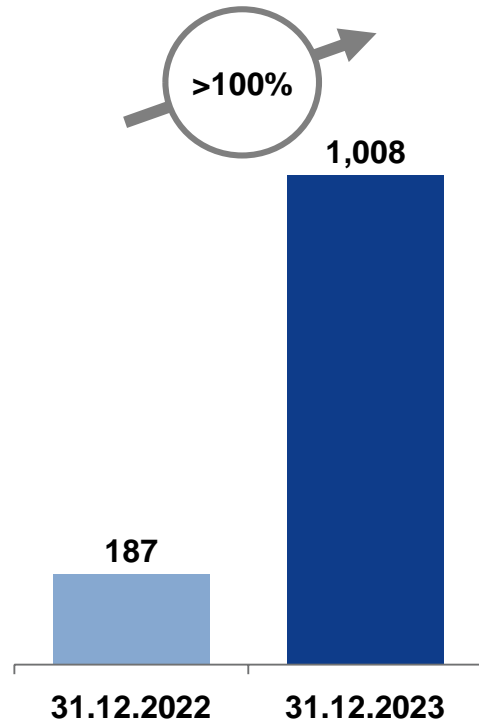
¹⁾ Additional new business (on other banks' books): €14.2 billion, Dec. 31, 2022: €19.9 billion (of which with local cooperative banks: €13.1 billion, Dec. 31, 2022: €18.4 billion)

Segment: Insurance



Profit/loss before taxes

(€ million)

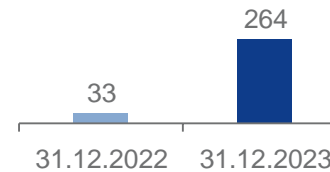


- **Good operating performance**
- **Gross premiums written** on a par with the prior year at €19.8 billion (2022: €19.6 billion)
- **Profit before taxes** influenced by significant improvement in gains and losses on investments held by insurance companies thanks to the favorable situation in the capital markets and only a small number of major claim events

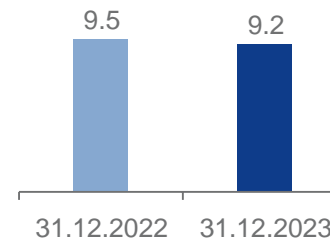
Operating performance

Life/health

Profit before taxes (€ million)

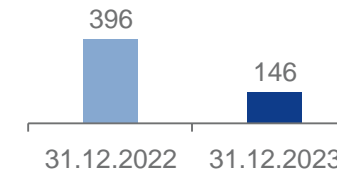


Net insurance result (€ billion)

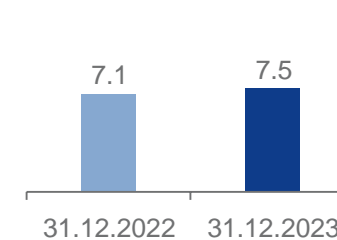


Non-life

Profit before taxes (€ million)

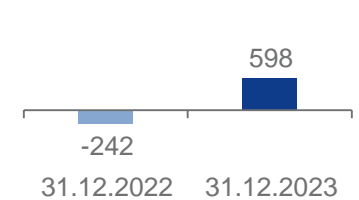


Net insurance result (€ billion)

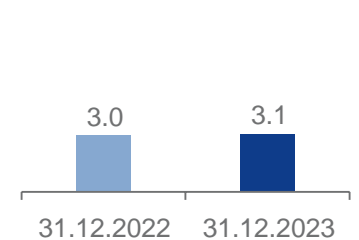


Inward reinsurance

Profit before taxes (€ million)



Net insurance result (€ billion)

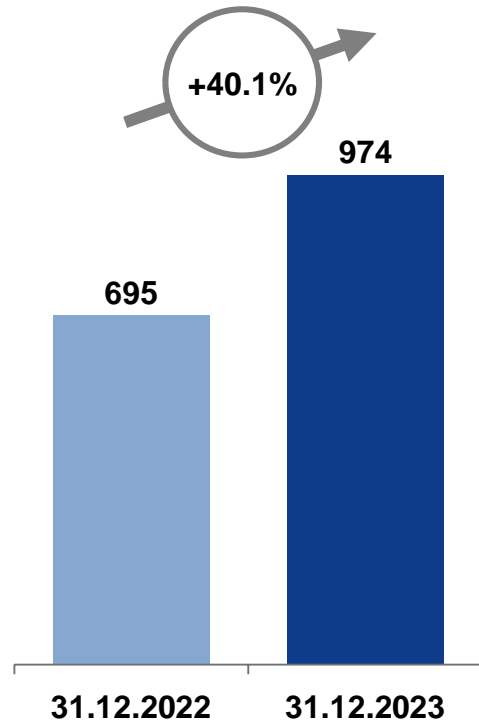


Segment: Asset management



Profit before taxes

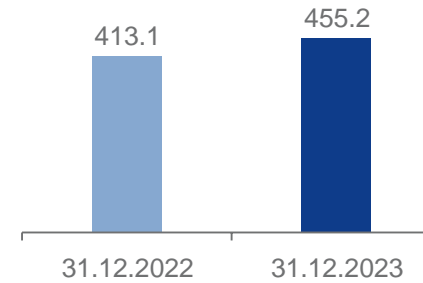
(€ million)



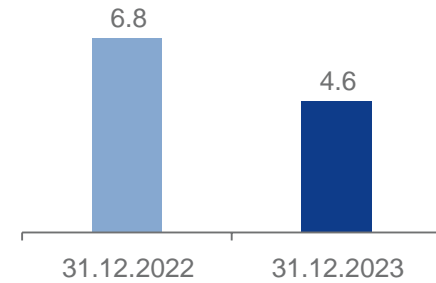
- Increase in **assets under management** to €455.2 billion (Dec. 31, 2022: €413.1 billion)
- Rise in **net inflows** from retail clients (€12.2 billion), but a fall in **net inflows** from institutional clients (€4.6 billion)
- No. 1 for mutual funds
- Very encouraging rise in **profit before taxes**

Operating performance

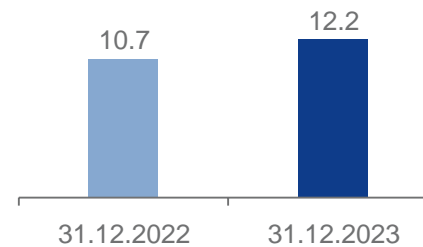
Assets under Management
(€ billion)



Net inflow from institutional clients
(€ billion)



Net inflow from retail clients
(€ billion)

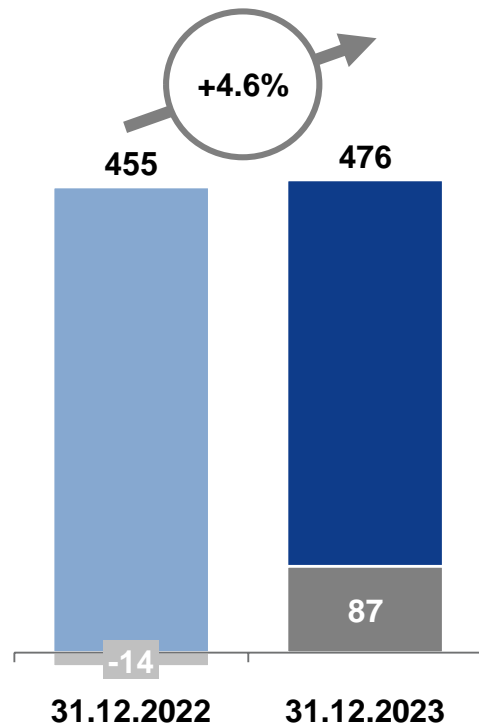


Segment: Commercial real estate finance



Profit before taxes

(€ million)

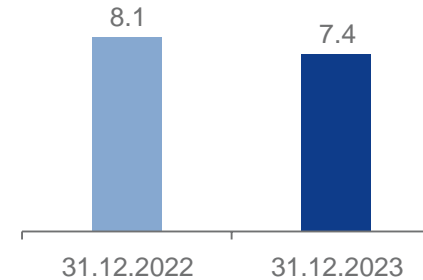


- A robust total volume of real estate finance, but a **decline in new business** amid challenging conditions for real estate; **new business with corporate clients** held steady
- Unremarkable risk situation in the portfolio, with loss allowances at budgeted level
- Very good **profit before taxes**, influenced by stable operating performance

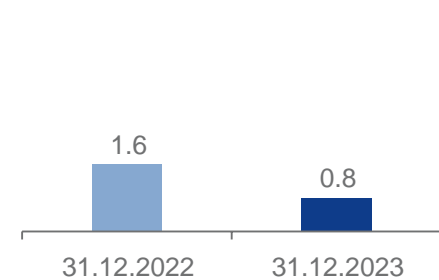
Thereof valuation result

Operating performance

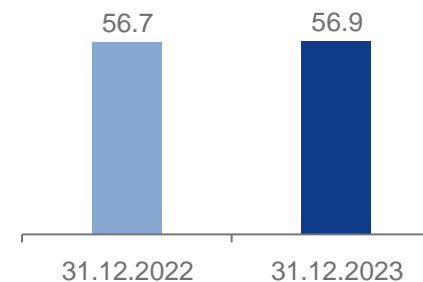
New business with corporate clients (€ billion)



New business with retail clients (€ billion)



Total volume of real estate finance (€ billion)



Contents

1.

