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2018 GRI Disclosures of DZ BANK AG

DZ BANK AG's report on its sustainability activities in 2018 under the standards of the Global Reporting Initiative (GRI, 2016 version) is prepared using the 'in accordance with Core' option. For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The review was carried out for the German version of the report.

1 GRI content index

102-45, 102-48, 102-49

This Sustainability Report covers the essential developments in, and progress made by, DZ BANK AG in the area of sustainability for the reporting year 2018. It builds on the GRI disclosures for 2017 and is intended for all our stakeholders. Since 2008, DZ BANK AG has been using its Sustainability Reports to provide regular updates on the progress it is making in terms of financial performance, the environment, and corporate citizenship. The key performance indicators we have used are based on the period January 1 to December 31, 2018 but for especially significant events the period has been extended up to the publishing deadline of April 30, 2019. Qualitative and quantitative data has been collected locally at departmental level and analyzed by the Communication, Marketing, CR division. DZ BANK AG and its activities are the exclusive subjects of this report. Where any content refers to groupwide activities, this is made clear in the text. The DZ BANK AG 2018 management report contains a list of DZ BANK's shareholdings and principal shareholdings (subsidiaries and joint ventures) (p. 185 et seq.). (see

https://www.dzbank.de/content/dzbank_de/de/home/unser_profil/investorrelations/berichte/2018.DownloadLink.download.html?download=9VJrEyDqQfoEnfnmYpc8QFy9k6dQjkeFjP14JAiFXLWA194dPXkZOqtTzc6YH_xR8O_i1JzwI2HrHcnysipr_vtYiDPwegaKEUNkleQiYMFvynapS7LUSNGTnWme0Ugut3ch8DvHIzVe2Y8pkK6RYPTNw2cJEG2-1S9rjBZ-w). Employee data in the report relates to all DZ BANK AG locations.

In this report, environmental data is reported more transparently in accordance with scopes 1 and 2, but also on the basis of the indicators of the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten (VfU) [German Association for Environmental Management and Sustainability in Financial Institutions]. We report on our coverage of the environmental KPIs accordingly. This report was prepared in accordance with the GRI Standards: Core option. We used a materiality analysis to identify the material topics. This was based on a 2015 stakeholder survey on our sustainability activities, the first such survey to be conducted at group level. It builds on DZ BANK's 2012 survey, in which external and internal stakeholders were surveyed for the first time. There were no restatements of information in the reporting year. The 2018 report is published online. There was also no change in reporting in comparison with previous reports. In the interests of readability, we have not written out the bank's full legal name. The next Sustainability Report is scheduled to appear in 2020.

2 GRI 101: Foundation 2016

3 GRI 102: General disclosures 2016

3.1 Organizational profile

102-1 Name of the organization

DZ BANK AG Deutsche Zentral-Genossenschaftsbank

102-2 Activities, brands, products, and services

The DZ BANK Group includes Bausparkasse Schwäbisch Hall, DZ HYP, DZ PRIVATBANK, R+V Versicherung, TeamBank, the Union Investment Group, VR Smart Finanz, and various other specialized institutions.

DZ BANK is responsible for supporting the business of the 850 or so independent cooperative banks in their regions and strengthening their competitiveness. Our range of products and services extends from classic and innovative products, structuring, and issues, to trading and sales in the equity and bond markets. DZ BANK also acts as a corporate bank, supporting companies and institutions that need a nationwide banking partner.

Within its retail banking business, DZ BANK offers a comprehensive range of investment services.

DZ BANK's corporate banking business incorporates joint credit business with the cooperative banks and direct business with medium-sized companies and major corporate customers.

The capital markets business encompasses sales and advisory services in relation to investment and risk management products covering the interest rate, credit, equities, and currency asset classes. These services are provided for cooperative banks, institutional clients in Germany and abroad, and corporate customers. On behalf of the cooperative financial network, Group Treasury also carries out the cash-pooling function and ensures access to global liquidity markets as well as to liquidity provided by central banks. In addition, Treasury acts as the product portfolio manager for secured and unsecured money market business, currency swaps and forwards, and the issue of short-term commercial paper.

Within Transaction Banking, DZ BANK offers products and services covering payments, payments services, and acquiring, together with securities processing, depositary, and settlement services in connection with capital market products.

102-3 Location of organization's headquarters

Frankfurt am Main, Germany

102-4 Location of operations

In addition to its headquarters in Frankfurt, DZ BANK is represented at thirteen other locations in Germany (Berlin, Dresden, Düsseldorf, Hamburg, Hannover, Karlsruhe, Koblenz, Leipzig, Munich, Münster, Nuremberg, Oldenburg, Stuttgart). It also operates branches in the financial centers London, New York, Hong Kong, and Singapore and has representative offices in São Paulo, Istanbul, Moscow, Beijing, Mumbai, and Jakarta.

102-5 Ownership and legal form

DZ BANK is a stock corporation (Aktiengesellschaft, AG) under German law. Cooperative banks hold 94.4 percent of the shares in DZ BANK. Other cooperative organizations hold a further 4.9 percent, while private individuals and other shareholders own 0.7 percent.

102-6 Markets served

DZ BANK's markets correspond to its customer groups:

- Cooperative banks within the territory
- Large corporate customers
- Institutional customers
- Independent retail investors (financial experts who put together their own portfolios)

Our primary market is Germany. We also provide advice and support to our customers in other countries via our international offices.

102 -7 Scale of the organization

In 2018, DZ BANK had an average of 5,335 employees working at its offices in Germany and around the world and its total assets amounted to €259 billion as at December 31, 2018. Operating profit for the year came to €499 million; equity stood at €10,504 million. Deposits from banks and deposits from customers totaled €132,562 million and €35,553 million respectively. All key financials can be found in the 2018 Annual Financial Statements and Management Report.

102-8 Information on employees and other workers

Number of employees (as at December 31)

	Germany	Outside Germany	Total
2018	5,234	240	5,474
2017	5,298	244	5,542
2016	5,549	243	5,792

Workforce by contract type (as at December 31)*

	2018
Permanent	5,258
Of which: female	2,228
Of which: male	3,030
Fixed-term	57
Of which: female	21
Of which: male	36

* Core staff excl. trainees; Figures collected for the first time in 2018

Use of working-time models (as at December 31)

(%)	2018	2017	2016
Flexible working hours	100.0	100.0	100.0
Full-time	79.9	80.8	81.4
Of which: female	59.9		

Of which: male	94.6		
Part-time	20.1	19.2	18.6
Of which: female	40.1		
Of which: male	5.4		
Virtual offices	12.8	12.9	12.0
Sabbatical	0.0	0.0	0.0
Semi-retirement (Altersteilzeit)	1.68	1.8	1.9

Employees by location (as at December 31, 2018)	
DZ BANK AG (total)	5,474
Germany, total	5,234
Frankfurt	3,397
Düsseldorf	868
Karlsruhe	28
Stuttgart	302
Münster	91
Koblenz	17
Hannover	182
Hamburg	75
Oldenburg	16
Berlin	32
Dresden	2
Leipzig	9
Munich	181
Nuremberg	34
International, total	240
Branch	224
London	51
New York	71
Hong Kong	48
Singapore	54
Representative offices	16
Moscow	3
Istanbul	3
São Paulo	1
Beijing	3
Mumbai	3
Jakarta	3

Employment type (as at December 31)*

	2018	2017	2016
Employees who are not subject to collective pay agreements	3,850	3,887	3,988
Of which: female	1,273		
Of which: male	2,577		
Employees who are subject to collective pay agreements	1,624	1,655	1,804
Of which: female	1,044		
Of which: male	580		

By seniority			
Managers (excluding members of the Board of Managing Directors)	658	660	660
Employees (incl. trainees and inactive staff)	4,816	4,882	4,952

* Number of employees worldwide

102-9 Supply chain

As a service provider DZ BANK provides, through its purchasing function, goods and services for infrastructure, the central institution function (liquidity and funding) and Transaction Banking (payments processing and securities processing).

DZ BANK buys goods and services from the following product groups (in descending order of procurement volume):

- Transaction banking (outsourcing of business processes)
- Consultancy
- Information & trading systems
- Software & services
- Facility management
- Real estate finance
- Telecommunications
- Marketing
- Goods and services from providers within the cooperative financial network
- HR services
- Hardware & services
- Mobility
- Office furniture and equipment
- Logistics

All suppliers sign a sustainability agreement for suppliers to the DZ BANK Group and undertake to comply with it. The stipulations set out in the agreement are based on the principles of the UN Global Compact and the requirements of the International Labour Organization. All suppliers must, as a minimum, comply with statutory provisions.

In addition to the usual criteria of quality and price, minimization of risk (e.g. data protection and compliance), together with environmental impact and sustainability are important when purchasing goods and services. Most of the suppliers (primarily service providers, consultants, developers, and agencies) are based in Germany, with the exception of suppliers of market data and software products whose manufacturers are headquartered outside Germany.

Because of the focus and the product group structure, no goods and services are purchased from providers that operate in the low-wage sector or are associated with practices and goods which are controversial from an ethical or social perspective.

102-10 Significant changes to the organization and its supply chain

There were no significant changes to the organization and its supply chain in the year under review.

102-11 Precautionary principle or approach

Responsible lending is an integral element of DZ BANK's business model. The aim is to ensure that, when granting loans, all relevant sustainability aspects are addressed systematically. Since as long ago as March 2009,

we have been checking all loan applications (e.g. traditional loans, project finance, and trading limits) to ensure that they comply with sustainability criteria. We use our inhouse sustainability checklist for this. Loans to cooperative banks and to entities in the DZ BANK Group are exempt from the checks, as are exposures that are being restructured. Further exemptions apply to certain product types in the joint credit business with the cooperative banks, to loans under blanket approval agreements, and to exposures that are below the rating threshold. We have been capturing the results since July 2011.

Furthermore, we have been applying the Equator Principles in project finance business since 2013. And in 2014 and 2017, we introduced rejection criteria for loan applications. Since 2017, all employees who handle financing inquiries have been required to complete our new online training course on sustainable lending. For a detailed overview of opportunity and risk management, see page 40 et seq. in the 2018 Annual Financial Statements and Management Report of DZ BANK AG.

102-12 External initiatives

We joined the United Nations Global Compact back in 2008, thereby committing to ten universally accepted principles, which include respecting human rights and employee rights, protecting the environment, and preventing bribery and corruption. These principles are an important guide for our behavior. We support them and apply them throughout DZ BANK.

As one of the 380 original signatories to the 'Joint declaration on the family as a success factor' in May 2008, we are firmly committed to a family-friendly HR policy.

We signed the diversity charter presented by the German government and German industry in November 2011 and, in 2014, the Charter for the Compatibility of Work and Care in Hessen, which was created as part of the Hessen-based Compatibility of Work and Care initiative. The Hertie Foundation recognizes companies with family-friendly and life-stage-oriented HR policies by awarding the *auditberufundfamilie*[®] certificate, which has to be renewed every three years. DZ BANK has held the certificate since 2007.

DZ BANK is a founding member of the Deutscher Derivate Verband (DDV) [German Derivatives Association] and actively works with other issuers to promote greater transparency in the retail banking market. In 2013, the members of the DDV published a fairness code, a voluntary commitment regarding business activities in relation to the structuring, issuance, marketing, and trading of structured securities such as investment certificates and warrants.

DZ BANK, along with four other leading financial institutions, undertook to promote an ethical basis for management remuneration in a joint policy paper published in July 2013. The aim is to design remuneration systems to be transparent, eliminate misguided incentives, and consider the long-term conditions for lasting success in business.

In January 2013, DZ BANK made a commitment to implement the Equator Principles for managing social and environmental risk in project finance and to report on its activities in this regard.

The equity research team at DZ BANK supports the Responsible Investing Commission of the Deutsche Vereinigung für Finanzanalyse & Asset Management (DVFA) [Society of Investment Professionals in Germany], which in recent years has improved the key performance indicators for measuring companies' performance on environmental, social, and governance issues.

102 -13 Membership of associations and interest groups

We express our voice as a financial institution by engaging in dialog with political bodies and with society at large. We primarily do this via the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR) [National Association of German Cooperative Banks]. Our representative office in Berlin also engages in political and social dialog on our behalf.

DZ BANK joined Frankfurt's ECOPROFIT club at the end of 2014, having previously been awarded ECOPROFIT certification from the City of Frankfurt. ECOPROFIT, the ECOlogical PROject For Integrated environmental Technology, aims to encourage companies to systematically take steps that protect the environment but also reduce costs.

In June 2011, we joined the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten (VfU) [German Association for Environmental Management and Sustainability in Financial Institutions], which facilitates the sharing of knowledge and experience in the sector.

We are also a member of European bodies that are dedicated to promoting the cooperative principle in Europe and around the world, such as the European Association of Cooperative Banks (EACB) and the Unico Banking Group.

The Brussels-based Confédération Internationale des Banques Populaires (CIBP) provides us with a further platform. The CIBP is a non-governmental organization that represents banks, financial institutions, and bank associations whose common objective is to support the development of small and medium-sized enterprises and individual customers. It serves as a forum for dialog and collaborative activities.

We also engage with politicians at local level. In 2018, for example, we again participated in the Frankfurt Main Finance initiative, which aims to boost Frankfurt's appeal as a financial center.

Our Compliance Office represents DZ BANK at the Bundesverband Öffentlicher Banken Deutschlands (VÖB) [Association of German Public Banks].

To provide guidance for customers, the issuers, investors, and environmental associations have drawn up guidelines that set out a model issuance process for green bonds. These include the Green Bond Principles (GBP), which contain voluntary procedural rules for issuers and underwriters that recommend transparency and are designed to ensure the integrity of the green bond market. To date, more than 100 issuers, underwriters, and investors have signed up to the GBP, including DZ BANK.

DZ BANK is a founding member of the Deutscher Derivate Verband (DDV) [German Derivatives Association] and actively works with other issuers to promote greater transparency in the retail banking market. The DDV is a body representing the 15 leading issuers of derivatives in Germany. It lays down guidelines for structuring, issuing, selling, marketing, and trading in derivatives, thus providing minimum standards that are designed to offer investors security and cement their trust in issuers' offers. In October 2013, for example, the DDV adopted a fairness code aimed at making products and costs transparent for investors. This new fairness code contains much stricter guidance for structured securities than the previous derivatives code.

DZ BANK uses its active membership of the Deutsche Vereinigung für Finanzanalyse und Asset Management (DVFA) [Society of Investment Professionals in Germany] as a trend barometer and to publicize its own topics of interest. The bank assists, for example, with the work of the DVFA commission on responsible investing, whose aims include the (further) development of sustainability standards and the internationalization of ESG reporting. This also affords it the opportunity to foster dialog with other organizations such as the International Integrated Reporting Council (IIRC).

DZ BANK is also a member of the Green & Sustainable Finance Cluster Germany, the Climate Bonds Initiative (CBI), the Sustainable Investment Forum (FNG), and the ICC Commission on Environment & Energy.

