

Non-financial statement

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Non-financial statement

1 About this report

This non-financial statement combines the non-financial report of DZ BANK AG and the non-financial report of the DZ BANK Group. In accordance with section 315c in conjunction with section 289c of the German Commercial Code (HGB), the non-financial statement for 2019 is divided into five sections: environmental protection, treatment of employees, social responsibility, respect for human rights, and anti-corruption and bribery.

In the reporting year, a groupwide stakeholder survey on the topic of sustainability was conducted among internal and external interest groups. At a workshop for representatives of the DZ BANK Group, an analysis was conducted to identify the sustainability topic areas where the DZ BANK Group has the most significant impact on its environment, and to determine which sustainability-related aspects are also relevant for business. This non-financial statement discusses the matters that were identified as important for the understanding of business performance, operating performance, and the position of the DZ BANK Group, and the effects of its activity on the aspects required to be included in the report: environmental protection, social responsibility, and treatment of employees, respect for human rights, and anti-bribery and corruption.

Because none of the sustainability reporting frameworks use the definition of materiality contained in the German CSR Directive Implementation Act (CSR-RUG), the DZ BANK Group has opted not to use a framework for the preparation of the non-financial statement.

DZ BANK Group entities report on sustainability information that is outside the scope of the non-financial statement in their sustainability reports and on their websites. Since 2009, the DZ BANK Group has also published an annual progress report on the UN Global Compact.

This non-financial statement covers the following management units of the DZ BANK Group:

- BSH
- R+V

- UMH
- TeamBank
- DZ BANK – central institution and corporate bank (DZ BANK – CICB)
- DZ HYP
- DZ PRIVATBANK
- VR Smart Finanz
- DVB.

The ‘DZ BANK Group fundamentals’ chapter in the 2019 group management report contains information on the management units of the DZ BANK Group and their business models.

With regard to the application of the net method, there are no known material risks arising from the group’s business activities, business relationships, products, or services that are very likely to have a serious negative impact on non-financial aspects.

2 Sustainability within the DZ BANK Group

The entities within the DZ BANK Group have been pooling their sustainability activities since 2010. The Group Corporate Responsibility Committee (Group CRC) was created in 2014. The Group CRC, which is coordinated by DZ BANK and whose members include the sustainability coordinators in the management units and at ReiseBank, is a platform for sharing specialist information throughout the group about the latest sustainability-related trends and activities.

The Group CRC focuses on working together on key areas, although management of the activities remains decentralized. The key areas are determined on the basis of the findings of the stakeholder survey. The requirements of sustainability rating agencies and current political and regulatory developments are also taken into account in the choice and prioritization of topics by the Group CRC.

In 2019, the Group CRC was given the status of a management committee (see the Management of the DZ BANK Group section in the 2019 group management report). The head of the Group CRC reports to the DZ BANK Co-Chief Executive Officer responsible for sustainability. He or she also reports annually and on an ad hoc basis to the Group Coordination Committee. In the reporting year, DZ BANK conducted the ‘Advancing Sustainability’ project. The project focused on three subject areas:

external requirements, opportunities and risks, and governance. An analysis was conducted to assess the requirements of stakeholders such as regulatory authorities, investors, owners, and rating agencies and to determine the status quo; recommendations for action were derived from the findings and adopted by the Board of Managing Directors in January 2020. The affected divisions have to implement various different measures. In addition, it has been decided that sustainability should be incorporated into the business strategy and the strategic planning process. DZ BANK intends to further expand its role as a coordinator within the DZ BANK Group in order to achieve even greater consistency and integration across the sustainability strategies and methods of the group entities.

The DZ BANK Group promotes sustainable economic and social development through various sustainability management activities. The entities of the DZ BANK Group have established various products, concepts, and processes that take account of environmental, social, and ethical criteria. Below, the report outlines the applicable principles and then describes the concepts and measures used for each aspect. Where a concept applies to several aspects, it will be explained upon first occurrence and then simply referred to subsequently.

3 Environmental protection

Various concepts are used within the DZ BANK Group to minimize the potential environmental impact of business activities and to limit possible risks such as reputational risk and credit risk. Examples include the 'Sustainable lending within the DZ BANK Group' policy and DZ BANK's sustainability checklist for lending. The DZ BANK Group also offers funding solutions and investment opportunities with an environmental or social benefit.

3.1 Sustainable lending

The credit risk strategy specifies that the entities in the Bank sector of the DZ BANK Group must treat their partners fairly and, as part of the sustainability strategy, not enter into any lending arrangement that could prejudice the reputation of the group. A sustainable lending policy developed on the basis of this strategy is applied in the majority of the management units involved in lending.

The policy contains rejection criteria for controversial asset types, business sectors, and business practices in order to exclude transactions that do not meet the minimum criteria in relation to environmental, social, and governance aspects or that are associated with a higher risk of reputational damage for the DZ BANK Group. Individual DZ BANK Group entities may apply additional rejection criteria. For example, DZ BANK stopped providing project funding for new coal-fired power plants in 2018.

DZ BANK systematically assesses loan applications (traditional lending business, project finance, and customer-specific trading limits) against relevant sustainability criteria as part of the credit check process. All factors relevant to the financing arrangement in question are assessed in relation to environmental and social risks using a sustainability checklist based on the 10 principles of the UN Global Compact and the Equator Principles, the latter forming a global project finance standard for evaluating environmental and social risks. 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.