**Volksbanken Raiffeisenbanken
cooperative financial network**

2.

Overview of DZ BANK Group's financial situation

3.

Asset Quality

4.

Funding and Rating

5.

Sustainability

6.

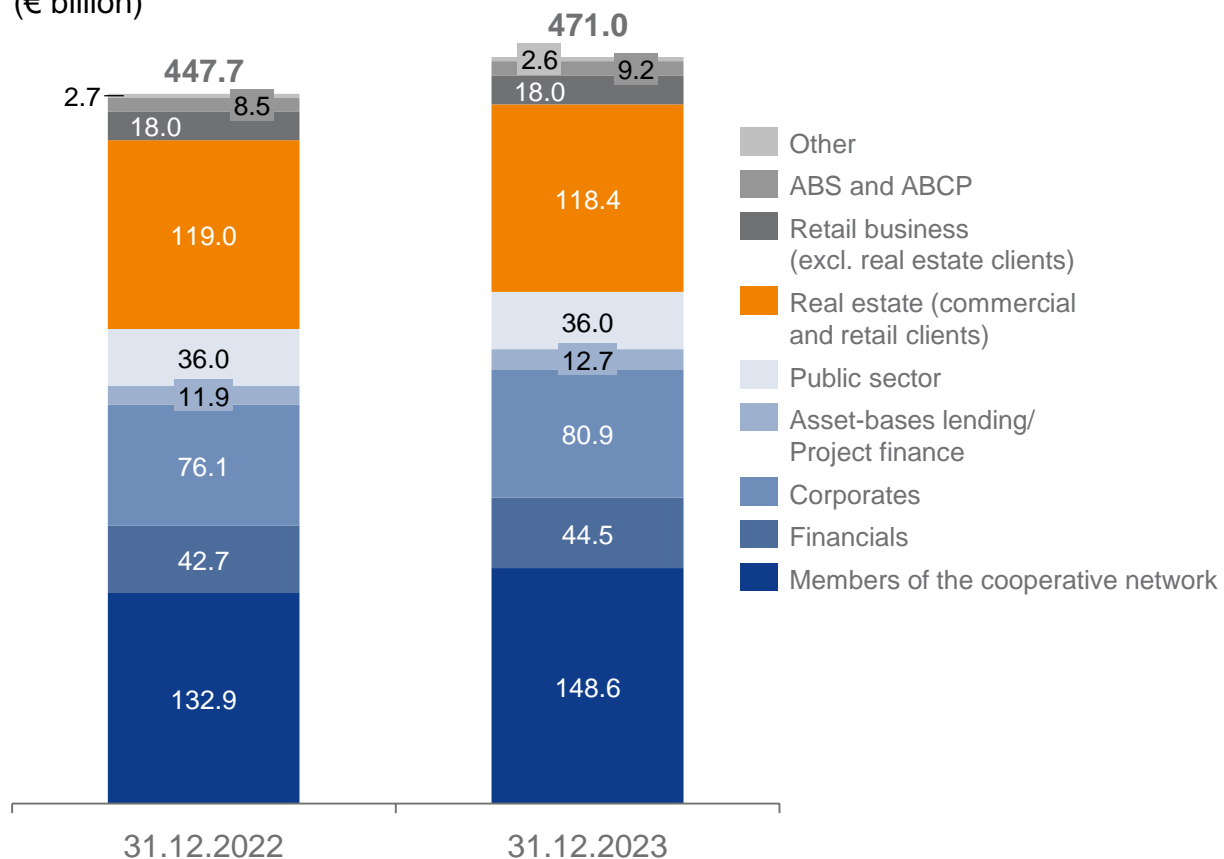
Contact

DZ BANK Group – Bank sector

Portfolio structure

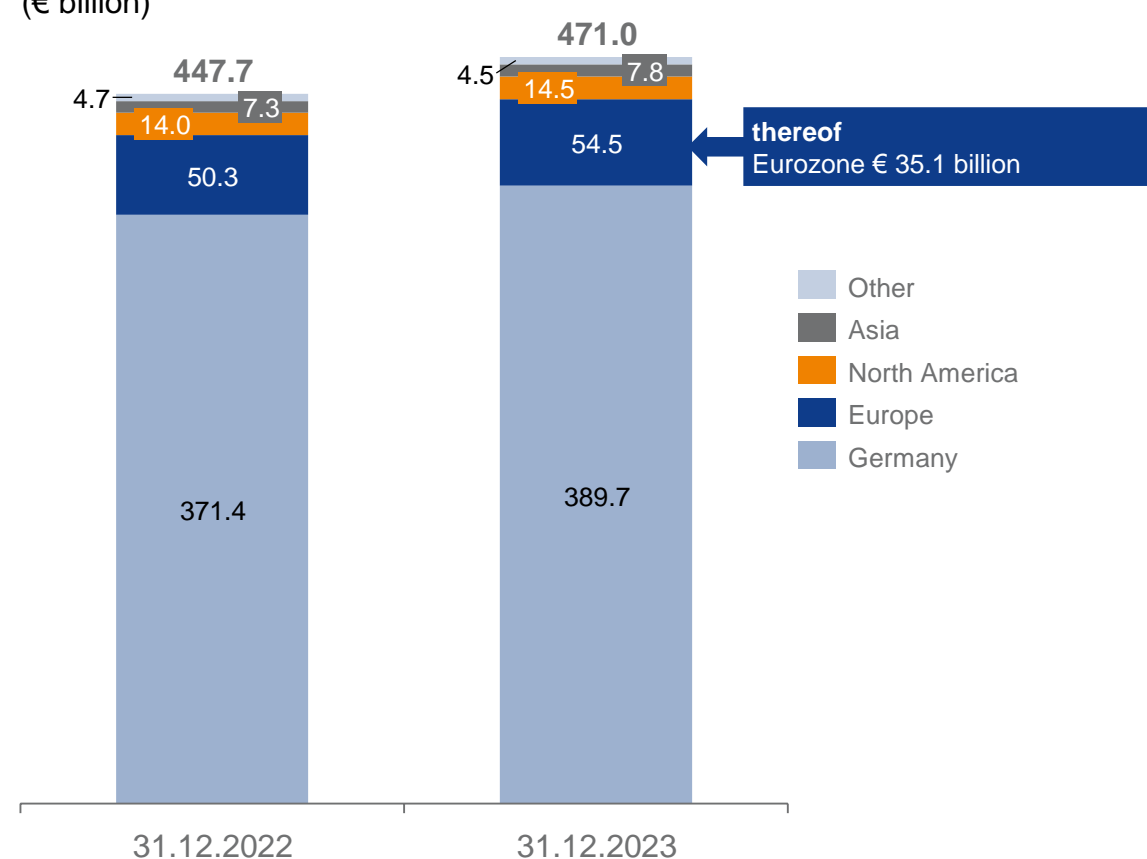
Lending volume by asset classes

(€ billion)



Lending volume by country group

(€ billion)