Notable memberships of academic organizations:

- German Benefactors’ Association for Science and Learning
- Center for Financial Studies (CFS)
- Market Economy Foundation
- Frankfurt Institute for Risk Management and Regulation
- German Equities Institute
- E-Finance Lab
- Institute for Banking and Financial History Research
- German Historical Information Center for the Cooperative Movement

Membership of cultural organizations:

- Städel Museum
- Frankfurt University of Music and Performing Arts
- Alte Oper
- Deutsche Oper am Rhein

Membership costs

€	2018	2017	2016
Banking organizations	1,619,579	1,731,872	1,835,927
Academic and other organizations	676,948	677,023	729,021
Total costs	2,296,527	2,408,895	2,564,948

Expenses for memberships were down by around 5 percent year on year.

3.2 Strategy

102-14 Statement from senior decision maker

Dear reader,

Corporate responsibility and long-term thinking have been part of DZ BANK's DNA since the first cooperative banks were founded, and this is reflected in the good sustainability ratings awarded by the relevant rating agencies.

Now, on the back of the discussions about sustainable finance, a growing number of banks and financial services providers are engaging with sustainability aspects more intensely and systematically and in a more holistic way. The European Commission is working hard on the implementation of the first concrete measures to shape a

sustainable financial economy, using the EU's 'Financing Sustainable Growth' action plan as its starting point. These measures will also have a noticeable impact on the activities of DZ BANK over the coming years.

As part of our sustainability activities, we have been working for a number of years on how to assess and manage risk in terms of the classic environmental, social and governance (ESG) sustainability criteria. For DZ BANK, sustainable finance is thus a question of both reputation and risk management, but it also offers attractive market opportunities, for example in the placement of sustainable bonds with institutional investors. DZ BANK is one of the leading intermediaries in the European capital market for sustainability bonds. In addition to the placement of sustainable bonds in the market, sustainable finance, and sustainability management of the bank's own processes, there is one aspect that has not been touched upon: how the bank funds itself. DZ BANK has now closed this gap with the issue of its first green bonds in autumn 2018. A number of internal departments were involved in preparing for the issue, from Treasury and the front-office divisions to Legal. This further raised awareness of sustainability aspects throughout the whole bank and in other entities within the financial services group.

The following report provides a comprehensive insight into DZ BANK AG's sustainability engagement in 2018.

Uwe Fröhlich
Co-Chief Executive Officer of DZ BANK AG

3.3 Ethics and integrity

102-16 Values, principles, standards, and norms of behavior

Acting responsibly is a key corporate objective for DZ BANK and is part of its identity as a cooperative institution. We are guided by the common values of drive, integrity, and trust that are embodied in our mission statement and that we fleshed out into a code of conduct in 2011. The code of conduct was introduced in 2012. In addition, the representatives of the individual compliance functions have worked with the various sustainability coordinators in the DZ BANK Group to produce a code of conduct for the group. This came into force in May 2014 and applies to the entire DZ BANK Group.

By signing up to the United Nations Global Compact in 2008, we also committed to ten universally accepted principles of responsible conduct that we report on regularly. In the area of compliance, regulatory developments are regularly transposed into internal policies (e.g. conflict of interest policy, gift policy, rules on employee transactions) and are brought together in a compliance handbook. The credit risk strategy provides the framework for our lending. Analysis of economic, environmental, and social aspects already forms an integral part of this. We are also guided by international standards such as the Equator Principles in our project finance and lending businesses, and even our own sector-specific principles make reference to internationally recognized standards.

In 2012, DZ BANK set up a working group on policies and standards as part of the DZ BANK Group's sustainability market initiative. The aim was to establish groupwide standards for sustainable supplier relationships. Also that year, the working group drew up a common framework that specified economic, environmental, and social dimensions applicable across the group for a sustainable supplier relationship.

3.4 Corporate governance

102-18 Governance structure

Our eight-person Board of Managing Directors manages the company and is responsible for the development of corporate strategy. It is monitored by DZ BANK's Supervisory Board. Of the shareholder representatives who sit on the Supervisory Board, nine are elected by the Annual General Meeting and one is appointed by the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR) [National Association of German Cooperative Banks]. In accordance with the German Codetermination Act (MitbestG), the members of the Supervisory Board also include ten employee representatives. The Supervisory Board and its committees work closely with DZ BANK's Board of Managing Directors, including in an advisory capacity. The Board of Managing Directors notifies the Supervisory Board of any relevant developments at the earliest possible stage. Overall responsibility for sustainability activities at DZ BANK lies with the Co-Chief Executive Officer, Uwe Fröhlich. Dr. Christian Brauckmann, member of the Board of Managing Directors responsible for IT and Organization, is in charge of environmental matters, while employee-related matters are the remit of Thomas Ullrich, member of the Board of Managing Directors responsible for Human Resources and Transaction Banking. DZ BANK's integral position within the cooperative financial network means that it has a special relationship with its owners, which are also its most important customers. Numerous events, such as the Autumn conferences, and committees, such as the Banking Advisory Councils, are used to integrate them into our communications and strategic decision-making.

3.5 Stakeholder engagement

102-40 List of stakeholder groups

Together with the local cooperative banks, which are both our owners and our customers, our stakeholders include customers, employees, business partners, analysts, and investors as well as trade associations, the media, political decision makers, and academia. We also hold regular discussions with various non-governmental organizations so that we can address their questions and concerns.

102-41 Collective bargaining agreements

As at December 31, 2018, DZ BANK in Germany had 3,850 employees who are not subject to collective pay agreements (70.3 percent) and 1,624 employees whose pay is collectively negotiated (29.7 percent).

We use our remuneration structure to provide each employee with incentives for personally implementing DZ BANK's strategic goals and those of his or her own division. Our standard starting salaries are based on local practice in the countries where our offices are located. Women and men who are of equal merit, who have the same level of experience, and who are doing the same job are paid equally. The remuneration structure at DZ BANK is based on performance, not on gender. Variable components reward the performance of motivated staff and allow them to share in the bank's success. The remuneration system of the former WGZ BANK was continued temporarily in parallel to the remuneration system of DZ BANK. The introduction of a common and standardized remuneration system was carried out in two stages in 2018.

In 2014, DZ BANK and the entities in the DZ BANK Group approved a common remuneration strategy for the DZ BANK Group that is subject to regular review. This enables us to meet the regulatory requirements and also to achieve the planned level of transparency regarding the remuneration systems within the group entities. The entities that are subject to reporting requirements under the German Remuneration Transparency Act meet these requirements and published a report on equality and equal pay for the first time in 2017. Under this legislation, reporting is required every five years from 2018. The next report will appear in 2023 and will cover the period 2018 to 2022.

102-42 Identifying and selecting stakeholders

To manage our bank as effectively as possible, we need the deepest possible understanding of our stakeholders' social, environmental, and economic expectations. To this end, DZ BANK defined stakeholders that are of particular relevance to us as part of its materiality analysis.

In choosing which stakeholders to survey, we took account of their diversity and their relevance for us as a bank. The following key points emerged:

- Among our most important stakeholders are the cooperative banks, which are both our customers and our owners, and the employees of DZ BANK and the DZ BANK Group.
- Suppliers and service providers as well as trade associations and investors are highly relevant to us from a commercial perspective.
- We also listened to critical opinions from non-governmental organizations and rating agencies as well as from academia and politics.

102-43 Approach to stakeholder engagement

The Annual General Meeting takes place once a year and is when resolutions are adopted. Shareholders are eligible to vote if they are entered and registered in the share register. Various formats facilitate dialog and communication with the cooperative banks, which are both our owners and our customers. The Autumn conferences and meetings of the regional Banking Advisory Councils have a particular strategic significance in this context. Many established dialog formats with the cooperative banks are being continued or optimized. The founding of the DZ BANK Group's Central Advisory Council in 2018 is of particular strategic importance. The Central Advisory Council aims to ensure that the cooperative banks are involved in the DZ BANK Group's important strategic decisions (to the extent permitted by the German Stock Corporation Act). The Central Advisory Council comprises around 35 members from the Boards of Managing Directors of cooperative banks plus other important representatives from within the cooperative financial network. The purpose of the Central Advisory Council is to facilitate in-depth discussion and dialog on key strategic issues in the DZ BANK Group. It also addresses the design of new products and services and the way these are marketed to cooperative banks and their customers. The Central Advisory Council is able to make recommendations to the Board of Managing Directors of the DZ BANK Group.

Last year, we again stepped up the level of dialog with the Volksbanken Raiffeisenbanken – the local cooperative banks – on sustainability-related matters. In October 2018, for example, DZ BANK organized a sustainability conference highlighting examples of best practice at individual cooperative banks and featuring a talk on the EU action plan on sustainable finance.

In accordance with the German Codetermination Act (MitbestG), the members of the Supervisory Board also include ten employee representatives. Topics related to sustainable business are addressed by the groupwide Corporate Responsibility Committee and the Communications, Marketing, CR division which is responsible for sustainability matters. They are also directly addressed in dialog with customers of the divisions.

The cooperative banks are surveyed – generally every three years – on their overall satisfaction. The most recent survey was conducted in spring 2018. The number of customers who are 'extremely' or 'very' satisfied with DZ BANK has doubled since the first survey in 2007, and is now at 41 percent. We see the result as an expression of the collaborative partnership that has evolved over the years and as evidence of our systematic 'Verbund First' strategy of supporting the cooperative banks.

Our analysts bring sustainability to the attention of institutional investors in Germany and other countries by giving talks at conferences and by organizing roadshows for customers focused on sustainability. These events take place several times a year.

In 2009, 2011, and 2014, DZ BANK conducted its DZ MeinungsSpiegel staff survey in order to find out as much as possible about employees' wishes, expectations, and needs. The results are a gauge of staff loyalty and satisfaction, and also provide a basis for division-specific and bank-wide improvements. Such improvements include the introduction of special sales training courses and HR guidelines for managers. As a result of the merger in 2016, the DZ MeinungsSpiegel survey was not carried out that year. Two online surveys ('Pulse Checks') at the end of 2016 and the end of 2017 provided important information about and suggestions from the employees. The broad-based communications and change campaign before, and above all, after the merger was crucial to the process of bringing the two banks together.

In addition, employees of the cooperative banks are offered fact-finding trips and visitor programs for them to learn more about DZ BANK. We also regularly meet with political representatives to discuss matters such as the Frankfurt Main Finance initiative, which aims to make the city a more attractive financial hub, including through dialog with the Hessen regional government. In sum, we enter into dialog with all of our stakeholders, aiming to address each and every one of them in equal measure by means of our reporting cycle.

See 102-46 for information on how stakeholders are involved in the preparation of the report.

102-44 Key topics and concerns raised

Of key importance to DZ BANK are the needs of the cooperative banks as its customers and owners. Their requirements relating to sustainable practices and to responsible and sustainability-focused financial products and services are addressed in the development of strategies and products.

In 2018, our priorities were to:

- conduct a second groupwide stakeholder survey (preparatory work carried out, implementation postponed until early 2019)
- review and optimize the management of sustainability data
- publish our first non-financial group declaration
- continue developing the common standards and processes for purchasing within the DZ BANK Group
- expand our range of sustainable products

For 2019, we have undertaken to:

- review the rejection criteria for lending
- conduct a second groupwide stakeholder survey
- involve the offices outside Germany in our training in sustainable lending
- devise a new work program for the Group Corporate Responsibility Committee

We have also set ourselves the goal of further improving our internal policies and standards. In addition, we plan to manage sustainability data more professionally across the group.

Since 2005, DZ BANK's lending guidelines have set out how to deal with sensitive industries. In 2014, we translated these guidelines into criteria for rejecting loan applications, which the customer relationship managers use for guidance and which they take into account when assessing loan applications. The criteria currently apply to weaponry, pornography, gambling, significant environmental risks, and human rights abuses. In the autumn of

2017, the Board of Managing Directors also decided to reject all future project financing applications for coal-fired power plants.

To further increase employees' awareness of product-relevant sustainability issues, we have developed an online training course on sustainability in the lending process. Since 2017, all employees who handle financing inquiries have been required to complete our new online training course on sustainable lending. It aims to provide our staff with practical assistance in carrying out sustainability checks on applications for finance.

DZ BANK was the first issuer to use a quality management system to develop products, monitor product specifications, and measure customer satisfaction. The system, which is based on the ISO 9001 industry standard, is audited and certified by DQS GmbH (Deutsche Gesellschaft zur Zertifizierung von Managementsystemen) [German society for the certification of quality assurance systems]. The aim of this quality management system is to ensure customers of both DZ BANK and the cooperative banks receive the best possible service. In addition to product development, customer service in the Capital Markets Retail Clients division has been regularly inspected since 2011 in accordance with ISO 9001. Customer service in this division has set itself ambitious quality standards for dealing with customer inquiries in terms of staff availability and processing times.

Dealing with complaints is a fundamental aspect of quality management in the Capital Markets Retail Clients division. DZ BANK deals with all complaints promptly, whether they are made by telephone, letter, email, or in person. All divisions with direct or indirect contact with customers have complaints managers who ensure complaints are dealt with in a customer-focused manner. Customer complaints are documented and are reported on regularly.

We also regularly post the latest news about sustainability at DZ BANK on our sustainability portal WerteWelt.

Strategic decisions factor in the results of the many approaches for integrating the various stakeholders. Topics that according to our materiality analysis are of particular relevance to our stakeholders (see 102-46) are addressed in detail in our reports.

The DZ BANK Group has not offered products based on agricultural commodities since spring 2013. This decision was made by the bank in consultation with stakeholders in the cooperative financial network.

3.6 Reporting practice

102-45 Entities included in the consolidated financial statements

DZ BANK is part of the DZ BANK Group and also functions as the group's holding company. The DZ BANK Group includes Bausparkasse Schwäbisch Hall, DZ HYP, DZ PRIVATBANK, R+V Versicherung, TeamBank, the Union Investment Group, VR Smart Finanz, and various other specialized institutions. Within the cooperative financial network, DZ BANK AG functions as the central institution and is responsible for supporting the business of the cooperative banks in their regions and strengthening their competitiveness. It also operates as a corporate bank and acts as the holding company for the DZ BANK Group. The DZ BANK AG 2018 management report contains a list of DZ BANK's shareholdings and principal shareholdings (subsidiaries and joint ventures) (p. 185 et seq.) (see

https://www.dzbank.de/content/dzbank_de/de/home/unser_profil/investorrelations/berichte/2018.DownloadLink.download.html?download=9VJrEyDqQfoEnfnmYpc8QFy9k6dQjkeFjP14JAiFXLWA194dPXkZOqtTzc6YH_xR8O_i1JzwI2HrHcnysipr_vtYiDPwegsKEUNkleQiYMFAvynapS7LUSNGTnWme0Ugut3ch8DvHIZpVe2Y8pkK6RYPTNw2cJEG2-1S9rjBZ-w) (see also p. 3).

102-46 Defining report content and topic boundaries

The preferences of our stakeholders and the requirements that they have of DZ BANK are fundamental to our sustainability approach and strategy and also provide the framework for the content of this yearly report.

To effectively manage sustainability at DZ BANK, we need to have as deep an understanding as possible of our stakeholders' social, environmental, and economic interests as well as their experiences and expectations. The first groupwide stakeholder survey on our sustainability activities, conducted in 2015, provided us with key information in this regard. This online survey of the DZ BANK Group entities builds on the DZ BANK survey of external and internal stakeholders that we carried out for the first time in 2012. It was conducted in addition to the ongoing dialog that we engage in with our stakeholders.

