

Strategic Position Paper

Frankfurt am Main, April 2020

For DZ BANK AG, sustainability means taking responsibility: for our business actions and for our employees, for our environment and for society. In this way, we also contribute to securing our long-term business success.

Our understanding of sustainability is rooted in the fundamental cooperative ideas and our corporate values - and has been for more than 150 years. We are convinced that economic, social and environmental objectives must be harmonious. We consider ourselves supporters of our shareholders. Our interaction with our shareholders, clients, employees and partners is characterised by trust, fairness and reliability. As an initiative bank, we always act in a targeted and forward-looking manner with a view to the consequences of our actions.

DZ BANK AG is committed to its social environment and provides impetus for economic, cultural and social development. From an ecological point of view, we contribute to the protection of our environment through the responsible and careful use of resources in our own business operations and through business activities such as financing renewable energies.

The Sustainable Development Goals of the United Nations and the Paris Agreement provide the framework for sustainable finance, which we use as the basis for our commitment to sustainability.

Position Paper Climate

Climate change and its impact on the economy and society is currently one of the greatest global challenges. As DZ BANK AG, we are committed to the real economy and see ourselves as a proactive advisor and long-term partner for our clients. We will therefore support our clients in the transition to a low-carbon economy. We also want to further reduce our own carbon footprint.

1. Improving our own ecological footprint

We strive to continuously reduce our consumption of resources in order to minimise the negative impact of our operating activities on the environment. We therefore pursue explicit goals for DZ BANK AG's business operations:

- Starting from the base year 2009, we plan to cut our own CO₂ emissions by 80% by 2050
- We want to continue to support various measures for the responsible use of resources in order to systematically reduce our consumption of resources (e.g. efficiency standards for buildings and low-emission mobility)

2. Expanding the low-carbon business portfolio

We support our customers in their financing projects to achieve a low-carbon economy. We therefore pursue the following goals in our range of products:

- We want to incorporate sustainability more strongly into our product range and our consultations
- We want to increase the share of customer financing with projects that make a positive contribution to the climate footprint. This includes in particular loans for renewable energy and the promotion of projects to increase the energy efficiency of buildings
- We want to advise and actively support our clients to a greater extent in the issuance of green bonds
- We want to develop further sustainable investment products in order to offer our retail clients sustainable investment solutions

3. Supporting the transformation of CO2-intensive industries and activities

We plan to reduce the CO2 intensity of our credit portfolio in the long term. DZ BANK AG is therefore taking the following initiatives:

- We generally assess our business activities on the basis of internal sustainability standards such as exclusion criteria, sector principles and Equator Principles
- We want to provide more financing for customer projects to cut their own CO2 emissions
- We want to support our customers in reducing their CO2 contribution by offering concrete advisory services

4. Commitment to promoting sustainability

We promote the social and economic discourse on sustainability and support the transformation to a low-carbon economy. To achieve this, we are focusing on the following measures:

- We continue to be active in relevant networks on the topic of sustainability (for example, in the Sustainable Finance Advisory Council of the German Federal Government or in the Green and Sustainable Finance Cluster).
- We continue to heighten awareness of sustainability issues among our employees
- We want to create more transparency in the cooperative financial network with regard to climate-relevant issues
- We want to expand our climate-related financial reporting, for example based on the recommendations of the Task Force for Climate-Related Financial Disclosure (TCFD), and in this context provide information on the achievement of our goals

The Board of Managing Directors will review the implementation of this Strategic Position Paper in order to ensure the support of our clients and society as we strive towards a sustainable future.

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