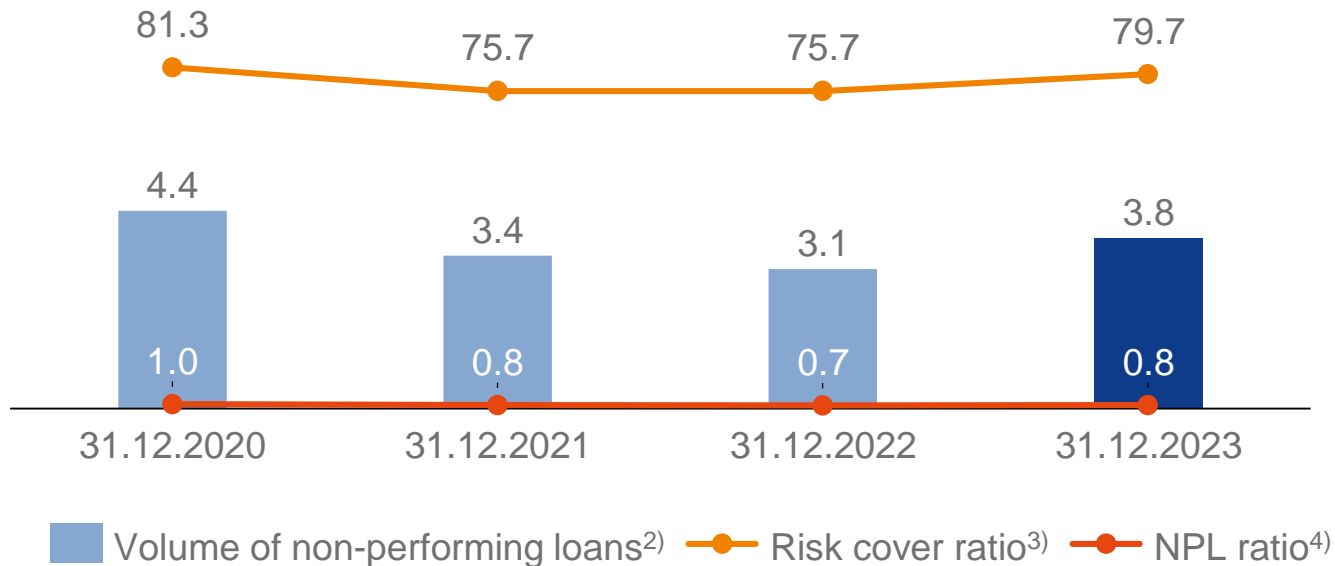


DZ BANK Group – Bank sector

Key figures for the volume of non-performing loans

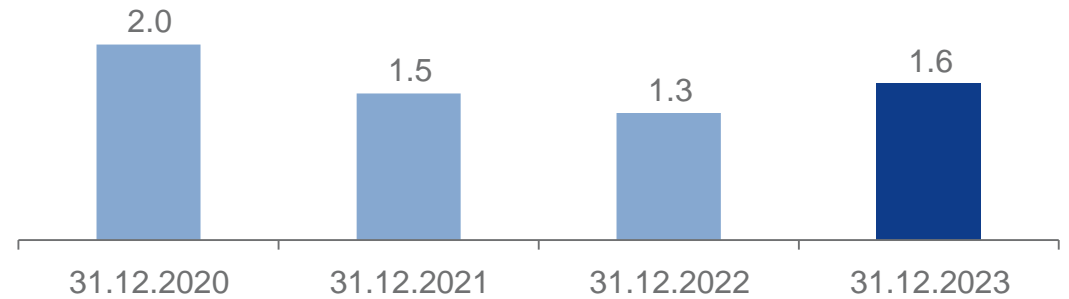
Development of the volume of non-performing loans and coverage ratios

(€ billion)



Balance of loss allowances¹⁾

(€ billion)



- The volume of non-performing loans in the **bank sector** increased to € 3.8 billion as at 31 December 2023. This development is primarily due to the increase in non-performing loans at DZ HYP, at DZ BANK AG and at TeamBank
- The volume of non-performing loans at **DZ BANK AG** amounted to € 2.2 billion as at 31 December 2023 (31 December 2022: € 2.0 billion). As a result of the increase in DZ BANK's total credit volume, the NPL ratio fell to 0.7 per cent (31/12/2022: 0.8 per cent)

1) Balance of individual loss allowances (stage 3) incl. collateral

3) Recognition of the balance of loss allowances related to note 1, additionally recognition of collateral

2) Volume of non-performing loans excluding collateral

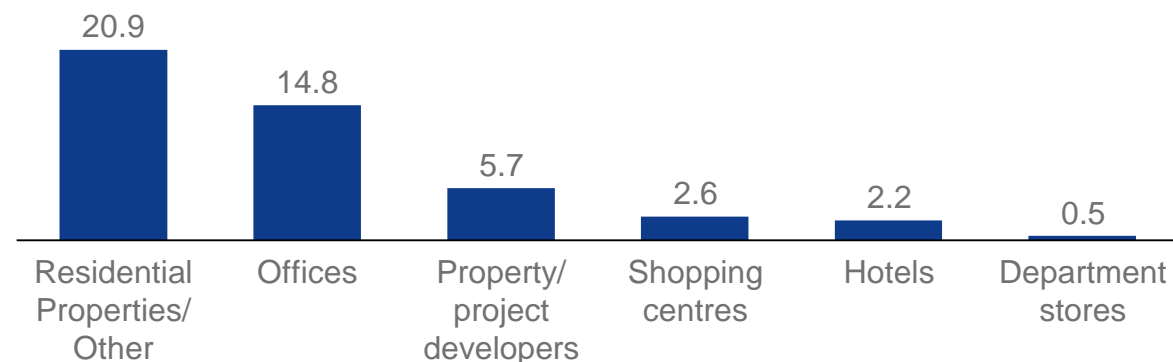
4) Volume of non-performing loans as a proportion of total lending volume

DZ BANK Group – Bank sector

Portfolios affected by economic developments and global crises

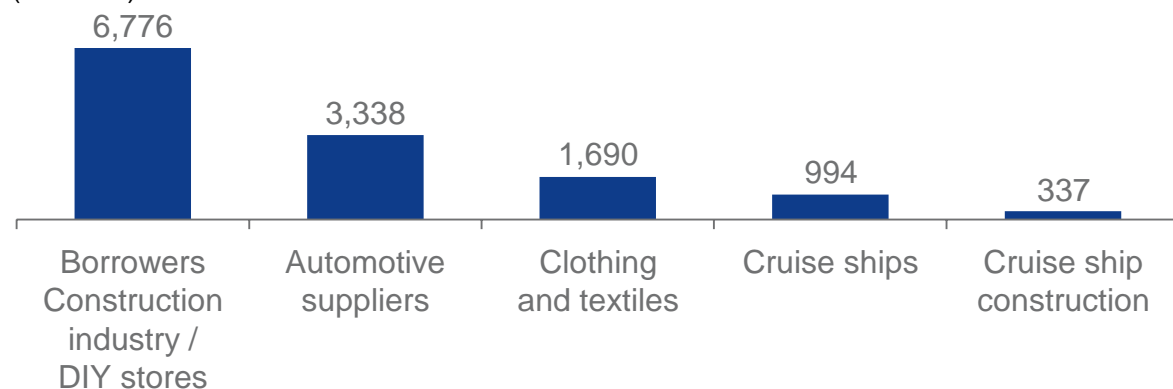
DZ HYP's corporate client lending volume

(€ billion)



Credit volume with increased risk content

(€ million)