The 2015 groupwide stakeholder survey was based on the guidelines of the Global Reporting Initiative (GRI). Our sustainability team used these guidelines to first establish the topics that were of relevance both to sustainability and to our stakeholders. We prioritized these topics in accordance with the principles of materiality and taking into account the results of the online survey and then validated them in internal workshops. The 2015 survey covered five areas of action, each broken down into various topics, and was based on analyses of the prevailing social sustainability trends. With a response rate of 46 percent, it provided valuable input for core areas of our work and reporting systems.

Our stakeholders' opinions again underlined how important it is to strategically integrate sustainability into DZ BANK's core business across all the areas of action. The respondents assigned the greatest relevance to sustainable corporate management and to sustainable products and services. Within these areas, they gave the highest scores to 'cooperative principles and values' and 'corporate strategy and success'.

Together with the local cooperative banks, which are both our owners and our customers, our stakeholders include customers, employees, business partners, analysts, and investors as well as trade associations, the media, political decision makers, and academia. We also hold regular discussions with various non-governmental organizations so that we can address their questions and concerns. We try to ensure that we maintain a balance of internal and external stakeholders, with whom we have a strong mutual relationship.

For reasons of comparability and transparency, the Sustainability Report has been prepared in accordance with the GRI Standards.

102-47 List of material topics

MATERIAL ASPECTS AND BOUNDARIES

Nachhaltiges Wirtschaften	Mitarbeiterverantwortung	Umwelt- und Klimaschutz	Gesellschaftliches Engagement
Wirtschaftliche Leistung (i)	Beschäftigung (i)	Materialien (i)	Bewertung der Lieferanten hinsichtlich gesellschaftlicher Auswirkungen (a)
Compliance (i)	Arbeitnehmer-Arbeitgeber-Verhältnis (i)	Energie (i)	Lokale Gemeinschaften (a)
Korruptionsbekämpfung (i)	Arbeitssicherheit und Gesundheitsschutz (i)	Wasser (i)	Politik (i, a)
Wettbewerbswidriges Verhalten (i)	Aus- und Weiterbildung (i)	Abwasser und Abfall (i)	
Bewertung der Lieferanten hinsichtlich ökologischer Aspekte, Arbeitspraktiken, Menschenrechte, gesellschaftlicher Auswirkungen (a)	Vielfalt und Chancengleichheit (i)	Bewertung der Lieferanten hinsichtlich ökologischer Aspekte (a)	
Produkte und Dienstleistungen (i, a)	Gleicher Lohn für Frauen und Männer (i)	Emissionen (i, a)	
Kennzeichnung von Produkten und Dienstleistungen (i, a)	Gleichbehandlung (i)	Transport (i, a)	
Schutz der Privatsphäre von Kunden (i, a)	Vereinigungsfreiheit und Recht auf Kollektivverhandlungen (i)		
Produktportfolio (i, a)	Bewertung der Lieferanten hinsichtlich Arbeitspraktiken und Menschenrechte (a)		
Active-Ownership-Ansatz (i, a)	Investitionen (i, a)		

* BF = Berichtsfelder der DZ BANK AG

i = Wesentliche Aspekte innerhalb des Unternehmens; a = Wesentliche Aspekte außerhalb des Unternehmens

102-48 Restatements of information

There were no restatements of information in the reporting year (see also p. 3).

102-49 Changes in reporting

In 2018, there were no changes in reporting in comparison with previous reports. (see also p. 3).

102-50 Reporting period

We have included events with particular relevance to the 2018 Sustainability Report up to the press date of April 30, 2019, but the key figures mentioned essentially relate to the 2018 financial year (January 1 to December 31, 2018).

102-51 Date of most recent report

The previous Sustainability Report, for 2017, was published in July 2018.

102-52 Reporting cycle

The Sustainability Report is published annually. The next Sustainability Report will appear in 2020.

102-53 Contact point for questions regarding the report

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102-54 Claims of reporting in accordance with the GRI standards

This report was prepared in accordance with the GRI Standards: Core option.

102-55 GRI content index

The GRI content index provided is the detailed version.

102-56 External assurance

The 2018 Sustainability Report has not been audited by a third party.

4 GRI 200: Economic standards

4.1 GRI 201: Economic performance 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Our overriding aim is to generate long-term, stable earnings – in the interest of our customers, employees, and society. This takes priority over the pursuit of short-term profits. We adhere to this policy even in turbulent times by focusing on our core activities and constantly expanding the range of products we offer to the cooperative banks. Our role is to enhance the competitive position of the many independent cooperative banks in the German market. We – and the DZ BANK Group – adopt the principle that risk should be incurred only to the extent required to achieve strategic goals, provided the risk appears manageable.

For information on economic performance, see 201-1 and page 14 et seq. of the 2018 Annual Financial Statements and Management Report of DZ BANK AG.

201-1 Direct economic value generated and distributed

Main financial KPIs of DZ BANK AG (HGB)

€ million	2018	2017	2016
Operating profit	499	598	514
Profit before taxes	310	320	269
Taxes	12	250	54
Net income for the year	322	570	323
Total assets	258,548	251,998	253,315
Equity	10,504	10,504	10,256
Tier 1 capital ratio (%)	16.3	17.3*	19.1
Wages and salaries	535	550	586
Occupational pension provision and other benefits	101	93	91

* Prior year figure adjusted to take account of the CRR being applied in full (includes previous figure from CRR transitional guidance)

DZ BANK donated a total of €657,151 in 2018. Approximately 68.4 percent of our donations went to academic research and education. 5.3 percent of the donations were made to political organizations.

	2018	2017	2016
(%)			
Academic research & education	68.4	43.8	61.9
Social causes	18.6	21.7	22.4
Arts	5.7	25.2	9.6
Politics	5.3	6.3	4.3
Sport	1.9	3.0	1.8
Total amount donated (€)	656,851	657,304	693,736

201-2 Financial implications and other risks and opportunities due to climate change

In 2014, the entities in the DZ BANK Group set up a standing committee, the Group Corporate Responsibility Committee (Group CRC). The committee is made up of the sustainability coordinators and communications managers from the various entities and meets six times a year. The Group CRC reports to the Group Coordination Committee.

Outcomes from these activities have included, for example, the introduction of groupwide supplier standards, a common database structure, an internal climate study, and a joint climate strategy, which was adopted at the beginning of 2018. We signed the UN Global Compact on behalf of the entire DZ BANK Group.

Climate change and environmental protection are key concerns for DZ BANK. That is why our engagement in this area goes beyond the statutory requirements. This applies not only to the bank and its employees but also to our service providers and suppliers – because DZ BANK considers sustainable purchasing to be important, too. By all working with the same objectives in mind, we can implement our plans more efficiently. Our target is to lower DZ BANK AG's total CO₂ emissions across all sites by 15 percent by 2020 (compared with the base year 2012) and progressively make DZ BANK carbon neutral. Furthermore, a target has been set under the group-wide climate strategy of reducing total CO₂ emissions of the group entities by 80 percent by 2050 (compared with the base year 2009).

DZ BANK and the DZ BANK Group have a comprehensive risk management system. Information on the risks can be found in the 2018 combined opportunity and risk report of DZ BANK AG (p. 40 onward) and DZ BANK Group (p. 70 onward).

Lending and project finance are the main areas where we encounter risk. Our lending process includes a sustainability check, which considers not only environmental standards but also social and ethical principles. The investigations that we carry out in sensitive areas are particularly thorough, and we have implemented sectoral rules for forestry, extractive industries, dam projects, and maritime industries that we regularly improve and update. DZ BANK's sustainability checklist, which has been in use since 2009, is based on the ten principles of the United Nations Global Compact and the Equator Principles. We use the list to assess all the factors relevant to a loan that may affect ecological or social risk. The assessments conducted by our experts look at business partners, customers, suppliers, sector, commercial focus, and other aspects.

In January 2013, DZ BANK made a commitment to implement the Equator Principles, a set of guidelines drawn up by international project finance institutions, and to report on its activities in this regard. By signing up to this voluntary undertaking, we have shouldered our responsibility for the environment and society. Furthermore, we adopted a policy in 2017 that provides a common basis for sustainability in the lending business throughout the DZ BANK Group.

But climate change is not only a consideration in our internal processes; it also affects product development. The cooperative financial network as a whole is one of the key funding partners for the shift in German energy policy. Through their commitment to the development of renewable energies, DZ BANK and the cooperative banks are making a considerable contribution to the success of the energy transition in Germany. Our total lending volume in this sector in 2018 was around €4.5 billion.

At the end of September 2018, DZ BANK placed the very first issue of its own green bond, with a volume of €250 million. The design of the bond complies with the Green Bond Principles of the International Capital Markets Association (ICMA) and was given the highest overall score of E1 by sustainability experts from Standard & Poor's Global Ratings. The capital raised by the placement will be used to finance onshore wind power projects in Germany. A pool of 60 projects in need of funding is linked to the green bond. These projects should reduce harmful CO₂ emissions by around 790,000 tonnes per year. DZ BANK has been active in the sustainable bonds segment since 2013 and is one of the leading European underwriters for these assets. In 2018, the total volume of bond issues with environmental, social, and/or sustainable objectives that were supported by DZ BANK as the lead underwriter amounted to around €7 billion. Issuance activity is focused on investment projects in the areas of renewable energies and climate change.

When it comes to development lending, DZ BANK supports the cooperative banks with marketing solutions and specialist knowledge, mainly in the form of development loans in the areas of environmental protection and sustainability. Investing in improved energy efficiency is becoming increasingly important for retail and corporate customers alike. Another focus is on action plans for coping with demographic change, including socially oriented programs that encourage the adaptation of housing and other buildings for older people. These themes, alongside innovation and digitalization, will continue to be a mainstay of our sales activities for development lending in 2019.

In 2018, DZ BANK's development lending amounted to €9.0 billion, which was below the 2017 level of €11.1 billion. This was primarily due to weakening demand for public-sector funding among SMEs. The sustained low-interest environment means public-sector development loans are now less attractive. The volume of new business generated by DZ BANK and the cooperative banks for development loans from Germany's KfW development bank came to €6.3 billion. With a share of 20.5 percent of all loans made by KfW, DZ BANK was again the development bank's biggest single customer. Measured by volume with KfW, DZ BANK has a 23.3 percent market share of the commercial environmental sector and a 25.9 percent share of the retail sector. Above all, this performance was driven by public-sector programs for energy-efficient construction and renovation work. Compared with the country-wide development programs run by Germany's KfW development bank, the programs of the federal states' own development banks have gained in importance and now account for almost 30 percent of DZ BANK's total development loan volume. In the case of Germany's largest federal state development bank, L-Bank in Baden-Württemberg, DZ BANK's market share reached 28.0 percent in 2018. In 2018, the cooperative sector's market share at LfA Förderbank Bayern, the Bavarian development bank, stood at 29.4 percent and at NRW Bank, the development bank for North-Rhine Westphalia, it was 22 percent.

201-3 Defined benefit plan obligations and other retirement plans

More than 90 percent of our employees are based in Germany and by law are well protected by a social security net when they retire or if they fall ill. In addition, DZ BANK provides numerous voluntary benefits, some of which are also available to employees in our locations outside Germany (London, New York, Hong Kong, and Singapore). We offer a range of voluntary benefits to employees in Germany, including a pension scheme, a subsidized local travel card or travel allowance, a subsidy for child day-care costs, contingency benefits, group accident insurance, and financial support for surviving dependants. All company benefits are available to full-time and part-time staff alike.

Staff expenses amounted to €636 million in 2018. A total of €535 million was spent on wages and salaries. Social security, post-employment, and other employee benefit expenses came to €101 million in 2018. Of this amount, €33 million was explicitly attributable to pension provision.

Further information on defined benefit obligations and the pension fund can be found on pages 23 and 159 of the 2018 Annual Financial Statements and Management Report of DZ BANK.

The most important voluntary benefit provided by DZ BANK continues to be occupational pension provision, which also matters greatly to our employees. In 2018, over 78 percent of employees took the opportunity to pay some of their salary directly into the occupational pension scheme. In the current pension scheme, which has been in place since 2004, full-time and part-time employees as well as employees on fixed-term contracts receive contributions to their occupational pension. The contributions made by DZ BANK go into a reinsured occupational pension scheme. If employees make contributions as well, these are paid into a pension fund. DZ BANK will continue to grant direct pension entitlements that are managed by DZ BANK Pension Trust e.V.

201-4 Financial assistance received from government

DZ BANK did not receive any government subsidies in the year under review.

4.2 GRI 203: Indirect economic impacts 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

DZ BANK has indirect economic impacts both on the economy as a whole as the central institution for the local cooperative banks, and in its capacity as an employer and taxpayer.

DZ BANK's donations and charitable activities, including those undertaken by its foundation, have indirect economic impacts.

203-1 Infrastructure investments and services supported

DZ BANK provides project finance to the infrastructure and energy sectors as well as to public-private partnerships (PPPs). The use of private capital and expertise to deliver public infrastructure projects has become a growth market.

In a number of European countries, partnerships between public and private investors, known as public-private partnerships (PPP), have become a successful model for funding socially important projects in recent years. DZ BANK often works with other partners in the cooperative financial network and the public sector to finance the construction of roads and other transport infrastructure, schools, hospitals, and administrative buildings.

The DZ BANK microfinance fund was established by employees in the year 2000 with the aim of supporting microfinance institutions, mainly in African countries, through bank guarantees. It also invests in companies that provide credit and private equity to microfinance institutions. The guarantees are issued by DZ BANK and backed by the DZ BANK microfinance fund. DZ BANK's guarantees allow or make it easier for the microfinance institutions to access refinancing loans from local commercial banks. These institutions then grant microloans to economically active individuals who run small businesses but do not have access to conventional banks.

DZ BANK's microfinance fund, which previously operated under the legal structure of a partnership under the German Civil Code (GbR), has been a cooperative since 2012. The DZ BANK microfinance fund is managed on a voluntary basis: We use the total fund volume for its designated purpose without applying any administrative charges. Since it was established, our microfinance fund has supported a total of seven projects in various

African countries, generally in partnership with an NGO such as FIDES or Brücke Le Pont in Fribourg, Switzerland.

During the course of 2017, the collaboration between the DZ BANK microfinance fund and two microfinance institutions in Tanzania and Togo was ended. A further project in Ghana for microloans in Accra did not come to fruition. The hunt for new projects in Africa became increasingly difficult in 2018 because the funding sums requested are far greater than the amounts possible for such a small microfinance fund (fund volume at the end of 2018: €262,000). This has become clear following various discussions with international institutions. Since the DZ BANK microfinance fund was set up in 2000, the market has developed rapidly and today there are some highly professional microfinance funds and banks in the market with substantially larger fund volumes of €500 million and sometimes significantly more.

We want to continue the collaboration with Oikocredit International that commenced in 2016. Oikocredit is an international, socially minded fund management company based in the Netherlands that provides finance to microfinance institutions and cooperatives in developing countries. In early 2016, as the result of a resolution adopted at the general meeting, the microfinance fund invested part of its fund assets (€120,000) in Oikocredit International. Oikocredit is also a large, professional provider and partner in the market which operates primarily in Africa, South America, and eastern Europe and is able to provide significantly greater project funding. At the end of 2018, the DZ BANK microfinance fund had 251 members. DZ BANK's total contributions to the initiative since it was set up have reached roughly €40,000.