Net credit volume affected by global crises

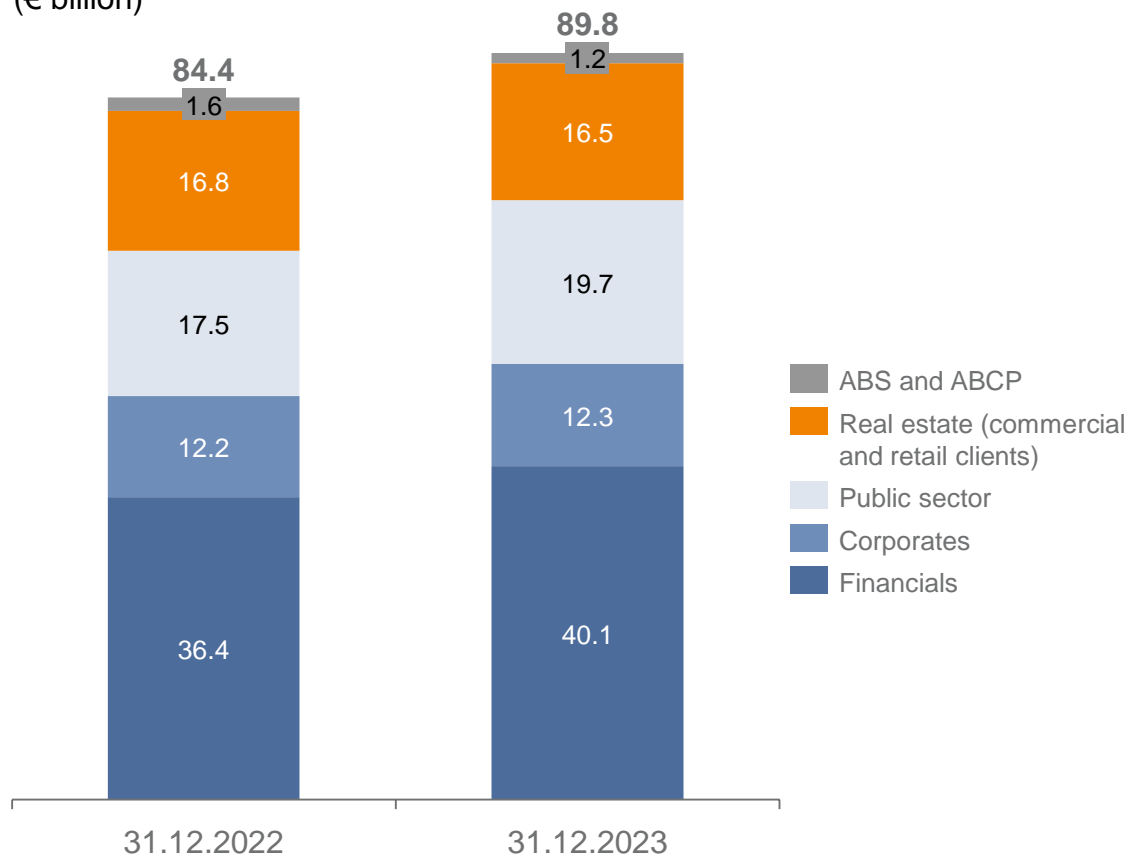
(€ million)	Bank sector		DZ BANK AG	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Ukraine war	94	139	86	136
Russia	91	130	83	128
Belarus	2	6	2	6
Ukraine	2	2	2	2
Israel-Hamas war	432	548	431	548
Israel	1	5	1	5
Iraq	2	-	2	-
Egypt	58	144	57	144
Turkey	371	399	371	399
China-Taiwan conflict	1,107	1,002	1,080	960
China	1,008	923	982	881
Taiwan	100	80	97	79
Total	1,634	1,688	1,597	1,643

DZ BANK Group - Insurance sector (R+V)

Portfolio structure

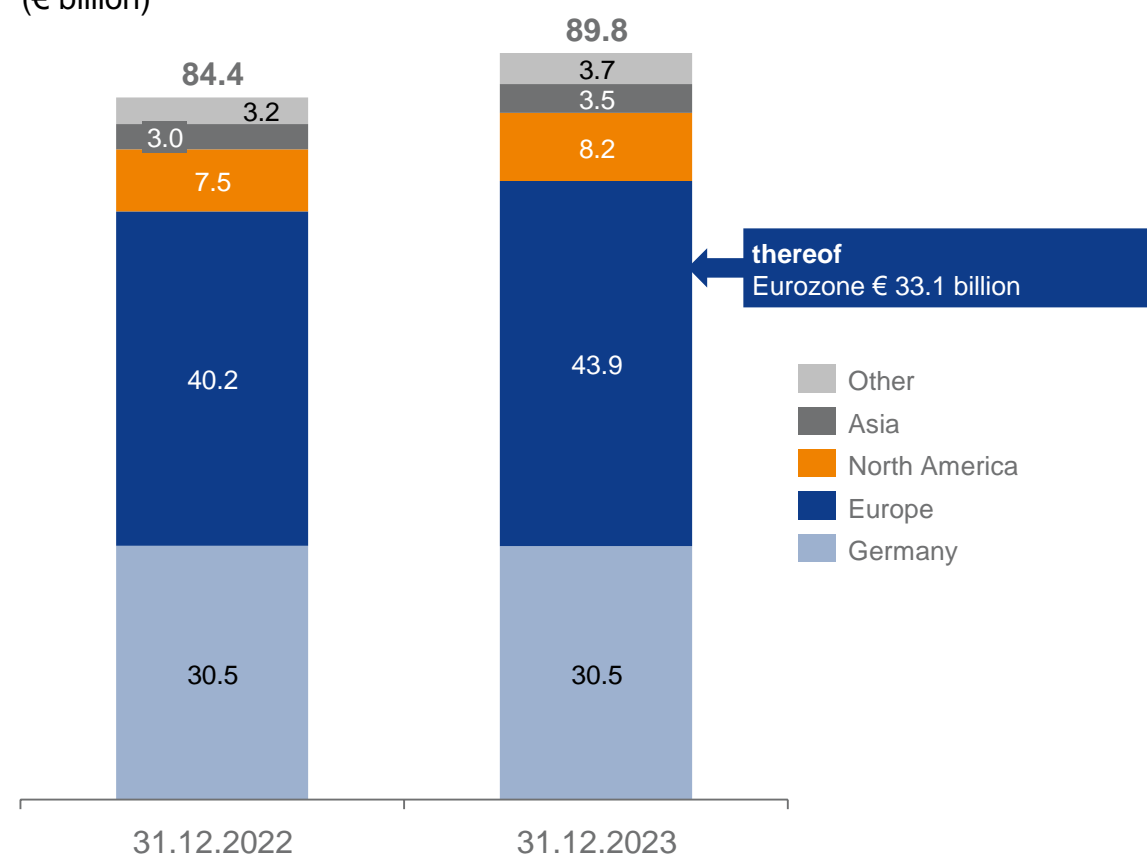
Lending volume by asset classes

(€ billion)



Lending volume by country group

(€ billion)



Contents

1.

**Volksbanken Raiffeisenbanken
cooperative financial network**

2.

Overview of DZ BANK Group's financial situation

3.

Asset Quality

4.

Funding and Rating

5.

Sustainability

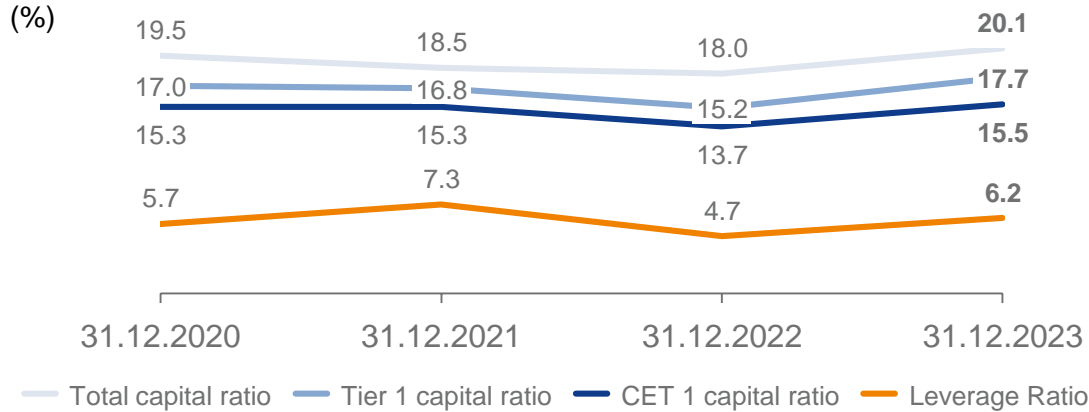
6.