The key areas in which we donate are educational, academic, cultural, and social causes. Besides local activities in and around Frankfurt, we support projects near our other sites throughout Germany. In exceptional cases, we also make donations to international causes. DZ BANK donated €656,851 in 2018.

The Aktive Bürgerschaft [active citizenship] foundation features heavily in corporate social responsibility activities across the cooperative financial network. DZ BANK also supports this foundation and is a member of its advisory council. The aim of the foundation is to give information and advice about civic engagement and to provide volunteers, multipliers, and supporters with education and training.

The initiative encourages people and organizations to take an active role in society, for example by making endowments, donating, or volunteering. Another of its aims is to promote the development of civic engagement, both in theory and in practice. Since the end of 2014, the foundation has been continuing the work of the Aktive Bürgerschaft association, which was set up in 1997. One of the Aktive Bürgerschaft's special projects is called 'sozialgenial – schoolchildren get involved'. It was launched in 2009 on the initiative of the former WGZ BANK to promote educational opportunities among young people and to encourage them to support social causes. Examples including helping senior citizens, reading stories to children in preschool, and getting involved in environmental protection work with nature conservation organizations. At school, participants combine their civic engagement with topics covered in subjects such as politics, German, or biology. Now, more than 100,000 schoolchildren at 700 schools are involved in 2,600 sozialgenial projects. A cooperation agreement is in place with the federal states of Hessen and North Rhine-Westphalia, which are represented by the Hessen Ministry of Culture and the North Rhine-Westphalia Ministry for Schools and Education.

203-2 Significant indirect economic impacts

With its commitment to the development of renewable energies, DZ BANK, together with the cooperative banks, is making a significant contribution to the switch to alternative energy sources in Germany, from the building of infrastructure to the installation of new higher-performance facilities. At the same time, DZ BANK's development lending business is helping to ensure a reduction in energy usage in Germany through the use of better insulation, heating technology, and other advances. Through our criteria for lending and project finance, we also promote adherence to minimum standards of sustainability among our customers.

We also make a positive contribution to economic development by acting as a financing partner for development loans and through our microfinance fund (see 201-2)

4.3 GRI 205: Anti-corruption 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

The wide-ranging remit of the Compliance division covers the following areas: anti-money laundering and fraud prevention, capital market compliance, and corporate compliance. The Compliance division also serves as a center of expertise for data protection.

The anti-money laundering and fraud prevention team develops and implements safeguards against money laundering, the financing of terrorism, and fraud. It is also responsible for implementing the Anti-Money Laundering Act and other legislation relevant to money laundering internally within DZ BANK and for formulating rules that stipulate how the bank's employees are to act and conduct themselves. In addition, the Compliance division, as the central interface for the DZ BANK Group and the foreign branches of DZ BANK, defines and monitors adherence to common standards that are designed to prevent money laundering and fraud.

The capital market compliance team is responsible for advising the departments on national and European regulatory requirements and for ensuring compliance with all securities regulations. The capital market compliance employees also carry out checks on the departments that are subject to the regulations, draw up internal policies, and train staff on the relevant national and European requirements.

The corporate compliance team formulates the compliance standards for DZ BANK AG, for the branches in Germany and other countries, and for the entities in the DZ BANK Group. It is responsible for the governance of compliance at group level. The team also advises departments, branches, and group entities with regard to the implementation of these requirements and checks whether they are being adhered to while also focusing on risk. The corporate compliance team also carries out the compliance risk analysis in DZ BANK AG, at the group entities, and in the foreign branches. Corporate compliance is also responsible for implementing and monitoring legal standards within DZ BANK.

Implemented in 2016, the compliance policy for the DZ BANK Group and the associated compliance standards form a standardized groupwide compliance framework for handling legal rules and requirements. We now have a groupwide compliance management system in place.

205-1 Operations assessed for risks related to corruption

Each division of DZ BANK has appointed a permanent point of contact who, in cooperation with the Audit division and the Compliance division, ensures that the necessary action steps are effectively integrated and applied to the division's processes.

DZ BANK's code of conduct, introduced in 2012, contains various measures to prevent fraud. These include guidelines for declaring gifts as well as a whistleblowing hotline and training. In 2012, we also rewrote our written procedures for fraud prevention to include guards against corruption and market price manipulation within the meaning of section 25c of the German Banking Act (KWG).

The Compliance division works closely with the Group Operational Risk function in the Risk Controlling division, and others, in order to collect data on money laundering risk and fraud risk for the annual risk analysis.

We include all sites in the annual risk analysis, which we are required to carry out by law. No significant risk of corruption was identified in the 2018 risk analysis.

At all sites, our staff receive regular compulsory training in banking compliance, the prevention of money laundering, the ban on market price manipulation, and fraud prevention. This compliance training also covers how to fight corruption. In 2018, the bank introduced two new training tools on the subjects of information security and the General Data Protection Regulation. All Supervisory Board members receive regular training on anti-corruption topics too. The average rate of participation in training is 99 percent. We also offer seminars on specific topics, such as investment advice and the management of conflicts of interest. In 2012, we introduced a software program that examines all trades for market price manipulation. In addition, a multi-level process within DZ BANK ensures that employees adhere to the statutory requirements aimed at preventing insider trading.

We introduced follow-up courses on fraud prevention for employees and managers in April 2014.

205-2 Communication and training about anti-corruption policies and procedures

COMPLIANCE TRAINING

	2018	2017	2016
Total number of participants			
Compliance for banks (incl. follow-up courses)*			1,199
Prevention of money laundering (incl. follow-up courses)	2,082	3,206	2,130
Ban on market price manipulation (incl. follow-up courses)**	351	468	445
Fraud prevention for managers (incl. follow-up courses)***	447	125	512
Fraud prevention for employees (incl. follow-up courses)***	3,920	728	4,115

* The 'Compliance for banks' course was not offered in 2017.

** The training course about the ban on market price manipulation was launched in August 2011 and is aimed at staff in trading or trading-related units.

*** Training courses in fraud prevention were introduced in December 2011.

Training courses and follow-up courses are not always held annually. Participant numbers vary from year to year, depending on when staff are required to take the courses.

All employees of DZ BANK are required to use the compliance and money-laundering hotline to report any potential wrongdoing directly to the Compliance division.

At all sites, our staff receive regular compulsory training in banking compliance, the prevention of money laundering, the ban on market price manipulation, and fraud prevention. This compliance training also covers how to fight corruption. All Supervisory Board members receive regular training on anti-corruption topics too. The average rate of participation in training is 99 percent. We also offer seminars on specific topics, such as investment advice and the management of conflicts of interest. In 2012, we introduced a software program that examines all trades for market price manipulation.

We introduced follow-up courses on fraud prevention for employees and managers in April 2014.

205-3 Confirmed incidents of corruption and actions taken

In 2007, DZ BANK introduced a conflict of interests policy setting out how to handle potential conflicts of interest. The bank uses it to inform customers of possible conflicts of interest and inducements. Specific conflicts of interest are disclosed to recipients of financial analyses who are simultaneously making use of other

banking services, for example. The Compliance division is also responsible for initiating and monitoring the action steps. DZ BANK's comprehensive gift policy came into effect on July 1, 2010 with the aim of preventing acts of bribery by means of gifts, benefits, or other inducements. To help guard against white-collar crime and protect employees from undue influence, a whistleblowing hotline is available to employees to anonymously report their suspicions to either an internal or external ombudsman. This information is passed on to a whistleblower committee in accordance with data protection requirements. The committee then evaluates the suspicions and initiates the necessary action steps.

We include all sites in the annual risk analysis, which we are required to carry out by law. No significant risk of corruption was identified in the 2018 risk analysis.

In its role as central institution, DZ BANK processes international payments for many local cooperative banks. One of the services that it offers as part of this remit is identifying and reporting any suspicious transactions that arise. The suspicious transactions reports were delivered to the central agency for suspicious (money laundering) transaction reports (FIU).

4.4 GRI 206: Anti-competitive behavior 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

The customer is at the heart of everything we do at DZ BANK AG. We avoid doing anything that could cause harm to our customers and business partners or be viewed negatively by the public and could thus damage the reputation of DZ BANK. The bank's management does not engage in any unfair practices in the pursuit of its business objectives.

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

No actions were brought in relation to anti-competitive behavior, anti-trust, and monopoly practices during the reporting period.

5 GRI 300 Environmental standards

5.1 GRI 301: Materials 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

We do not directly consume any materials as our bank does not manufacture any products. Our consumption is mainly restricted to printer and copier paper. To reduce the amount of paper and other resources that we use, we are putting measures in place that include efforts to transition to paperless offices. And for brochures and letters, for example, we primarily use paper bearing the FSC® Mix label. See 301-1 and 301-2.

301-1 Materials used by weight or volume

Since 2014, data for all offices has been included in our environmental database. This base data enables us to report on total paper consumption. 268 tonnes of paper were used across all sectors in 2018.

Paper for the printers and photocopiers accounts for the largest proportion of consumables used at DZ BANK AG. In 2018, the total weight of all the printer and copier paper that we used came to 138 tonnes. Only paper that is FSC®-certified (Forest Stewardship Council) is used in photocopiers. At least 50 percent of the fiber for this paper is from responsibly managed forests.

Each FTE used an average of around 29kg of printer and copier paper in 2018, which is roughly 2kg less than in 2017.

In 2014, we also began to track consumption of other types of paper (e.g. envelopes, greeting cards, sympathy cards, hygiene paper). This came to a total of 130 tonnes in 2018. Each FTE consumed an average of 28kg of these in the reporting year.

As another way of reducing the consumption of resources, we introduced an electronic document management system at the start of 2012 and the MyHR software in 2015, which offers a paperless means of handling payroll, certificates, leave requests, and time sheets. The electronic travel expense report was implemented in 2017.

We have been mainly using goods bearing the FSC® Mix label for brochures and office paper for a number of years now. In 2011, we also switched to FSC®-certified products for standard copier paper and now only use paper from responsibly managed sources instead of chlorine-free paper. In the same year, we began using an external service provider that keeps our printers supplied with toner and ink cartridges and recycles the empty ones cleanly and efficiently. This enables us to save valuable resources. Since 2018, we have been using only multifunction printers (two-sided printing and monochrome printing is set as the default). And in the reporting year we also optimized the stock-keeping of hygiene paper on the office floors at the Frankfurt head office, which has led to a considerable reduction in consumption.

We do not use any direct materials as our bank does not manufacture any products.

301-2 Recycled input materials used

Since 2011, we have exclusively been using paper bearing the FSC® Mix label (100 percent) for standard photocopying. When we are purchasing office supplies, we pay special attention to environmentally friendly product features, such as products that are made from renewable resources or those that use returnable systems. We give preference to them if it is justifiable from a cost perspective.

We are unable to provide a percentage breakdown of the recycled input materials that we use as these are not separately recorded at present.

5.2 GRI 302: Energy 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Under our sustainability program, we have set ourselves the goal of reducing our electricity consumption and therefore also our CO₂ emissions related to energy use. We want to achieve this through targeted measures.

To heat its offices, DZ BANK AG mainly uses eco-friendly district heating instead of heating oil or gas, which means that – with the exception of fuel used in company cars – its direct consumption of fossil fuels is low. See 302-1.

DZ BANK AG's products do not have any direct impact on energy efficiency and energy requirements. However, DZ BANK AG does actively seek to provide finance to the renewable energy sector and is continually expanding its advisory work to achieve this goal. It also brokers development loans from Germany's KfW development bank, some of which are used for making properties more energy efficient.

We also have been trying to reduce CO₂ emissions through our business travel policy for a number of years. See 302-4.

302-1 Energy consumption within the organization

To heat its offices, DZ BANK AG mainly uses eco-friendly district heating instead of heating oil or gas.

Last year, 31,518 liters of gasoline were used to fuel company cars (2017: 59,600 liters) along with 858,725 liters of diesel (2017: 888,307 liters). This amounted to 12,661,473 kWh in fuel consumption, equivalent to 31,658 GJ.

Since 2010, all major offices of DZ BANK AG, including Frankfurt, Berlin, Hannover, Karlsruhe, Stuttgart, and Munich have used electricity generated from renewable sources. The offices in Düsseldorf and Koblenz have been using electricity generated from renewable sources since 2017. Moreover, our offices are mainly heated with district heating, which further reduces our impact on the environment and climate. We are looking to reduce our total CO₂ emissions even further in the future. Our target is to lower them by a further 15 percent by 2020 (compared with the base year 2012).

ELECTRICITY AND HEATING CONSUMPTION

	2018	2017	2016
Kilowatt hours (kWh)			
Electricity consumption			
Total electricity consumption	33,035,150	32,208,132	32,540,079
of which green electricity	33,005,705	32,036,926	26,853,320
Individual electricity consumption (kWh per FTE)	7,000	6,734	6,496
Heating consumption			
Total heating consumption	18,124,104	18,563,309	18,742,731
Individual heating consumption (kWh per FTE)	3,841	3,881	3,742

We use the conversion values of the VfU as a basis for our calculations so that we are also able to factor in upstream and downstream processes.

302-3 Energy intensity

In 2018, our total energy consumption from electricity, heat, and fuel came to 64,106,446 kWh. This resulted in an energy intensity level of 13,585 kWh or 46 GJ per FTE.

302-4 Reduction of energy consumption

In 2018, there was a year-on-year increase of 2.6 percent in the electricity consumed, to 33,035,150 kWh. Electricity consumption per FTE came to 7,000 kWh.

Heating consumption was reduced from 18,563,309 in 2017 kWh to 18,124,104 kWh in 2018.

For a number of years, we have been trying to reduce CO₂ emissions through our business travel policy, which is regularly updated and amended, most recently in April 2018. The aim is to promote eco-friendly travel. Under this policy, business trips are only permitted if their business purpose cannot be achieved by other means, e.g. by telephone or video conference. Flights within Germany are only approved if they are essential for scheduling reasons or if they are cheaper than traveling by train. In addition, public transport should be used in preference to the car. Besides the business travel policy, DZ BANK's company car policy is helping make business travel

more environmentally friendly by stipulating that only the most modern, clean vehicles are used. We are also pushing ahead with e-mobility: A rapid charging point for electric vehicles has been available to customers and visitors at our Frankfurt office since 2014. In 2018, we launched an electric vehicles pilot project at the Frankfurt office. During the first phase of the project, up to ten company cars will be replaced by electric-powered cars. New vehicles are being purchased for this project and charging points have been installed in the underground car park of our Cityhaus II building. In addition, one vehicle from our company fleet in Düsseldorf that has reached the end of its useful life has been replaced with a purely electric-powered vehicle.

We encourage our employees to make greater use of low-emission public transport for their commute to work. We offer them a financial incentive in the form of a subsidized travel card (regional public transport network and national rail network) or a travel subsidy, depending on regional availability.

USE OF PUBLIC TRANSPORT	2018	2017	2016	
Number of employees, Germany*		5,234	5,298	5,549
Users (total)		3,548	3,643	3,627
Travel subsidy recipients		813	763	471
Regional travel card users		2,536	2,616	2,917
Deutsche Bahn travel card users		199	236	239
Public transport users (%)		67.79	68.79	65.36

* DZ BANK employees in Germany, including trainees.

BUSINESS TRAVEL	2018	2017	2016
'000 kilometers/%			
Total business travel ('000km)	32,766	36,644	35,757
Individual business travel ('000km per FTE)	6.9	7.7	7.1
Of which by train (%)	39	42	40
Of which by air (%)	16	16	14
Of which by private car (%)	3	3	3
Of which by company car (%)	39	37	40
Of which by rental car (%)	3	3	3

In addition, we have been reporting our indirect impacts in accordance with the Greenhouse Gas Protocol (GHG) since 2013. This allows us to also log our indirect CO₂ emissions and to work on minimizing them.

5.3 GRI 303: Water and effluents 2018

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

DZ BANK AG only uses drinking water provided by regional suppliers. See 303-1 to 303-5.

303-1 Interactions with water as a shared resource

DZ BANK AG only uses drinking water provided by regional suppliers. Our water consumption does not have any significant impact on water sources.

303-2 Management of water discharge related impacts

We generally only produce waste water that is comparable with household effluents. It is not reused or recycled.

303-5 Water consumption

WATER CONSUMPTION

	2018	2017	2016
cubic meters (m ³)			
Total water consumption	96,293	94,022	104,938
Individual water consumption (m ³ per FTE)	20	20	21

5.4 GRI 305: Emissions 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Our aim is to keep our environmental impact to a minimum. We have particularly identified opportunities to reduce it at our headquarters in Frankfurt. DZ BANK AG's environmental management program is making a concerted effort to realize these opportunities. In so doing, it is helping to reduce not only environmental impact, but also costs. With the environmental protection measures we are taking, we want to show our colleagues, customers, and other stakeholders just what improvements are possible.

Through our climate strategy, we are setting ourselves new targets aimed at making us more efficient. We adopted the strategy at the beginning of 2018 together with the group entities. The DZ BANK Group's climate strategy is targeting an 80 percent reduction in CO₂ emissions over the period 2009 to 2050.

DZ BANK AG aims to apply the principles of climate protection in every one of its divisions. The specific areas of action are the energy efficiency of our buildings, employees' paper consumption, business travel, the use of local produce in our cafeteria, and the recycling by ReFood of organic waste to generate clean energy. We are also continually working on models to reduce water consumption throughout the bank.

Our overarching objectives for environmental protection in the bank include optimizing the consumption of resources, making greater use of renewable energies, and thereby reducing our direct and indirect CO₂ emissions.

We have set ourselves the target of reducing CO₂ emissions at DZ BANK AG by 15 percent by 2020 (compared with the base year 2012) and progressively making DZ BANK AG carbon neutral.

We have also changed how we calculate CO₂ emissions and, since 2013, have used the conversion values of the VfU for all KPIs. This has enabled us to considerably improve the conversion accuracy and set a clear benchmark for ourselves. We also calculate our impact on the climate in accordance with the Greenhouse Gas Protocol (GHG), scopes 1, 2, and 3. This calculation helps us to show the volume of indirect CO₂ emissions produced by our business activities.

We have switched over the biggest offices of DZ BANK AG – Frankfurt, Düsseldorf, Berlin, Hannover, Stuttgart, and Munich – to electricity generated from renewable sources. We have been trying to reduce CO₂ emissions through our business travel policy for a number of years. Our aim is to promote eco-friendly travel, for example through an electric vehicles pilot project at our Frankfurt office. During the first phase of the project, up to ten company cars will be replaced by electric-powered cars. New vehicles will be purchased for this project and charging points have already been installed in the underground car park of our Cityhaus II building. In addition, one vehicle from our company fleet in Düsseldorf that has reached the end of its useful life has been replaced with a purely electric-powered vehicle.

Ozone-depleting substances, NO_x, SO_x, and other air pollution emissions are not relevant for DZ BANK AG because we do not manufacture any products.

305-1 Direct (Scope 1) GHG emissions

DZ BANK AG's total volume of direct greenhouse gas emissions (GHG) from Scope 1 came to 3,464t CO₂ in 2018. Direct GHG emissions therefore amounted to 734kg per FTE. In our calculations, we use the conversion values of the VfU.

Since 2011, we have also been collecting data on the CO₂ emissions from our employees' business travel. Direct greenhouse gas emissions in this area include those produced by company cars, which amounted to 2,404 tonnes of CO₂ (Scope 1 only) in 2018 (2017: 2,541t).

The CO₂ emissions generated by company cars are calculated by determining the amount of energy (fuel) that they consume.

CO₂ emissions from electricity and heating

Kilograms (kg)	2018	2017	2016
Total CO ₂ emissions: Electricity	235,319	418,482	6,836,379
Individual CO ₂ emissions (kg per FTE)	50	87	1,365
CO ₂ emissions: Heating	2,631,789	3,601,282	3,636,090
Individual CO ₂ emissions (kg per FTE)	558	753	726

305-2 Energy indirect (Scope 2) GHG emissions

DZ BANK AG's total volume of direct greenhouse gas emissions (GHG) from Scope 2 came to 1,975t CO₂ in 2018. Indirect GHG emissions therefore amounted to 419kg per FTE. In our calculations, we use the conversion values of the VfU.

Under our sustainability program, we have set ourselves the goal of reducing our electricity consumption and therefore also our CO₂ emissions related to energy use. All our major offices therefore use carbon-free electricity generated from renewable sources. Since 2013, we have recorded data for all offices, adopting the conversion values of the VfU. By way of explanation, the VfU conversion values also factor in the upstream and downstream processes involved in the use of green electricity.

305-3 Other indirect (Scope 3) GHG emissions

DZ BANK AG's total volume of direct greenhouse gas emissions (GHG) from Scope 3 came to 4,054t CO₂ in 2018. Indirect GHG emissions therefore amounted to 859kg per FTE.

Since 2011, we have also been collecting data on the CO₂ emissions from our employees' business travel. The total in 2018 was 2,668 tonnes (2017: 2,700t) CO₂ (Scope 3 travel).

CO₂ EMISSIONS SCOPE 3 FROM BUSINESS TRAVEL IN KILOGRAMS (KG) 2018

Company cars	1.162.063
Rental cars/pool cars, total	590.929
Total by rail	47.804
Total by air	867.678

For a number of years, we have been trying to reduce CO₂ emissions through our business travel policy, which is regularly updated, most recently in April 2018. The aim is to promote eco-friendly travel. Business trips are only permitted if their business purpose cannot be achieved by other means, e.g. by telephone or video conference. Flights within Germany are only approved if they are essential for scheduling reasons or if they are cheaper than traveling by train. In addition, public transport should be used in preference to the car. Besides the business travel policy, DZ BANK AG's company car policy is helping make business travel more environmentally friendly by stipulating that only the most modern, clean vehicles are used. We are also pushing ahead with e-mobility: A rapid charging point for electric vehicles has been available to customers and visitors at our Frankfurt office since 2014. In 2018, we launched an electric vehicles pilot project at the Frankfurt office. During the first phase of the project, up to ten company cars will be replaced by electric-powered cars. New vehicles are being purchased for this project and charging points have already been installed in the underground car park of our Cityhaus II building. In addition, one vehicle from our company fleet in Düsseldorf that has reached the end of its useful life has been replaced with a purely electric-powered vehicle. To encourage our employees to use public transport, we offer them a financial incentive in the form of a subsidized travel card or a travel subsidy, depending on regional availability. Employees who live too far away to take local public transport can also travel by train at discounted prices thanks to our framework agreement with Deutsche Bahn. Around 68 percent of our employees used public transport to get to and from work in 2018.

305-4 GHG emissions intensity

Taking into account Scope 1 to Scope 3 GHG emissions, our GHG emissions intensity stood at 2,012 CO₂ per FTE in 2018.

305-5 Reduction of GHG emissions

The green electricity used at our sites in Frankfurt, Düsseldorf, Berlin, Hannover, Stuttgart, and Munich is obtained solely from renewable sources such as hydropower, wind power, and photovoltaics. Our German sites are therefore supplied almost entirely with green electricity, allowing us to meet and go beyond our target for reducing CO₂ emissions using this method by as early as 2011. CO₂ emissions rose significantly following the merger with WGZ BANK in 2016, but then fell dramatically in 2017 and 2018 (electricity, 2018: 235 t; 2017: 418 t; heating, 2018: 2,632 t; 2017: 3,601 t). In 2018, there was a slight increase (2.6 percent) in electricity consumption, which was attributable to the weather. Individual electricity consumption per FTE rose from 6,734 kWh to 7,000 kWh, due to the smaller number of FTEs. Heating consumption as a whole was also reduced slightly, from 18,563,309 kWh to 18,124,104 kWh.

In order to further reduce our CO₂ emissions and our use of electricity and heating, we are focusing on the efficiency of our buildings. In 2018, the staff restaurant in the Cityhaus II building was modernized and upgraded.

The lights in the technical rooms in the basements were replaced with LEDs. In the Cityhaus II building, work began on the updating of the fire protection equipment and the air conditioning system. In Westend 1, the control system for the elevators was replaced and optimized in 2018. At our Düsseldorf office, ceiling lights were replaced with LEDs during the initial phase of refurbishment. LEDs are being installed on further floors in 2019.

As far as possible, we try to avoid or offset the CO₂ emissions that we can only influence indirectly.

5.5 GRI 306: Effluents and waste 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Our aim is to keep our environmental impact to a minimum. We have particularly identified opportunities to reduce it at our headquarters in Frankfurt. DZ BANK AG's environmental management program is making a concerted effort to realize these opportunities. In so doing, it is helping to reduce not only environmental impact, but also costs. With the environmental protection measures we are taking, we want to show our colleagues, customers, and other stakeholders just what improvements are possible.

In our updated climate strategy, we are setting ourselves new targets aimed at making us more efficient. For example, the DZ BANK Group is targeting an 80 percent reduction in CO₂ emissions over the period 2009 to 2050.

In order to facilitate recycling, in 2011 we developed a solution with which to standardize waste management throughout Germany. Since the beginning of 2012, we have been recording waste volumes at our offices in Germany – not just for paper, non-recyclable waste, and plastic but also for additional categories such as lighting, glass and hazardous waste. This allows us to provide detailed information on the volume of waste we generate and to work toward gradually reducing it. See 306-2.

306-2 Waste by type and disposal method

In order to facilitate recycling, in 2011 we developed a solution with which to standardize waste management throughout Germany. Since the beginning of 2012, we have been recording waste volumes at our offices in Germany – not just for paper, non-recyclable waste, and plastic but also for additional categories such as lighting, glass and hazardous waste. Since 2014, this process has included all DZ BANK AG sites.

We collect data not only for paper but also for non-recyclable waste, commercial waste, mixed packaging, and electrical/toner/lighting. The overall volume fell compared with the prior year (from 1,170 tonnes to around 1,114 tonnes).

VOLUME OF WASTE

	2018	2017	2016
Kilograms (kg)			
Total paper	583,314	666,774	607,818
Individual paper (kg per FTE)	124	139	121
Total electrical/toner/lighting	10,244	19,814	11,213
Individual electrical/toner/lighting (kg per FTE)	2	4	2
Total mixed packaging	65,412	75,049	56,532
Individual mixed packaging (kg per FTE)	14	16	11

Total non-recyclable	174,650	164,945	208,140
Individual non-recyclable (kg per FTE)	37	34	42
Total commercial waste	234,123	198,230	142,610
Individual commercial waste (kg per FTE)	50	41	28
Total kitchen waste	46,870	45,615	61,890
Individual kitchen waste (kg per FTE)	10	10	12
Total waste	1,114,613	1,170,427	1,088,203
Total individual waste (kg per FTE)	236	245	217

In 2016, data on kitchen waste was recorded for the first time at the Frankfurt office.

5.6 GRI 307: Environmental compliance 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

We comply with environmental laws and legislation as a matter of course. DZ BANK AG does not manufacture any products, so it is not subject to the same challenges as companies that do. No fines or sanctions were imposed on DZ BANK AG during the reporting period for non-compliance with environmental legislation.

307-1 Non-compliance with environmental laws and regulations

No fines or sanctions were imposed on DZ BANK AG during the reporting period for non-compliance with environmental legislation.

5.7 GRI 308: Supplier environmental assessment 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

In 2010, DZ BANK updated the existing standards to include new minimum social and environmental standards and integrated them into its purchasing processes. These standards, which apply to all entities in the DZ BANK Group, provide a framework that specifies the financial, environmental, and social characteristics needed for a supplier relationship to be sustainable, for example with regard to human rights and working practices. Since 2010, we have also been using a sustainability agreement that requires all suppliers to comply with DZ BANK's minimum standards, the principles of the United Nations Global Compact, and the requirements of the International Labour Organization.

Proactive supplier management provides the basis for DZ BANK's sustainable procurement operations. For example, we classify suppliers according to their sustainability relevance for DZ BANK. Since the beginning of 2013, suppliers that are considered to be particularly relevant to sustainability because of the volume of orders we place with them, their specific activity, or country-specific risks have been asked more searching questions about the sustainability of their core business. These cover certification, approaches aimed at minimizing environmental impacts, and other areas. We take reasonable steps to verify whether and to what extent our suppliers are meeting the sustainability obligations that are stipulated in their contracts.

The credit risk strategy provides the framework for our lending. Analysis of economic, environmental, and social aspects already forms an integral part of this.

Since March 2009, all loan applications have been subject to a sustainability assessment. This sustainability check is also based on the ten principles of the United Nations Global Compact, of which we are a signatory. Loan applications may be rejected on the basis of the results of our checks.

A sustainability checklist is used to set the limits for traditional loans, project finance, and trading transactions. Lending to our shareholders – the cooperative banks – is not subject to the sustainability check. Certain standardized financial products with a low risk volume undergo an appropriate risk analysis rather than the sustainability check. In addition, we do not use the sustainability check for restructuring because these cases are aimed at turnaround. Containing four main categories – social, environment, anti-corruption, and competition/tax – plus ten subcriteria and, if applicable, an additional criterion, the list ensures that all loan applications undergo a standardized check for social, ecological, and ethical aspects. Applications are given a score ranging from exemplary (1) to dubious (4). A sustainability factor is then derived from the overall results. If this factor is 3.5 or worse, the loan application is rejected. The sustainability checklist is used to set the limits for traditional loans, project finance, and trading transactions. Lending to our shareholders – the cooperative banks – is not subject to the sustainability check. Certain standardized financial products with a low risk volume undergo an appropriate risk analysis rather than the sustainability check. In addition, we do not use the sustainability check for restructuring because these cases are aimed at turnaround.

We have drawn up sectoral rules for particularly sensitive industries, such as forestry, dam construction, commodities, and maritime. They were signed off in June 2011 and provide employees involved in lending decisions with additional clear guidance alongside the sustainability checklist. DZ BANK continually reviews, adapts, and enhances its sectoral rules.

The selection of transactions for project finance is also guided by the prevailing version of the bank's credit risk strategy. In addition to checking sustainability criteria, DZ BANK has been using a further risk mitigation policy based on the Equator Principles since September 2011. We have been applying the Equator Principles in our project finance business since January 1, 2013.

In June 2011, DZ BANK decided to officially sign up to the voluntary Equator Principles for project finance. This decision took effect on January 1, 2013. The Equator Principles were drawn up by financial institutions on the basis of the environmental guidelines of the World Bank and the social standards of the International Finance Corporation (IFC). The Principles are an internationally accepted standard and apply to lending in a volume of US\$ 10 million or more (for more information see www.equator-principles.com).