Contact

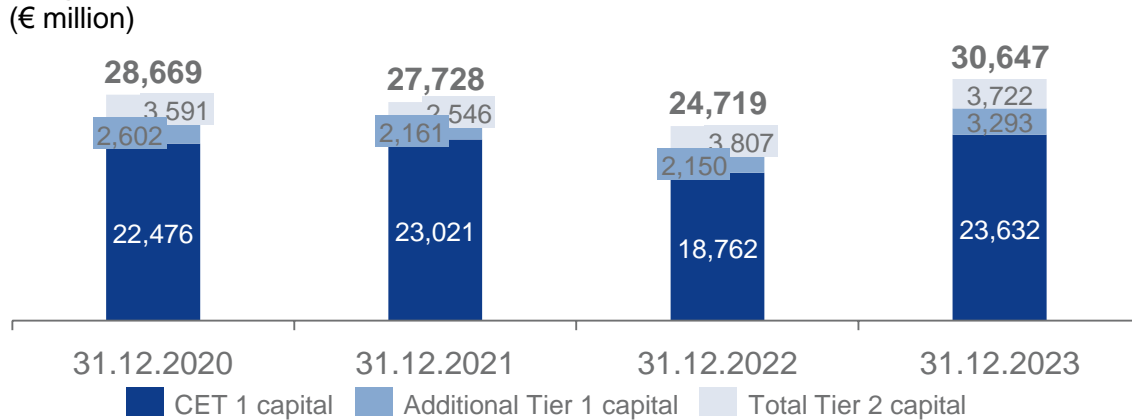
DZ BANK Group

Current capital situation

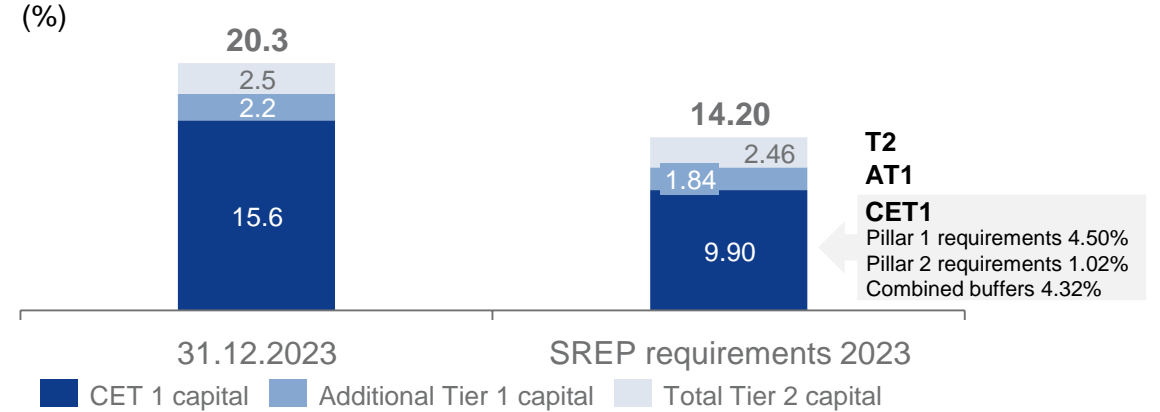
Capital ratios



Regulatory capital



Capital requirements

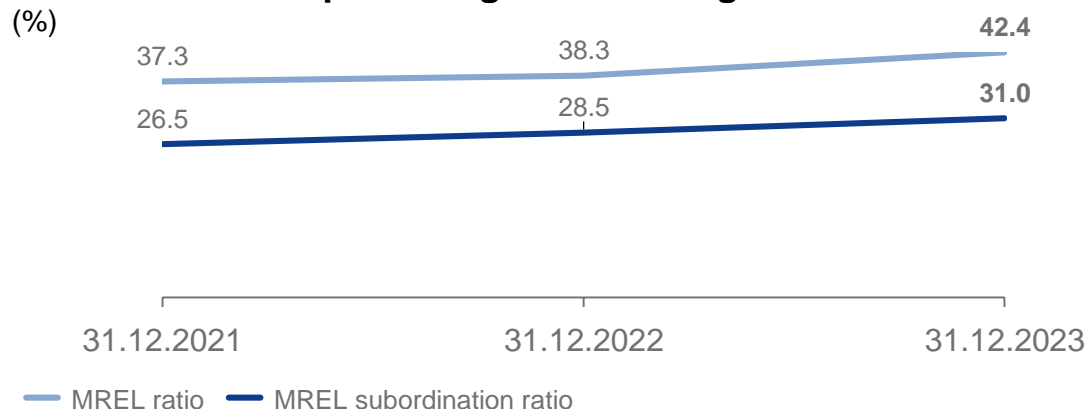


- Upward trend in capital adequacy, partly thanks to good operating performance
- Initial application of IFRS 17 at R+V
- New issue of AT1 in June 2023
- **SREP:** Increase in minimum capital requirements by 0.95 percentage points as at the reporting date, mainly due to an increase in additional Pillar 2 capital requirements, an increase in the countercyclical capital buffer and the introduction of the systemic risk buffer

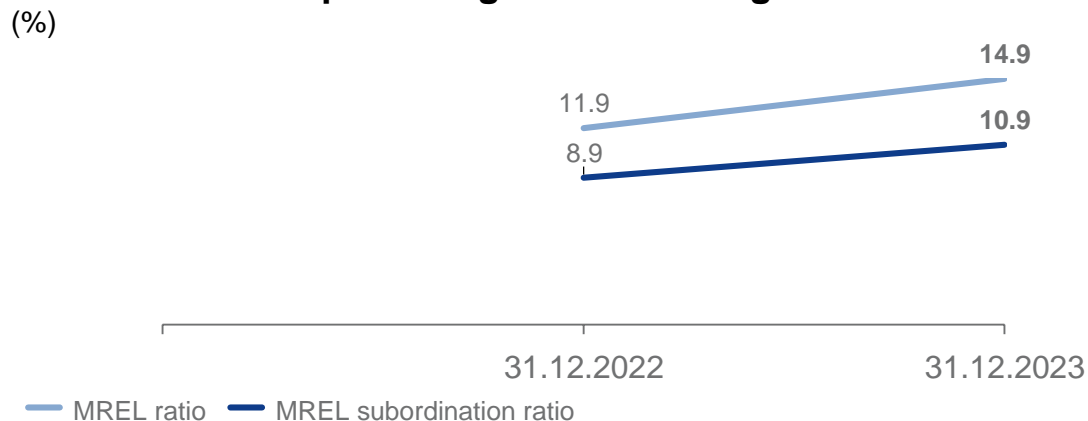
DZ BANK Group

Current capital situation

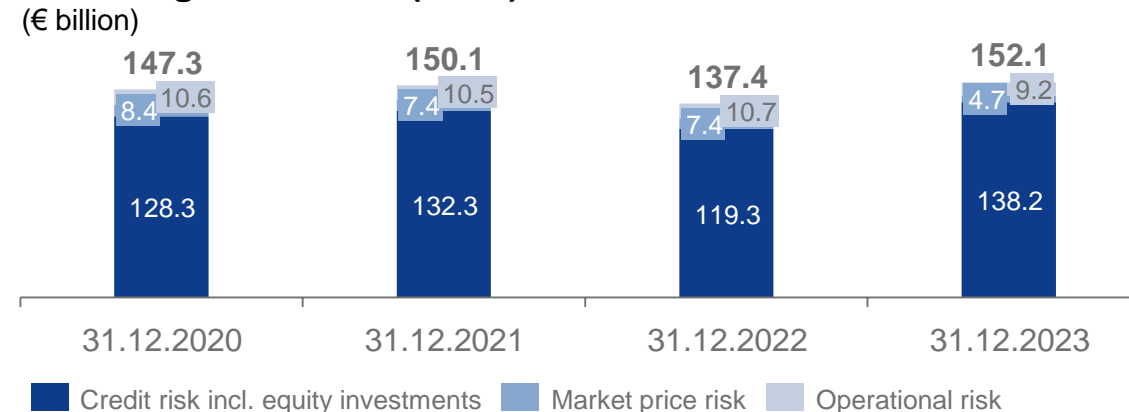
MREL ratios as a percentage of risk-weighted assets



MREL ratios as a percentage of the leverage ratio



Risk weighted assets (RWA)