308-1 New suppliers that were screened using environmental criteria

In 2010, DZ BANK updated the existing standards to include new minimum social and environmental standards and integrated them into its purchasing processes. These standards, which apply to all entities in the DZ BANK Group, provide a framework that specifies the financial, environmental, and social characteristics needed for a supplier relationship to be sustainable, for example with regard to human rights and working practices. Since 2010, we have also been using a sustainability agreement that requires all suppliers to comply with DZ BANK's minimum standards, the principles of the United Nations Global Compact, and the requirements of the International Labour Organization.

Proactive supplier management provides the basis for DZ BANK's sustainable procurement operations. For example, we classify suppliers according to their sustainability relevance for DZ BANK. Since the beginning of 2013, suppliers that are considered to be particularly relevant to sustainability because of the volume of orders we place with them, their specific activity, or country-specific risks have been asked more searching questions about the sustainability of their core business. These cover certification, approaches aimed at minimizing environmental impacts, and other areas. We take reasonable steps to verify whether and to what extent our suppliers are meeting the sustainability obligations that are stipulated in their contracts.

308-2 Negative environmental impacts in the supply chain and actions taken

In 2018, we did not identify any actual or potential adverse impacts of a significant nature on the environment, human rights, or society, or in regard to working practices.

6 GRI 400 Social standards

6.1 GRI 401: Employment 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Employees are the most valuable asset of any company. That is especially true for us as a financial services provider. We show appreciation, respect, and openness in our conduct toward each other.

To live by our mission statement and its three values of drive, integrity, and trust, which we introduced in 2008, our employees have to be able to identify with them and play an active role in putting them into practice. We want to offer our employees a motivational, healthy, and secure workplace, encourage them to perform well and acquire new skills, and also be an employer of choice for the next generation.

401-1 New employee hires and employee turnover

New hires by age and gender*

	2018
Total	196
Of which: male	122
Of which: female	74
By age and gender	
age 29 or under	43
Of which: male	24
Of which: female	19
30 to 49	134
Of which: male	89
Of which: female	45
50+	19
Of which: male	9
Of which: female	10

* Figures collected for the first time in 2018

In 2018, the staff turnover rate at DZ BANK AG was 6.4 percent (2017: 7.0 percent). The resignation rate was 2.4 percent (2017: 2.1 percent).

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Benefits apply to all employees of DZ BANK, regardless of type of employment or location. As well as the basic old-age pension and sick pay enshrined in law in Germany, we provide other employee benefits, some of which also apply to our locations abroad. DZ BANK also complies with the statutory requirements of the Labour Leasing Act (AÜG), according to which temporary employees are also entitled to employee benefits.

DZ BANK employee benefits

- Occupational pension provision
- Inhouse sports activities
- Travel card and Deutsche Bahn travel card
- Inhouse cafeteria or meal vouchers
- Higher pay for working on Saturdays, Sundays, or public holidays
- Travel allowance
- Subsidy for privately arranged CPD
- Group accident insurance
- Long-service awards
- Subsidy for childcare costs
- Contingency benefits
- Special leave
- Vacation pay

In addition to flexible working hours, our staff benefit from teleworking and various part-time working models.

Use of working-time models (as at December 31)

* Number of employees worldwide

(%)	2018	2017	2016
Flexible working hours	100.0	100.0	100.0
Full-time	79.9	80.8	81.4
Of which: female	59.9		
Of which: male	94.6		
Part-time	20.1	19.2	18.6
Of which: female	40.1		
Of which: male	5.4		
Virtual offices	12.8	12.9	12.0
Sabbatical	0.0	0.0	0.0
Semi-retirement (Altersteilzeit)	1.68	1.8	1.9

Internal company agreements govern other options such as semi-retirement and sabbatical leave.

DZ BANK helps its employees to find places at suitable day nurseries and kindergartens and subsidizes childcare costs. It even offers a solution for times when childcare is unexpectedly unavailable: Parents are entitled to emergency childcare at a partner care provider for up to ten days a year. There are also parent-child offices at five locations.

DZ BANK's inhouse daycare center at the Frankfurt office opened on July 1, 2016, expanding the range of services on offer to parents. The 45 places are taken by children aged between eleven months and six years.

As part of our health management system, we offer our employees in Germany all kinds of attractive sports activities, ranging from badminton to volleyball. We also offer anti-stress programs and preventive classes featuring activities such as orthopedic back exercises, meditation, yoga, and autogenic training. Talks, workshops, and training courses on diet, stress management, and other specialist topics complete the program. Preventive courses on stress management help employees to deal with mental health problems.

Healthcare measures (as at December 31) incl. company sports activities*

* Employees in Germany (incl. trainees)

	2018	2017	2016
Number of employees			
Total participants	991	1,061	1,426
Total for company sports activities	683	740	1,029
Total for sickness/injury prevention courses	308	321	397
Average health rate for the year (%)	95.3	96.5	96.6

Staff who need support with difficult situations at work or at home can also use the services of an independent social counselor. A second social counselor has been covering the Düsseldorf, Koblenz, and Münster offices since May 2017. As trained psychologists and psychotherapists, they advise employees on how to cope with challenges and problems and provide information about preventive measures. They are also the point of contact for burnout issues and, if necessary, can quickly arrange an appointment with a specialist.

401-3 Parental leave

During the course of 2018, a total of 291 employees (230 women and 61 men) took parental leave.

6.2 GRI 402: Labor/management relations 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

To live by our mission statement and its three values of drive, integrity, and trust, which we introduced in 2008, our employees have to be able to identify with them and play an active role in putting them into practice. We want to offer our employees a motivational, healthy, and secure workplace, encourage them to perform well and acquire new skills, and also be an employer of choice for the next generation.

402-1 Minimum notice periods regarding operational changes

We inform staff and the employee representatives promptly about new developments and comply with the statutory requirements such as those of the German Works Council Constitution Act (BetrVG) regarding codetermination. All material issues and voluntary benefits are covered by company agreements. In addition, two or three works meetings take place annually at the individual sites. Local rules and standards apply to the branches in London, New York, Hong Kong, and Singapore.

6.3 GRI 403: Occupational health and safety 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

At all its German offices, DZ BANK meets the requirements for health and safety at work prescribed by the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. It does this by implementing the provisions of the Act on Works Physicians, Safety Engineers and other Occupational Safety Specialists (ASiG) and the relevant technical standards. The health and safety officers help to improve workplace safety and prevent accidents at work by carrying out health and safety inspections at each workplace and by

providing employees with relevant information. Advising our employees on ergonomics was a key focus again in 2018. Occupational health and safety experts talked to 600 employees either at their workplace or over the phone. They also helped to assess employee workstations for health and safety risks. Work was carried out with fire prevention officers to update the fire escape, evacuation, and rescue plans for DZ BANK's offices in Frankfurt. Staff were also provided with information and instructions regarding occupational health and safety at DZ BANK.

The 'Health and safety at work' e-learning course is mandatory for staff at all DZ BANK's offices.

403-1 Workers representation in formal joint management-worker health and safety committees
DZ BANK complies with the legal requirements and technical standards for health and safety at work at all its German offices. There is representation for the workforce as a whole on the official employer-employee committee for health and safety at work. The departmental managers also participate in this committee. DZ BANK also appoints company doctors and health and safety officers as required by the German Health & Safety at Work Act. These experts help to prevent accidents by teaching employees about occupational safety and inspecting where they work. Advising our employees on ergonomics was a key focus again in 2018. Occupational health and safety experts talked to 600 employees either at their workplace or over the phone.

403-2 Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender

No one who works at DZ BANK has a job that puts them at higher risk of illness or accident. In 2018, the accident at work rate was 0.9 percent. There were no work-related deaths in 2018 and no known breaches of health and safety regulations.

403-3 Workers with high incidence or high risk of diseases related to their occupation

The risk to health is low for all employees because they work in an office environment. This applies to all staff.

Alongside the preventive measures such as courses on stress management and resilience, DZ BANK also offers a reintegration program to help employees who have come through a long period of sickness to re-enter working life. All German employers have been required to offer a return-to-work and disability management program since 2004. Mental health is also covered on some training courses for managers. As part of our health management system, we offer our employees in Germany all kinds of attractive sports activities, ranging from badminton to volleyball.

Since 2008, employees who are faced with difficult situations at work or at home have also been able to call on the support of an independent social counselor. A second social counselor has been covering the Düsseldorf, Koblenz, and Münster offices since May 2017.

An addictions policy has been drawn up to help employees with addiction problems. It was developed in a joint project between the social counselor and the health management team with the aim of providing professional advice and support to employees and managers who are dealing with addiction.

The health and safety officers help to improve workplace safety and prevent accidents at work by carrying out health and safety inspections at each workplace and by providing employees with relevant information.

403-4 Worker participation, consultation, and communication on occupational health and safety.

DZ BANK has company agreements on 'Workplace design' (Frankfurt) and 'Risk assessment' (Frankfurt, Stuttgart, Hannover) as well as various policies whose purpose is to protect employees' health. These include the addictions policy for employees struggling with addiction problems.

6.4 GRI 404: Training and education 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Going forward, we will be stepping up our efforts in the three areas of staff recruitment, staff retention, and staff motivation so that we can position the DZ BANK Group as an employer of choice in a changing labor market. The joint employer branding campaign was launched in 2014, initially just with an intranet platform, and in 2016 we added an external website (www.karriere.dzbankgruppe.de). Joint initiatives across company boundaries support this approach within the entities, such as the cross-mentoring program for heads of department, the seminar 'Success strategies for women in business', initiatives such as 'Employees recruit employees' and 'DZ BANK Group Information Days'. The 'WE stories' (<https://www.karriere.dzbankgruppe.de/wir/wir-stories>) provide an insight into what makes the DZ BANK Group a special employer.

404-1 Average hours of training per year per employee

In 2018, our employees attended a total of 14,321 training days. This is equivalent to 111,568 hours based on an eight-hour day.

The average number of hours per employee and employee type for 2018 can be broken down as follows: employees 93,776 hours (2017: 104,316 hours), management (excluding Board of Managing Directors and Heads of Division) 20,792 hours (2017: 20,860 hours).

Professional development days and costs (as at December 31)

* Employees in Germany (incl. trainees)

Days	2018	2017	2016
Germany	14,321.0	15,646.0	12,754.5
By gender and level			
Female	5,400.5	6,740.5	5,213.5
Of which: managers	479.0	563.5	395.5
Male	8,920.5	8,905.5	7,541.0
Of which: managers	2,120.0	2,044.0	1,303.0
Per employee	2.7	2.9	2.7
By gender and level			
Female	2.5	2.9	2.6
Of which: managers	4.7	5.3	4.3
Male	2.9	2.8	2.7
Of which: managers	4.1	4.0	2.9
Professional development costs per employee (€)	1,222.0	1,274	1,265

404-2 Programs for upgrading employee skills and transition assistance programs

DZ BANK employees in Germany and internationally can attend courses offered as part of the inhouse CPD program, division-specific training, and individual external seminars. We also use external trainers and training providers to ensure that we are in line with the markets in terms of methods and topics. DZ BANK's CPD experts advise specialist employees and managers on selecting training courses to meet their individual needs.

A new learning platform incorporating a variety of functions has been available since the beginning of 2017. This includes the consolidated continuing professional development (CPD) program, which was digitalized along with existing processes, meaning it is now possible for employees to make and cancel bookings online, check at any time what training they have booked, and find out which courses are available and when.

Since 2014, our staff have also been able to obtain certification from the Frankfurt School of Finance and Management for the two training series Basic Personal and Communication Skills and Advanced Personal and Communication Skills. In 2014, new training courses for project managers were added to the range of targeted CPD activities for our employees. One of the ways in which we determine our employees' requirements for professional development is by holding regular meetings with the divisions. Through the Navigator Programs, we offer divisional managers a targeted development scheme featuring tailored management programs as well as training and coaching.

There is also an 18-month professional development program that prepares high-potential employees and executives for taking on demanding roles with additional responsibilities. In addition, we offer a systematic two-year development program for department and group managers.

In 2010, the DZ BANK Group launched the Corporate Campus for Management & Strategy, a platform for managerial development and strategy work that is aimed at the group's approximately 180 executive managers.

Internal employee-to-employee training is also important to us: 2017 saw the launch of reverse mentoring, in which 16 heads of department paired up with a trainee. In contrast to a traditional mentoring program, the young employees are the mentors in reverse mentoring and share their experience in using social media and technology with the managers, who benefit by strengthening their digital skills. Sixteen pairs also took part in the 2018 program

Our CPD program also includes Management Forum and Knowledge Forum events, which consist of a brief presentation followed by a discussion. All kinds of topics are covered, such as banking matters, management issues, the latest economic trends, CPD news, and health.

404-3 Percentage of employees receiving regular performance and career development reviews

All employees and managers, irrespective of their gender or employee category, have an entitlement (as specified in a company agreement) to an annual appraisal meeting with their direct line managers. The DZ BANK remuneration system also requires that annual meetings are held for all employees and managers at which target attainment is reviewed and new targets are set.

6.5 GRI 405: Diversity and equal opportunity 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

We signed the diversity charter presented by the German government and German industry in November 2011. In 2018, we continued to provide new staff members and managers with training on the German General Equal Treatment Act (AGG) and we complied with our internal company agreement on the integration of people with disabilities. We signed a letter of intent in 2011 acknowledging our obligation to actively support women in their career development, to give them the same pay and conditions as men in comparable positions, and to treat them equally when selecting managers. DZ BANK complies with the requirements of the German law for the equal participation of women and men in managerial positions in the private and public sectors, and publishes the current targets each year in the human resources report in the DZ BANK AG Annual Financial Statements

under '1.11 Corporate governance declaration'. The targets published for the proportion of women by December 31, 2021 were as follows:

Target for first-level management: 10 percent Target for second-level management: 20 percent.

As one of the 380 original signatories to the 'Joint declaration on the family as a success factor' in May 2008, we are firmly committed to a family-friendly HR policy. The non-profit-making Hertie Foundation awarded us the 'berufundfamilie' work and family certificate back in 2007 and we have held it since then, following a number of successful reaudits.

405-1 Diversity of governance bodies and employees

At the end of 2018, the Supervisory Board adopted policies to implement the EBA (European Banking Authority) Guidelines on the assessment of the suitability of members of the management body (EBA/GL/2017/12) for DZ BANK AG.

SUPERVISORY BOARD BY GENDER AND AGE (AS AT DECEMBER 31)

	2018	2017	2016
Total	20	20	
Of which: male	15	15	
Of which: female	5	5	
By age and gender			
30 to 49	3	2	
Of which: male	2	1	
Of which: female	1	1	
50+	17	18	
Of which: male	13	14	
Of which: female	4	4	

In line with the diversity policy adopted, the Supervisory Board of DZ BANK set the following targets on November 29, 2018 for the proportion of women on the Board of Managing Directors and on the Supervisory Board for the period up to October 31, 2023. Target for the Supervisory Board: 25 percent. Target for the Board of Managing Directors: 12.5 percent.

Proportion of women in managerial positions*			
* Number of employees: worldwide			
(%)	2018	2017	2016
Heads of Division	5.9	6.3	6.1
Heads of Department	15.0	15.3	15.2
Heads of Group	20.4	21.4	20.1

Proportion of women (as at December 31)*			
*Number of employees: worldwide			
(%)	2018	2017	2016

Total	42.3	42.0	41.9
Management positions	18.2	19.1	18.2

DZ BANK firmly believes in not discriminating against people on the basis of their origin, skin color, gender, age, or physical disability. Training courses on the German General Equal Treatment Act (AGG) are obligatory for all employees and, in particular, for managers. In accordance with the EBA Guidelines, the Board of Managing Directors also adopted a diversity policy for its workforce in October 2018. This is available to all employees on the Bank's intranet and provides a summary of the Bank's basic position.

In 2018, the proportion of the workforce with a severe disability was 4.76 percent, which was just below the minimum level (5 percent) required by German law.

NUMBER OF EMPLOYEES BY GENDER AND AGE (AS AT DECEMBER 31)

	2018	2017	2016
Total	5,474	5,542	5,792
Of which: male	3,157	3,214	3,367
Of which: female	2,317	2,328	2,425
By age and gender			
Under 30	471	483	515
Of which: male	229	233	236
Of which: female	242	250	279
30 to 49	2,825	2,926	3,165
Of which: male	1,594	1,657	1,819
Of which: female	1,231	1,269	1,346
50+	2,178	2,133	2,112
Of which: male	1,334	1,324	1,312
Of which: female	844	809	800

Average age (as at December 31)

Years	2018	2017	2016
Total	45.2	45.0	44.7
Germany	45.1	45.0	44.6
Outside Germany	46.8	46.6	46.4

405-2 Ratio of basic salary and remuneration of women to men

We use our remuneration structure to provide each employee with incentives for personally implementing DZ BANK's strategic goals and those of his or her own division.

Our standard starting salaries are based on local practice in the countries where our offices are located. Women and men who are of equal merit, who have the same level of experience, and who are doing the same job are

paid equally. The remuneration structure at DZ BANK is based on performance, not on gender. Variable components reward the performance of motivated staff and allow them to share in the bank's success. The remuneration system of the former WGZ BANK was continued temporarily in parallel to the remuneration system of DZ BANK. A common, standardized remuneration system was introduced in 2018.

In 2014, DZ BANK and the entities in the DZ BANK Group approved a common remuneration strategy for the DZ BANK Group that is updated annually. This enables us to meet the regulatory requirements and also to achieve the planned level of transparency regarding the remuneration systems within the group entities. The entities that are subject to reporting requirements under the German Remuneration Transparency Act meet these requirements and have published a report on equality and equal pay in the Federal Gazette as required by law.

6.6 GRI 406: Non-discrimination 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Equality of opportunity is one of DZ BANK's core principles, which we also acknowledged publicly when we signed the diversity charter in November 2011. For us, equality of opportunity means treating and advancing all employees in the same way, regardless of their origin, skin color, gender, age, or physical ability. DZ BANK's commitment to zero tolerance of discrimination goes beyond the statutory requirements. In 2018, we continued to provide new staff members and managers with training on the German General Equal Treatment Act (AGG) and we complied with our company agreement on the integration of people with disabilities. Last year, the proportion of the workforce with a severe disability was 4.76 percent, which fell just short of the statutory minimum.

406-1 Incidents of discrimination and corrective actions taken

In 2018, no complaints about our compliance with the AGG were recorded.

6.7 GRI 412: Human Rights Assessment 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

DZ BANK is committed to democracy, tolerance, equal opportunities, and human rights. These are in keeping with the cooperative values that are at the heart of our business: mutuality, partnership, and social responsibility.

As the central institution for the cooperative banks in Germany, we play a key role in ensuring a functioning financial system. We are conscious of our particular responsibility to customers, business partners, shareholders, employees, and society, and so the matter of which commercial activities we focus on and how we run these activities is of great importance.

By signing up to the United Nations Global Compact in 2008, we made a fundamental commitment to ten universally accepted principles of responsible conduct, which include respecting human rights and employee rights, protecting the environment, and preventing bribery and corruption. These principles are an important guide for our behavior. We support them and apply them throughout DZ BANK.

DZ BANK's sustainable procurement operations are based on proactive supplier management. The minimum social and environmental standards that we expect our suppliers to comply with were developed in 2010. We integrated them into our procurement processes in 2011 and started to harmonize procurement standards across the group in 2012. A working group has developed a framework for the entities in the DZ BANK Group that is

based on the existing standards at DZ BANK and lays down the financial, environmental, and social standards needed for a supplier relationship to be sustainable.

We now use a sustainability agreement requiring both new and existing suppliers to comply with DZ BANK's minimum standards, the principles of the United Nations Global Compact, and the requirements of the International Labour Organization. Since the beginning of 2013, suppliers that are considered to be particularly relevant to sustainability because of the volume of orders we place with them, their specific activity, or country-specific risks have been asked more searching questions about the sustainability of their core business. This includes certification and schemes for minimizing environmental impact. We base any further action to be taken on the data we collect. Since 2013, our suppliers' sustainability performance data has been recorded in a new database.

412-2 Employee training on human rights policies or procedures

The code of conduct has applied to the entire DZ BANK Group since 2014. An update is planned for the second quarter of 2019.

This code of conduct formulates our philosophy of integrity and an ethics-based corporate culture. It combines internal principles with external market standards and reinforces our commitment to sustainability. To ensure our employees can work well together, it provides guidance not only on how to deal with customers and business partners but also on good corporate governance. The code thus makes an important contribution to the sustainable development of DZ BANK and helps our employees to navigate their way through the increasing array of rules and regulations.

DZ BANK posts information about the code of conduct on a variety of platforms, including its compliance portal, the internal portal for written procedures, and the welcome page for new starters on the intranet. We have also integrated the code of conduct into existing training programs.

By training all employees and managers on the German General Equal Treatment Act (AGG), we fulfill our statutory duty to provide information.

In addition, we have developed an online training course on sustainability in the lending process. Launched in 2017, it is mandatory for all employees who handle financing inquiries. The aim of the course is to make our employees more aware of the relevance of this subject and, at the same time, to provide specific assistance in how to assess financing inquiries for sustainability.

It is not currently possible to provide information on the exact number of training hours. We keep a record of the training courses attended but not the number of hours spent on human rights or employee rights training. The measurement method used by DZ BANK AG therefore differs from the reporting requirement.

412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

As a signatory to the Equator Principles, DZ BANK is obliged to check projects with a total lending volume of more than US\$ 10 million. The check assesses social and environmental relevance and classifies social and environmental impact as 'high', 'moderate' or 'low' risk. This classification takes place as part of the standard lending process. DZ BANK introduced appropriate provisions in the loan agreements for the affected financing as part of its implementation of the Equator Principles. Since the 2013 reporting year, we have published details in our Sustainability Report of how we apply the Equator Principles in real-world situations.

Since signing up to the Equator Principles, DZ BANK has provided appropriate training to its employees working in project finance. They also have access to handbooks, questionnaires, and other internal documentation on

how to apply the Equator Principles in project finance business. The departments involved also look at the ongoing development of the principles, which are voluntary.

6.8 GRI 413: Local communities 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Our basic cooperative principles of mutuality and partnership, solidarity, and self-determination fundamentally require us to be a good corporate citizen.

DZ BANK is firmly committed to sustainable corporate governance that pursues long-term objectives and makes sure that it complies with the law and voluntary undertakings. Only in this way can we create added value for our owners, customers, employees, and society on a permanent basis.

Our market activities are also guided by the basic cooperative principles.

We combine commercial success with commitment to the common good and a functioning social market economy. Because we are headquartered in Frankfurt and feel closely associated with it, we have a particular responsibility toward the city and the surrounding Rhine-Main region. However, we also want to contribute to sustainable development wherever it is possible to do so.

413-1 Operations with local community engagement, impact assessments, and development programs

DZ BANK has a beneficial impact on the local community, not only as an employer but also by donating to good causes (see 203-2). In 2018, DZ BANK's donations totaled €656,851 (2017: €657,304). Our corporate citizenship activities are focused on education, academic research, and social causes, with support for children and young people in need being the primary focus.

Art plays an important role at DZ BANK. Contemporary photography is at the heart of the DZ BANK art collection, which was started in 1993. Pieces of photographic art can be admired not only in our public exhibition spaces, but also everywhere else in our buildings – along the corridors and in the offices. The notion of getting employees within the company to engage in a dialog with art was a key objective when the collection was first started. The collection is also a central element in our long-standing cultural engagement. For many years, we have had a particularly close collaborative relationship with Frankfurt's Städel Museum.

To mark the 25th anniversary of the DZ BANK art collection, we mounted three exhibitions in our 300m² ART FOYER exhibition space, which is open to the public. Each of the exhibition openings was attended by around 200 people and the exhibitions were accompanied by workshops for children and school groups, and more than 230 guided tours for all age groups. All in all, our collection attracted around 4,800 visitors in 2018.

Since 1997, DZ BANK and other entities in the DZ BANK Group have backed 'Aktive Bürgerschaft', a foundation that promotes the concept of citizens' foundations in Germany. One of the Aktive Bürgerschaft's special projects is called 'sozialgenial – schoolchildren get involved'. It was launched in 2009 on the initiative of the former WGZ BANK to promote educational opportunities among young people and to encourage them to support social causes. Examples including helping senior citizens, reading stories to children in preschool, and getting involved in environmental protection work with nature conservation organizations. At school, participants combine their civic engagement with topics covered in subjects such as politics, German, or biology. Now, more than 100,000 schoolchildren at 700 schools are involved in 2,600 sozialgenial projects. A cooperation agreement is in place with the federal states of Hessen and North Rhine-Westphalia, which are represented by the Hessen Ministry of Culture and the North Rhine-Westphalia Ministry for Schools and Education.

Since April 2013, we have also been supporting the non-profit Joblinge initiative, which helps teenagers and young adults who have previously found it difficult to find work to enter the labor market. The initiative was launched in 2007 by BMW's Eberhard von Kuenheim Foundation and The Boston Consulting Group together with experts from politics, business, and the non-profit sector. Our employees involved in Joblinge act as mentors for the young people, helping them to find a place on a training scheme and prepare for their new job. Each year, an average of ten to 20 employees volunteer in this capacity.

In May 2019 we are launching the new corporate volunteering program 'LokalSozial', initiated by our trainees. DZ BANK trainees regularly help out at the Frankfurt food bank, and the company gives them time off work to do so. Trainees have also been involved in the Malteser Social Day for almost 15 years. In 2018, they organized and ran their own separate Social Day, helping out with maintenance jobs at a refugee hostel.

In 2016, the DZ BANK Group signed up to the 'wir zusammen' [we together] integration campaign set up by German companies. The aim of the network is to create long-term prospects and opportunities for refugees. The entities of the DZ BANK Group also provided internships and job shadowing opportunities for refugees in 2018. We also continued to pursue our objective of providing training and jobs for refugees. The two refugees who began a degree apprenticeship in sales & consulting in 2017 at the Baden-Wuerttemberg Cooperative State University settled in well in their first year at DZ BANK AG. We at the DZ BANK Group hope to continue the successful work next year by encouraging suitable applicants and helping them to integrate into the German job market.

413-2 Operations with significant actual and potential negative impacts on local communities

DZ BANK's activities as a financial services provider do not have any adverse effects on community life, as would potentially be the case if it had manufacturing operations, for example. Consequently, there are no programs for evaluating such effects.

6.9 GRI 414: Supplier social assessment 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

In 2010, DZ BANK updated the existing standards to include new minimum social and environmental standards and integrated them into its purchasing processes. These standards, which apply to all entities in the DZ BANK Group, provide a framework that specifies the financial, environmental, and social characteristics needed for a supplier relationship to be sustainable, for example with regard to human rights and working practices.

The credit risk strategy provides the framework for our lending. Analysis of economic, environmental, and social aspects already forms an integral part of this.

Since March 2009, we have been checking all lending (e.g. traditional loans, project finance, and trading limits) to ensure that it complies with sustainability criteria. This sustainability check is also based on the ten principles of the United Nations Global Compact, of which we are a signatory. Loan applications may be rejected on the basis of the results of our checks. The selection of transactions for project finance is also guided by the prevailing version of the bank's credit risk strategy. In addition to checking sustainability criteria, DZ BANK has been using a further risk mitigation policy based on the Equator Principles since September 2011. We have been applying the Equator Principles in our project finance business since January 1, 2013. Special country expertise for countries specifically subject to worldwide monitoring (for political or other reasons) is maintained by the people responsible for those countries in the bank's economics department. DZ BANK has also developed sector-

specific guidelines for ecological and other sensitive industries, such as forestry and dam construction. It also applies appropriate rejection criteria when developing sustainable investment products.

Containing four main categories – social, environment, anti-corruption, and competition/tax – plus ten subcriteria and, if applicable, an additional criterion, the list ensures that all loan applications undergo a standardized check for social, ecological, and ethical aspects. Applications are given a score ranging from exemplary (1) to dubious (4). A sustainability factor is then derived from the overall results. If this factor is 3.5 or worse, the loan application is rejected. The sustainability checklist is used to set the limits for traditional loans, project finance, and trading transactions. Lending to our shareholders – the cooperative banks – is not subject to the sustainability check. Certain standardized financial products with a low risk volume undergo an appropriate risk analysis rather than the sustainability check. In addition, we do not use the sustainability check for restructuring because these cases are aimed at turnaround.

We have drawn up sectoral rules for particularly sensitive industries, such as forestry, dam construction, commodities, and maritime. They were signed off in June 2011 and provide employees involved in lending decisions with additional clear guidance alongside the sustainability checklist. DZ BANK continually reviews, adapts, and enhances its sectoral rules.

In June 2011, DZ BANK decided to officially sign up to the voluntary Equator Principles for project finance. This decision took effect on January 1, 2013. The Equator Principles were drawn up by financial institutions on the basis of the environmental guidelines of the World Bank and the social standards of the International Finance Corporation (IFC). The Principles are an internationally accepted standard and apply to lending in a volume of US\$ 10 million or more (for more information see www.equator-principles.com).

414-1 New suppliers that were screened using social criteria

In 2010, DZ BANK updated the existing standards to include new minimum social and environmental standards and integrated them into its purchasing processes. These standards, which apply to all entities in the DZ BANK Group, provide a framework that specifies the financial, environmental, and social characteristics needed for a supplier relationship to be sustainable, for example with regard to human rights and working practices. Since 2010, we have also been using a sustainability agreement that requires all suppliers to comply with DZ BANK's minimum standards, the principles of the United Nations Global Compact, and the requirements of the International Labour Organization.

Proactive supplier management provides the basis for DZ BANK's sustainable procurement operations. For example, we classify suppliers according to their sustainability relevance for DZ BANK. Since the beginning of 2013, suppliers that are considered to be particularly relevant to sustainability because of the volume of orders we place with them, their specific activity, or country-specific risks have been asked more searching questions about the sustainability of their core business. These cover certification, approaches aimed at minimizing environmental impacts, and other areas. We take reasonable steps to verify whether and to what extent our suppliers are meeting the sustainability obligations that are stipulated in their contracts.

414-2 Negative social impacts in the supply chain and actions taken

In 2018, we did not identify any actual or potential adverse impacts of a significant nature on the environment, human rights, or society, or in regard to working practices in the supply chain.