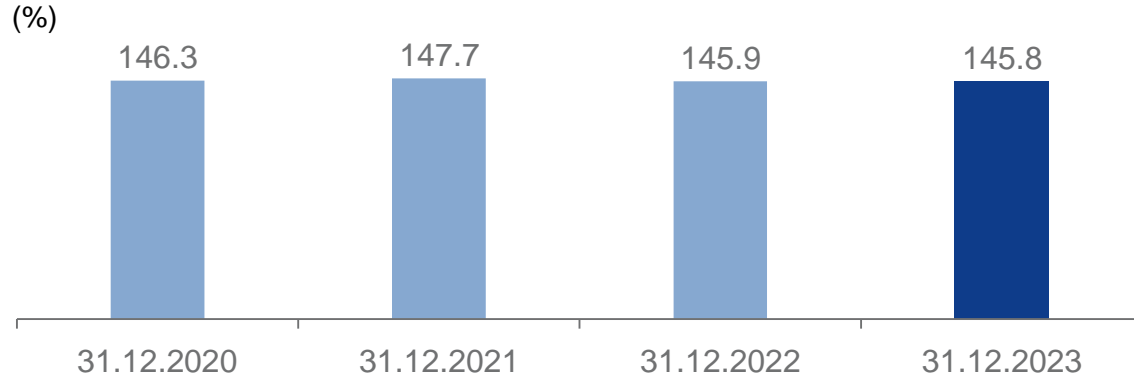


- Increase in **risk-weighted assets** mainly due to the introduction of IFRS 17 and the associated positive effect on the equity valuation of DZ BANK's investment in R+V
- Increase in **MREL ratio as a percentage of risk-weighted assets** due to increase in senior preferred liabilities eligible for MREL; increase in **MREL subordination ratio** due to significant increase in subordination volume and own funds
- Increase in **MREL ratio as a percentage of leverage ratio** due to increase in MREL volume; increase in **MREL subordination ratio** also due to significant increase in subordination volume

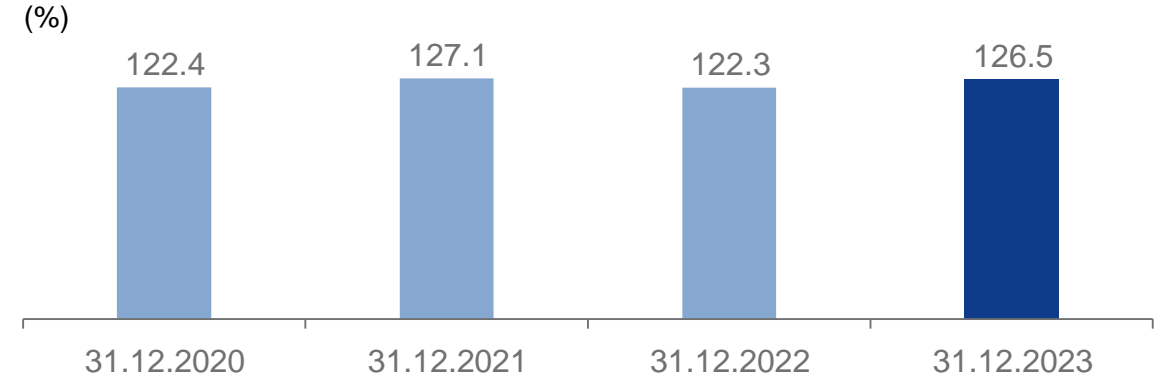
DZ BANK Group

Current liquidity situation

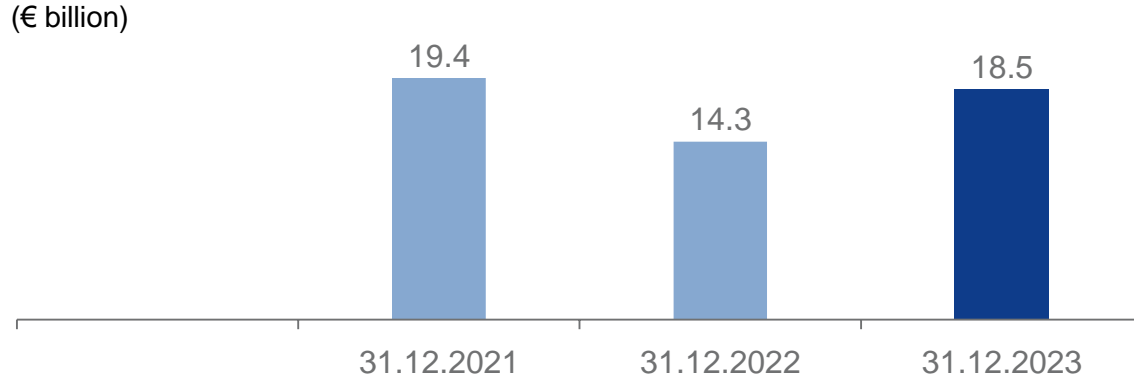
Liquidity coverage ratio – LCR



Net Stable Funding Ratio – NSFR



Minimum liquidity surplus



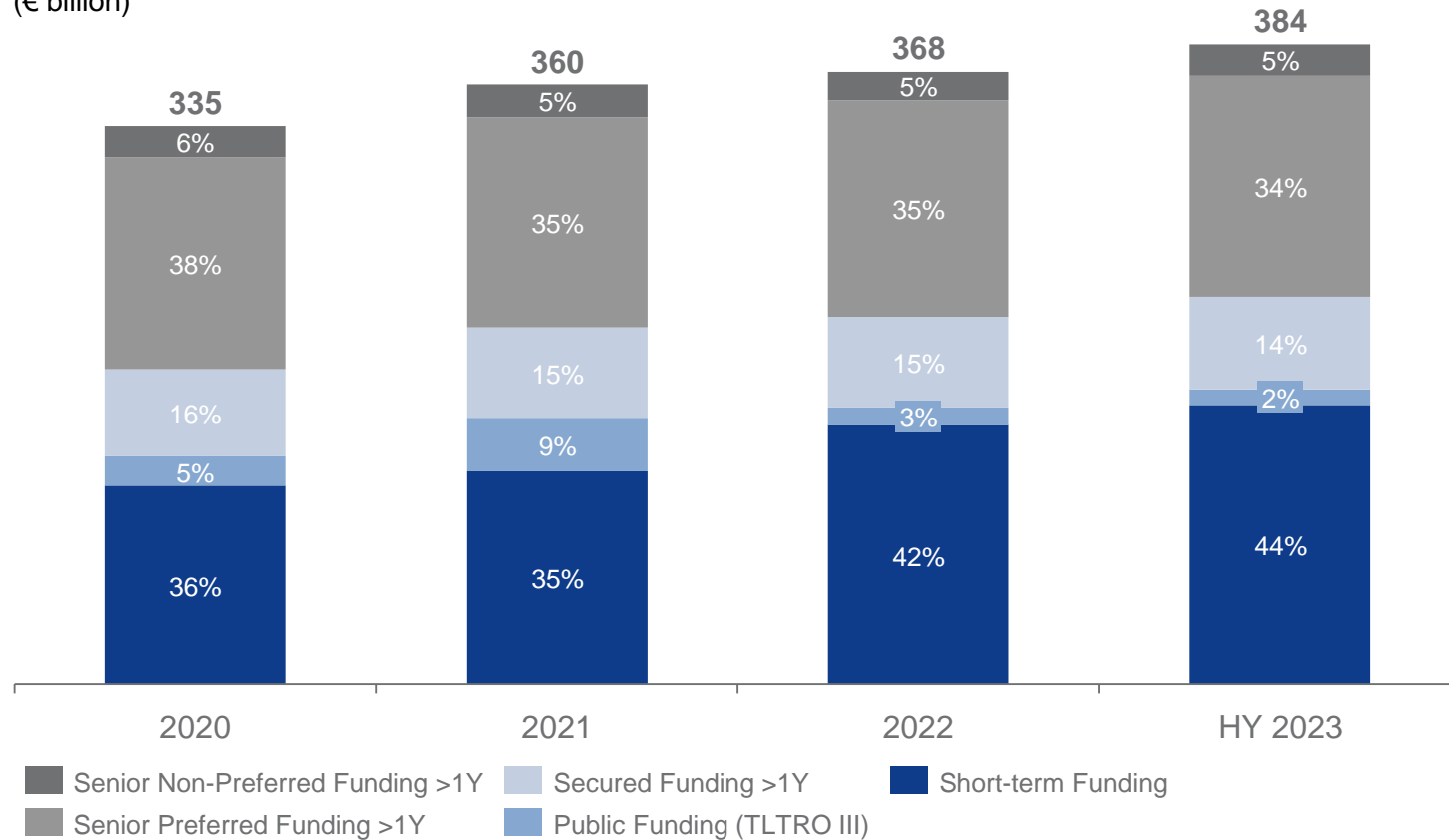
- The slight reduction in the **LCR** results from a higher sensitivity of the LCR in relation to the increased net liquidity outflows; this effect more than compensates for the stronger increase in the liquidity buffer and the resulting increase in excess liquidity cover
- The increase in the **NSFR** is primarily due to increased over-collateralisation. This is mainly due to an increase in available stable refinancing sources

DZ BANK Group

Diversified funding base in terms of product groups, maturities and investors

Funding structure

(€ billion)



The funding instruments are placed with retail customers, institutional investors and banks of the cooperative financial network, among others.