6.10 GRI 415: Public policy 2016

GRI 103 : Management Approach 2016 (including 103-1, 103-2, 103-3)

DZ BANK would like to use its cooperative-based approach, knowledge, and experience to help stabilize the banking sector across Europe. It seeks dialog with politicians in order to do so.

415-1 Political contributions

Our donations policy, drawn up in 2010, specifies that donations to political parties should support the parliamentary system as a whole. In the future, donations will be made to all parties that are active throughout Germany, are represented in the German Bundestag, and are committed to the Basic Law of the Federal Republic of Germany and to the model of a social market economy.

In 2018, political donations accounted for 5.3 percent (€35,000) of our total donations (2017: 6.3 percent). As Germany is the main location for DZ BANK's business activities, the data relates only to the German-speaking countries.

6.11 GRI 417: Marketing and labeling 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Overall, the compliance function in banks has been strengthened by legislation. The legal basis is provided by the German Securities Trading Act (WpHG), the rules of which have been set out in more detail by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) [German Federal Financial Supervisory Authority] in the Minimum Requirements for the Compliance Function and Additional Requirements Governing Rules of Conduct, Organization and Transparency (MaComp). Under these rules, the compliance function must be involved in any new product launch or publication from an early stage and must assess, among other considerations, whether customers' interests are sufficiently protected.

In the revised Minimum Requirements for Risk Management (MaRisk) dated December 14, 2012, BaFin also explicitly assigns the compliance function a process-support and prevention role. To uphold customers' interests, DZ BANK has signed up to the fairness code of the Deutscher Derivate Verband (DDV) [German Derivatives Association], which was introduced in 2013. The DDV actively works to promote greater transparency in the retail banking market. Its fairness code is aimed at improving the transparency of products and costs for retail investors. The fairness code contains much stricter guidance for structured securities than the previous derivatives code. Through our engagement in this area, we want to make our products and customer communications more transparent.

Implemented in 2016, the compliance policy for the DZ BANK Group and the associated compliance standards form a standardized groupwide compliance framework for handling legal rules and requirements. The aim is to create a groupwide compliance management system.

417-1 Requirements for product and service information and labeling

As DZ BANK is a financial services provider, it does not offer any products or services with risks for health and safety. This indicator is therefore not relevant.

417-2 Incidents of non-compliance concerning product and service information and labeling

See 417-1.

If such incidents occur, we report on them in our Annual Financial Statements and Management Report and in our Annual Report.

6.12 GRI 418: Customer privacy 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

Our staff adhere to all statutory data protection requirements relevant to their work, and we regularly update them on current data protection law. We protect our customers' data and only pass it on to third parties with the customer's consent or if we are legally permitted or required to do so. Our data protection officer is responsible for ensuring conformity with the law and is the primary contact for our customers, business partners, and staff.

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
DZ BANK has introduced suitable precautions to ensure that it complies with data protection provisions. This has involved, in particular, creating the function of data protection officer and issuing standard data protection principles.

Our staff adhere to all statutory data protection requirements relevant to their work, and we regularly update them on current data protection law. We protect our customers' data and only pass it on to third parties with the customer's consent or if we are legally permitted or required to do so. Our data protection officer is responsible for ensuring conformity with the law and is the primary contact for our customers, business partners, and staff.

No complaints about data protection were filed during 2018.

6.13 GRI 419: Socioeconomic compliance 2016

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

As the central institution of the cooperative financial network, DZ BANK bears particular responsibility for guaranteeing good business practices in its own operations. The bank's centralized Compliance division acts as an interface to the other banking functions. It reports directly to the Board of Managing Directors and advises managerial staff and business units on the implementation and monitoring of legal requirements. The Compliance division also checks adherence to the provisions of the German Securities Trading Act (WpHG), the ban on insider trading, and the rules on employee transactions.

419-1 Non-compliance with laws and regulations in the social and economic area

If such incidents occur, we report on them in our Annual Financial Statements and Management Report and in our Annual Report.

7 Financial services sector disclosures

7.1 Product portfolio

GRI 103: Management Approach 2016 (including 103-1, 103-2, 103-3)

The credit risk strategy provides the framework for our lending. Analysis of economic, environmental, and social aspects already forms an integral part of this.

Since March 2009, all loan applications have been subject to a sustainability assessment. This sustainability check is also based on the ten principles of the United Nations Global Compact, of which we are a signatory. Loan applications may be rejected on the basis of the results of our checks.

Containing four main categories – social, environment, anti-corruption, and competition/tax – plus ten subcriteria and, if applicable, an additional criterion, the list ensures that all loan applications undergo a standardized check for social, ecological, and ethical aspects. Applications are given a score ranging from exemplary (1) to dubious (4). A sustainability factor is then derived from the overall results. If this factor is 3.5 or worse, the loan application is rejected. The sustainability checklist is used to set the limits for traditional loans, project finance, and trading transactions. Lending to our shareholders – the cooperative banks – is not subject to the sustainability check. Certain standardized financial products with a low risk volume undergo an appropriate risk analysis rather than the sustainability check. In addition, we do not use the sustainability check for restructuring because these cases are aimed at turnaround.

We have drawn up sectoral rules for particularly sensitive industries, such as forestry, dam construction, commodities, and maritime. They were signed off in June 2011 and provide employees involved in lending decisions with additional clear guidance alongside the sustainability checklist. DZ BANK continually reviews, adapts, and enhances its sectoral rules.

The selection of transactions for project finance is also guided by the prevailing version of the bank's credit risk strategy. In addition to checking sustainability criteria, DZ BANK has been using a further risk mitigation policy based on the Equator Principles since September 2011. We have been applying the Equator Principles in our project finance business since January 1, 2013.

In June 2011, DZ BANK decided to officially sign up to the voluntary Equator Principles for project finance. This decision took effect on January 1, 2013. The Equator Principles were drawn up by financial institutions on the basis of the environmental guidelines of the World Bank and the social standards of the International Finance Corporation (IFC). The Principles are an internationally accepted standard and apply to lending in a volume of US\$ 10 million or more (for more information see www.equator-principles.com).

Since 2011, DZ BANK Research has been providing a specific type of sustainability research that subjects traded equities to systematic analysis and makes appropriate investment recommendations. Sustainability research today forms an important part of DZ BANK's research spectrum. The analysis is used by institutional investors in Germany and abroad, local cooperative banks, and DZ PRIVATBANK. At the start of 2017, we also introduced sustainability screening for the own-account investing activities of companies within the cooperative financial network. This screening service enables the cooperative banks to make their own-account investments more sustainable.

The individual processes are the responsibility of the specific departments. Overarching responsibility lies with the Chief Executive Officer of DZ BANK.

FS6 Percentage of the portfolio for business lines by specific region, size and by sector

We report on our business model and business lines in our 2018 Annual Financial Statements and Management Report (p. 6 et seq.).

LENDING VOLUME BY ENERGY TYPE

	2018	2017	2016
€ million			
Wind power	3,463.2	3,683.3	3,072.8

Biogas	103.2	82.6	80.5
Biomass	28.8	12.9	51.6
Photovoltaics	895.2	1,004.1	1,108.8
Other renewable energy sources / hydropower*	8.3	8.8	364.3
Total	4,498.7	4,791.7	4,677.9

* No comparability with prior years due to adjustments to the recording of data. Since 2017, we have only been capturing data for hydropower.

DEVELOPMENT LENDING

	2018	2017	2016
€ billion			
New business volume	9.0	11.1	10.9
Of which: KfW new business volume	6.3	8.1	7.9

With a share of 20.5 percent of all loans made by KfW, DZ BANK was again the development bank's biggest single customer in 2018.

FS7 Monetary value of products and services designed to deliver a specific social benefit

The reason for purchase often determines the benefits of a product or service, and it is difficult to distinguish those delivering a specific social benefit from other products and services.

Moreover, DZ BANK does not have contact with retail customers because it is the central institution for the cooperative banks.

Examples of products that we consider to have a clear social benefit are KfW development loans and infrastructure projects that benefit the public at large.

In 2018, DZ BANK's development lending amounted to €9.0 billion, which was below the 2017 level of €11.1 billion. This was primarily due to weakening demand for public-sector funding among SMEs. The sustained low-interest environment means public-sector development loans are now less attractive. The volume of new business generated by DZ BANK and the cooperative banks for development loans from Germany's KfW development bank came to €6.3 billion. With a share of 20.5 percent of all loans made by KfW, DZ BANK was again the development bank's biggest single customer. Measured by volume with KfW, DZ BANK has a 23.3 percent market share of the commercial environmental sector and a 25.9 percent share of the retail sector. Above all, this performance was driven by public-sector programs for energy-efficient construction and renovation work. Compared with the country-wide development programs run by Germany's KfW development bank, the programs of the federal states' own development banks have gained in importance and now account for almost 30 percent of DZ BANK's total development loan volume. In the case of Germany's largest federal state development bank, L-Bank in Baden-Württemberg, DZ BANK's market share reached 28.0 percent in 2018. In 2018, the cooperative sector's market share at LfA Förderbank Bayern, the Bavarian development bank, stood at 29.4 percent and at NRW Bank, the development bank for North-Rhine Westphalia, it was 22 percent.

More detailed information in respect of this indicator cannot be provided at the moment.

FS8 Monetary value of products and services designed to deliver a specific environmental benefit

Project finance describes one-off, commercially and legally self-contained capital investment projects. The investors set up a project company specifically to implement the project. As a rule, this company is also the borrower. The income that the investment asset later generates is used to repay the loan. The asset itself is used as collateral for the project finance. DZ BANK's project finance business focuses on energy generation and distribution, including renewable energies, and infrastructure/public-private partnerships (PPPs). At the end of 2018, the volume of project finance credit limits approved by DZ BANK for wind, solar, and biogas/biomass came to around €4.5 billion. As a result of the 2017 reform of the German Renewable Energy Sources Act (EEG), the expansion of renewable energies in 2018 fell sharply across Germany. Consequently, our loan portfolio in the renewable energies segment decreased slightly. Wind power continues to be the biggest renewable energy source and had a volume of approximately €3.5 billion at the end of 2018.

LENDING VOLUME BY ENERGY TYPE

	2018	2017	2016
€ million			
Wind power	3,463.2	3,683.3	3,072.8
Biogas	103.2	82.6	80.5
Biomass	28.8	12.9	51.6
Photovoltaics	895.2	1,004.1	1,108.8
Other renewable energy sources / hydropower*	8.3	8.8	364.3
Total	4,498.7	4,791.7	4,677.9

* No comparability with prior years due to adjustments to the recording of data. Since 2017, we have only been capturing data for hydropower.

At the end of September 2018, DZ BANK placed the very first issue of its own green bond, with a volume of €250 million. The design of the bond complies with the Green Bond Principles of the International Capital Markets Association (ICMA) and was given the highest overall score of E1 by sustainability experts from Standard & Poor's Global Ratings. The capital raised by the placement will be used to finance onshore wind power projects in Germany. A pool of 60 projects in need of funding is linked to the green bond. These projects should reduce harmful CO₂ emissions by around 790,000 tonnes per year. DZ BANK has been active in the sustainable bonds segment since 2013 and is one of the leading European underwriters for these assets. In 2018, the total volume of bond issues with environmental, social, and/or sustainable objectives that were supported by DZ BANK as the lead underwriter amounted to around €7 billion. Issuance activity is focused on investment projects in the areas of renewable energies and climate change.

We mainly offer products and services designed to deliver an environmental benefit in our Corporate Banking business line. However, it is not always possible to clearly distinguish them from other transactions.

7.2 Audit

Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures (previously FS9)

Risk management in the banking industry is different from risk management in other sectors. The main activities are the control and monitoring of trading risk, issuer risk, country risk, and credit risk. DZ BANK – and the DZ BANK Group as a whole – adopts the principle that risk should be incurred only to the extent required to achieve strategic goals, provided the risk appears manageable. To incorporate future developments in our strategic planning, we operate an opportunity and risk management system that applies to the whole DZ BANK

Group. The system is continually monitored by our risk control and internal audit departments, and also reviewed by the Supervisory Board.

Responsible lending is an integral element of DZ BANK's business model. The aim is to ensure that, when granting loans, all relevant sustainability aspects are addressed systematically. Since as long ago as March 2009, we have been checking all lending (e.g. traditional loans, project finance, and trading limits) to ensure that it complies with sustainability criteria. We use our own sustainability checklist for this. Loans to cooperative banks and to entities in the DZ BANK Group are exempt from the checks, as are exposures that are being restructured. Further exemptions apply to certain product types in the joint credit business with the cooperative banks, to loans under blanket approval agreements, and to exposures that are below the rating threshold.

7.3 Active ownership

Voting policy/policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote or advises on voting (formerly FS12)

This indicator is not relevant because DZ BANK AG does not exercise any direct voting rights. Instead, Union Investment actively exercises voting rights within the DZ BANK Group.

FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues

In June 2011, DZ BANK Research launched its own sustainability rating system on the market. It enables institutional investors, asset managers, and cooperative banks to balance expected returns with sustainability aspects when making investment decisions. The rating system is used for DZ BANK's entire investment universe. DZ BANK Research is also proactive in approaching potential investors.

In 2018, we examined 2,092 loan applications in respect of environmental and social criteria.

We maintain an ongoing dialog with the cooperative banks – our main customer group – and with our corporate customers through various committees and events as well as through direct contact. This provides an opportunity to discuss the latest topics and developments, including sustainability matters. Nonetheless, we do not currently have any reliable data in this area.

FS11 Percentage of assets subject to positive and negative environmental or social screening

Since 2011, as part of its sustainability research activities, DZ BANK has offered a comprehensive audit and consultancy service for investments in equities. In 2015 and 2016, the experts at DZ BANK Sustainable Investment Research introduced a sustainability rating for states and a sustainability rating for SSAs (supranationals, subsovereigns, agencies) and extended the corporate rating to include companies that only issue bonds. The experts therefore successfully implemented the plans to factor in sustainability aspects in the fixed-income asset class. They also work with fundamental analysts and other departments to generate practical investment ideas from sustainability trends.

The sustainability research service is primarily aimed at cooperative banks and institutional investors in Germany and other countries that, due to regulatory requirements and growing customer demand, are increasingly having to evaluate their investments and product portfolios using sustainability criteria.

DZ BANK Research's sustainability ratings are based on an integrated EESG analysis approach (economic, environmental, social, governance) and enable institutional investors, asset managers, and cooperative banks to balance expected returns with sustainability aspects when making investment decisions.

Issuers that our analysts classify as ‘sustainable’ are awarded the DZ BANK seal of approval for sustainability and are identified as such in research publications. The seal of approval is also mentioned in what is known as the master list, which the Volksbanken Raiffeisenbanken, the local cooperative banks, use as an advisory tool. In addition to the equity and bond universe of DZ BANK, which includes around 150 bond issuers and 300 stocks, the sustainability research database comprises another 2,000 or so issuers. Around 20 percent of these securities have been classified as sustainable by the sustainability research team. After evaluating countries’ sustainability, the experts categorize them as ‘non-sustainable countries’, ‘transformation countries’, or ‘sustainable countries’.

The strong growth in the green bond market meant that the focus of the sustainable investment research in 2018 was on the production of sustainability studies on issuers in this market segment. We also extended sustainability screening for the own-account investing activities of companies within the cooperative financial network. This screening service enables the cooperative banks to make their own-account investments more sustainable.

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