Short-term funding

- Short-term funding includes the classic money market products, such as CP/CD, repo and short-term (<1Y) term deposits

Structural liquidity (>1Y)

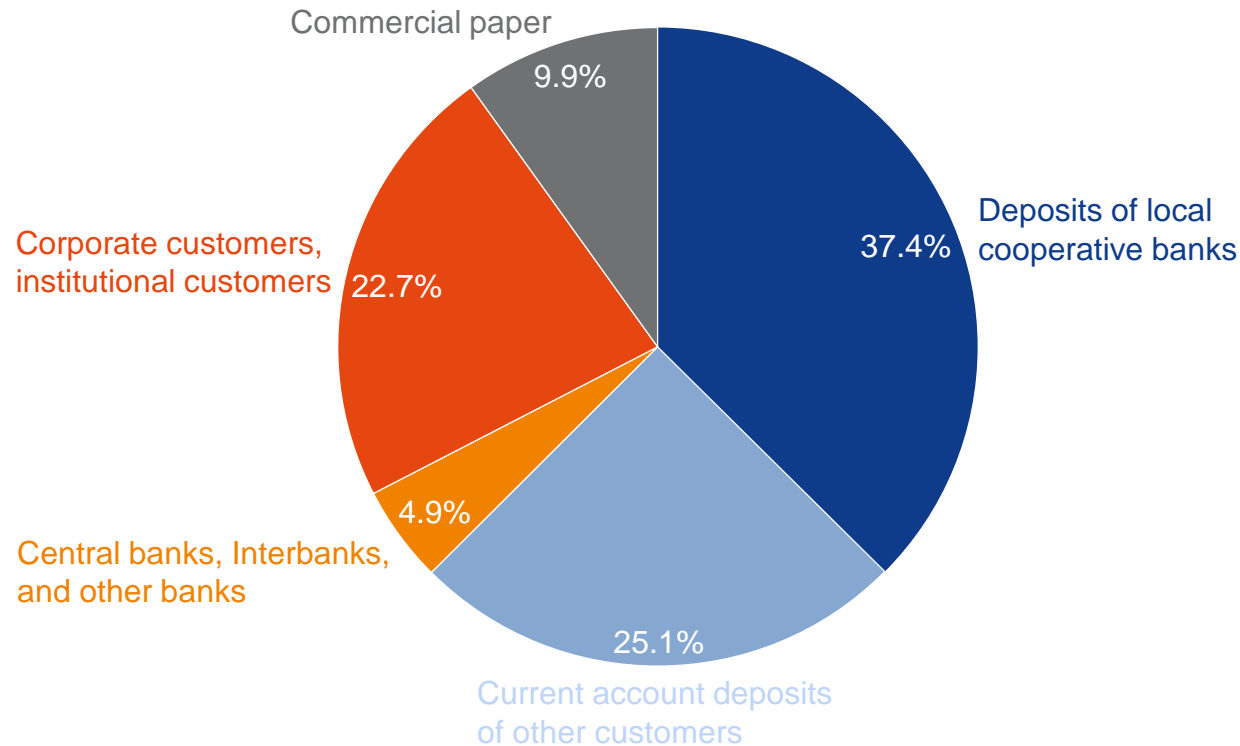
- Unsecured funding via structured and non-structured capital market products, incl. certificates
- Secured funding via Pfandbriefe / DZ BANK Briefe by BSH, DZ BANK AG and DZ HYP
- The nominal of the DZ BANK Group's participation in the ECB's TLTRO III programme amounted to € 0.5 billion as at 31 December 2023.

DZ BANK Group

Major refinancing sources in short and medium-term maturities

Unsecured short- and medium-term funding

31.12.2023



Money market funding

- The close ties within the cooperative financial network are reflected in the deposit volume of the cooperative banks
- Groupwide multi-issuer euro commercial paper programme for issuing securitised money market products
- In addition, a US CP head office programme is used centrally by the Frankfurt location (DZ BANK AG)

DZ BANK Rating overview

Bank ratings

S&P Global

MOODY'S

FitchRatings

Issuer Credit Rating (Outlook)

Short-Term Rating

	A+ (stable)	Aa2 (stable)	AA- (stable)
Short-Term Rating	A-1	P-1	F1+

Issuance ratings

Covered Bonds
(DZ BANK Briefe)

Long-Term Deposits

Counterparty Rating

Preferred Senior Unsecured

Non-Preferred Senior Unsecured

Tier 2

AT 1

Covered Bonds (DZ BANK Briefe)	AA+	Aaa	-
Long-Term Deposits	-	Aa2	AA
Counterparty Rating	-	Aa2	AA
Preferred Senior Unsecured	A+	Aa2	AA
Non-Preferred Senior Unsecured	A	A3	AA-
Tier 2	A-	Baa1	A
AT 1	BBB-	-	BBB+

Due to the high cohesion within the cooperative financial services network Fitch Ratings and Standard & Poor's assign a so-called **group rating**. Within the group rating, the cooperative financial institutions in Germany are considered consolidated.

DZ BANK Group

Balance Sheet

Assets (€ billion)	Actuals 31.12.2023	PY 31.12.2022
Loans and advances to banks	129	123
Loans and advances to customers	205	204
Financial assets held for trading	35	49
Investments	48	43
Investments held by insurance companies	116	106
Loss allowances	-2	-2
Remaining assets	115	105
Total assets	645	628
Liabilities (€ billion)	Actuals 31.12.2023	PY 31.12.2022
Deposits from banks	175	187
Deposits from customers	160	159
Debt certificates issued including bonds	104	82
Financial liabilities held for trading	48	52
Insurance contract liabilities	105	98
Remaining liabilities	23	21
Equity	31	28
Total equity and liabilities	645	628

- **Loans and advances to banks:** DZ BANK - VuGB with higher holdings of loans, registered bonds and programme loans
- **Loans and advances to customers:** BSH with increase in non-collective building loans and building society loans, DZ BANK - VuGB with increased loan portfolios and programme loans
- **Financial assets held for trading:** decline at DZ BANK - VuGB from market values of derivatives and repo business; DZ HYP with volume and interest rate-related decline
- **Investments:** DZ BANK – VuGB: Increase due to purchases of securities in the liquidity pool
- **Investments held by insurance companies:** Increase due to the change in the market value of investments under management
- **Remaining assets:** € 7 billion increase in cash reserve at DZ BANK - VuGB due to higher central bank balances
- **Deposits from banks:** Decrease in overnight and term deposits and current account balances at DZ BANK - VuGB
- **Deposits from customers:** Growth in overnight and term deposits and registered bonds with declining current account balances at DZ BANK - VuGB
- **Debt certificates issued including bonds:** Issuance of mortgage Pfandbriefe at BSH and DZ HYP, increase in capital market securities at DZ BANK - VuGB
- **Financial liabilities held for trading:** DZ BANK - VuGB with decline from market values of derivatives with increase in repo business; interest rate and volume-induced decline at DZ HYP
- **Insurance contract liabilities:** Corresponding increase to the development of R+V's investments

Contents

1.

**Volksbanken Raiffeisenbanken
cooperative financial network**

2.

Overview of DZ BANK Group's financial situation

3.

Asset Quality

4.

Funding and Rating

5.

Sustainability

6.

Contact

Sustainability is part of the DZ BANK Group's corporate DNA

Our understanding of sustainability



Entrepreneurial self-responsibility and responsibility for the community are strongly anchored at DZ BANK as an institution within the cooperative financial network.



Early involvement in international initiatives - Global Compact already signed in 2008 and Equator Principles in 2013.



Stable ESG ratings from the most important rating agencies as an indicator of sustainable business policy.



Integration of sustainability risks into DZ BANK's risk management for many years, especially in the lending business and in project financing.



Together with the cooperative banks, DZ BANK is one of the most important lenders in the segment project financing for renewable energies.



On the refinancing side, the award of "green" loans since 2018 has meanwhile been accompanied by three green bond issues by DZ BANK AG.



Union Investment as one of the pioneers on the capital investment side. As the market leader in sustainable investments, it manages around EUR 80 bn in designated sustainable funds and mandates.



Bausparkasse Schwäbisch Hall and DZ HYP are leading companies that promote and finance energy efficiency improvements in the real estate sector.

DZ BANK Rating Overview - Sustainability Ratings

DZ BANK Group

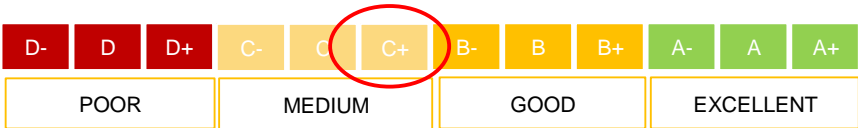
Benchmark

Corporate ESG Performance

Prime

RATED BY ISS ESG

- Awarded **Prime Status** since 2011
- Confirmation of the **C+** rating in January 2022
- Above-average commitment** to environmental and social issues



MOODY'S ESG

52 (February 2024)

Based on a **sector comparison** the DZ BANK Group performs on average

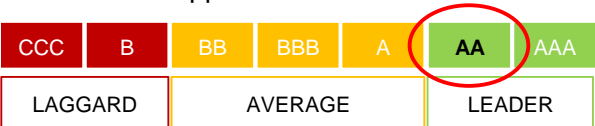


DZ BANK AG

MSCI ESG Research

AA

- Consistent AA** rating since 2015 (confirmed in December 2023)
- Counts among the **leaders** in managing ESG risks and opportunities



SUSTAINALYTICS
a Morningstar company

- 17.6** (January 2024)
- Comparatively **low** corporate governance risk
 - Low** risk of experiencing material financial impacts from ESG factors





CDP DISCLOSURE 2023






DZ BANK formulates concrete, measurable targets for sustainability

QUANTITATIVE GOALS: OVERVIEW OF CURRENT, UPDATED, AND NEW SUSTAINABILITY GOALS OF DZ BANK FROM 2024 ONWARD

E, S, or G	Subject	Goal	Actual Dec. 31, 2023	Target value	Target year
 General	Portfolio (DZ BANK AG) ¹	Expand positive SDG impacts	63.7%	2/3	2026
	Rating	Maintain current ISS-ESG and MSCI rating	ISS C+ (group) MSCI AA (AG)	maintain	permanently
 Environment (E)	Portfolio (DZ BANK AG)	General: Align portfolio ² with the 1.5°C target and a net zero future ³	-13.5%	≤ 0% deviation from sectoral goals	2023/30/40/50
		Energy ³	100kg CO ₂ e/MWh	See DZ BANK banking group	See DZ BANK banking group
		Automotive ³	0.14kg CO ₂ /km		
		Steel ³	1.07kg CO ₂ e/kg		
		Cement ³	0.64kg CO ₂ e/kg		
		Aviation ³	0.104kg CO ₂ /pkm		
		Shipping ³	9.09g CO ₂ e/dwt or gt nm		
		Increase renewable energies funding volume ⁴	€7.38 billion		
	Portfolio (DZ BANK banking group)	Energy ^{3, 5}	101kg CO ₂ e/MWh	107 78	2025 2030
		Automotive ^{3, 5}	0.14kg CO ₂ /km	0.14 0.11	2025 2030
		Steel ^{3, 5}	1.07kg CO ₂ e/kg	1.05 0.92	2025 2030
		Cement ^{3, 5}	0.64kg CO ₂ e/kg	0.60 0.53	2025 2030
		Aviation ^{3, 5}	0.104kg CO ₂ /pkm	0.096 0.076	2025 2030
		Shipping ^{3, 5}	9.09g CO ₂ e/dwt or gt nm	8.86 8.44 ⁶	2025 2030
Commercial real estate ^{3, 7}		40.89kg CO ₂ e/m ² a	38.15 26.01	2026 2030	
Private real estate ⁷		44.17kg CO ₂ e/m ² a	38.98 27.63	2026 2030	

DZ BANK formulates concrete, measurable targets for sustainability

E, S, or G	Subject	Goal	Actual Dec. 31, 2023	Target value	Target year
 Environment (E)	Portfolio (Union Investment)	Sustainable assets under management as a proportion of all assets under management ¹	19.9%	22%	2024
	Operations (DZ BANK Group)	Lower operational CO ₂ emissions ²	45.69% ³	Reduction of 65% relative to 2009 climate-neutral	2030 2045
 Social (S)	Operations (DZ BANK AG)	Employee satisfaction: Organizational Commitment Index	80%	> 70%	permanently
 Governance (G)	Operations	Proportion of women on management bodies			
		• DZ BANK AG Board of Managing Directors	25%	25%	2024 ¹⁰
		• DZ BANK AG Supervisory Board	25%	25%	2024 ¹⁰
		• DZ BANK AG all levels	23.8%	25%	2030
• DZ BANK Group Board of Managing Directors	23.7%	30%	2030		

1 Corporate customer lending business (methodological differentiation > section 7.1 Impact transparency)

2 Banking book excl. funds, disclosure for target year 2023

3 Not assessed

4 Definition in accordance with the risk report in the group management report of the DZ BANK Group and in the management report of DZ BANK AG

5 The targets for DZ BANK AG were applied to the DZ BANK banking group in these six sectors for the target years disclosed here.

6 The methodology in the shipping sector is based on the Poseidon Principles, which define targets per type and size of vessel. Alignment is measured as the relative distance to the decarbonization target per type and size of vessel. To ensure consistency, the target for shipping was defined as physical emissions intensity.

7 Targets for the real estate sector were defined for the DZ BANK banking group for the target years disclosed here. DZ BANK AG does not have a business portfolio in the real estate sector.

8 Switch from disclosure of an absolute target variable (sustainable assets under management) in the prior year to a relative target variable

9 Actual December 31, 2022

10 In accordance with DZ BANK AG's diversity policy for the Board of Managing Directors and Supervisory Board, valid until December 31, 2027

Contents

1.

**Volksbanken Raiffeisenbanken
cooperative financial network**

2.

Overview of DZ BANK Group's financial situation

3.

Asset Quality

4.

Funding and Rating

5.

Sustainability

6.

Contact

Investor Relations Contact

IR Team



Dr. Kirsten Siersleben
Department Head Corporate General Secretariat

Kirsten.Siersleben@dzbank.de
+49 69 7447 1005



Markus Stachel
Group Head Investor Relations





Markus.Stachel@dzbank.de
+49 69 7447 9841






Alexander Mayer
Referent Investor Relations

Alexander.Mayer@dzbank.de
+49 69 7447 90736

Further information

-  [Investor Relations Website](#)
-  [DZ BANK – Facts and figures](#)
-  [DZ BANK Reports](#)
-  [Presentation on sustainability in the DZ BANK Group](#)

IR Teams of the subsidiaries

-  [Investor Relations Bausparkasse Schwäbisch Hall](#)
-  [Investor Relations DZ HYP](#)
-  [Investor Relations DZ PRIVATBANK](#)

Disclaimer

This document is for information purposes only. This document has been prepared by DZ BANK AG Deutsche Zentral-Genossenschaftsbank ('DZ BANK') and is intended for distribution in the Federal Republic of Germany. This document may only be distributed outside Germany in accordance with the local legal requirements, and persons coming into possession of this information and these materials should inform themselves about and observe the local legal requirements.

This document constitutes neither a public offer nor a solicitation of an offer for the purchase of securities or financial instruments. In particular, DZ BANK does not act as portfolio manager. This document does not constitute a financial analysis. All evaluations, opinions or explanations contained herein are those of the author of the document and do not necessarily correspond with those of third parties.

DZ BANK assumes no liability for loss/damage caused directly or indirectly by the distribution and/or use of this document and/or for loss/damage that is connected with the distribution and/or use of this document. Any investment decision with respect to securities or any other financial instruments should be based on individual advice and a prospectus or information memorandum and under no circumstances on this document.

The contents of this document relate to the situation at the time at which the document was drafted. Future developments may render them obsolete and the document may not have been changed accordingly.