At DZ BANK, industry-related principles are used in addition to the sustainability checklist when reviewing loan applications from sensitive industries (forestry, commodities mining/extraction, dam construction, fishing, and maritime industries). These principles specify the details to be reviewed with reference to international industry-specific conventions, recognized standards, certification, and optimum production processes.

DZ BANK signed up to the Equator Principles in 2013. Since then, project finance with a total investment volume of more than US\$ 10 million and project-specific corporate finance with an investment volume of more than US\$ 100 million has been subject to an environmental and social impact assessment in accordance with these principles. Depending on their level of environmental and social sustainability, DZ BANK assigns funding projects to one of the following categories: A (potentially significant adverse environmental and social impact), B (potentially limited adverse social and environmental impact), or C (low or no environmental and social impact). This

helps to ensure that environmental and social risks are managed in line with country-specific statutory requirements and that the standards of the World Bank (IFC Performance Standards) are adhered to as a minimum. In the year under review, 33 projects assessed in this way reached financial close, including 2 A-projects, 9 B-projects, and 22 C-projects.

3.2 Financing for renewable energies

The DZ BANK Group's range of products covering renewable energies extends from finance for energy-saving solutions in construction and renovation projects to support for small and medium-sized enterprises using wind power, biomass, or solar energy and finance for large-scale projects such as solar farms, as well as suitable insurance solutions. DZ BANK's lending in the area of renewable energies stood at around €5.4 billion as at December 31, 2019. It is used to fund the expansion of infrastructure and the development of new, more efficient technologies. As well as traditional bank loans funded from the bank's own liquidity and the arrangement of development loans, the provision of project finance is a major focus of activity in the renewable energies business.

VR Smart Finanz also supports investment projects in the area of renewable energies such as photovoltaic systems and mobile elements of biogas systems. R+V Versicherung's renewable energies center of excellence develops made-to-measure insurance solutions for operators of plants producing green electricity.

3.3 Sustainable investments

Union Investment is one of Germany's largest providers of socially responsible investments, with around €53.1 billion of assets under management in this category. It offers a broad spectrum of fund and client account solutions that are managed in compliance with sustainability requirements. All investment processes are based on its company-specific guidelines for responsible investment, which were updated in the reporting year. This, in turn, is based on leading German and international standards that are adhered to above and beyond the statutory and regulatory requirements. The following standards and principles are the most important: the UN Global Compact, the Oslo Convention prohibiting the use of cluster munitions and landmines, the Principles for Responsible Investment – an investor initiative in partnership with the UNEP Finance Initiative and the UN Global Compact –, the code of conduct of the Bundesverband Investment und Asset Management

(BVI) [German Investment Funds Association], and the sustainability code of the real estate sector.

Union Investment also uses ESG aspects as an additional risk filter in its internal risk management. This focus here is on regulatory risks, reputational risks, event risks, litigation risks, and technology risks. ESG factors relating to companies, governments, and other securities issuers are analyzed as part of investment decisions. At sector level too, the importance of ESG factors for the sector concerned is incorporated into the analysis.

In the commercial real estate business, the sustainable investment check is used to analyze ESG factors both at the point of purchase of a new property and on an ongoing basis for the existing portfolio. ESG factors are also embedded in the property strategy for optimization purposes. The self-imposed obligation to structure business processes in accordance with the principles of the code of the Zentraler Immobilien Ausschuss (ZIA) [German Property Federation] is also met. When purchasing, leasing, or managing commercial properties, and when developing and renovating them, the objective is to maintain the value and the future viability of the property and to secure long-term economic performance. External service providers (property managers) are integrated into the internal processes. Sustainability aspects are taken into account in leasing, management, and development of the real estate portfolio, and in the selection of property managers. In 2019, checks similar to those in the securities business were introduced to assess whether tenants engage in unethical business practices or operate in controversial business fields. If pertinent information about a tenant is obtained, this may result in an existing lease not being extended or a new leasing arrangement or purchase not going ahead. A lease term extension, a new lease, or a purchase is admissible only if none of the (potential) tenants is subject to any of the applicable exclusions.

To optimize the existing portfolio, a decision was made in 2019 to introduce a comprehensive energy monitoring regime to reduce consumption and emissions. The gradual introduction of this monitoring and further measures implement core aspects of the 'Manage to Green' strategy aimed at ensuring that the target of making the commercial real estate portfolio climate-neutral by 2050 can be achieved. This also ensures compliance with regulatory requirements in the relevant investment countries, e.g. the 2050 Climate Action Plan of the German government.

As part of its engagement activities, Union Investment takes a proactive approach to its shareholdings on behalf of its clients. It specifically raises ecological, social, and corporate governance issues in discussions with investors and at annual general meetings, and in many cases is able to exercise influence on decision-making processes within companies. Union Investment publishes an annual engagement report.

DZ PRIVATBANK offers an ethical asset management service to its high-net-worth customers (monetary assets of more than €250,000) and private banking clients (monetary assets of more than €500,000). Coordinated social, environmental, and ethical filters define a broad investment universe of bonds and equities. Manufacturers of products such as anti-personnel mines or cluster munitions are strictly excluded from the investment universe.

3.4 Sustainable bonds

DZ BANK has been active in the sustainable bonds segment since 2013 and is one of the leading European underwriters for these assets. In 2019, the total volume of bond issues with green, social, and sustainable objectives that were supported by DZ BANK as the lead underwriter amounted to more than €10 billion (2018: around €7 billion). In the environmental field, the application of funds was focused on climate protection projects, while the focus in the social field was on residential construction and education projects. In addition, DZ BANK acted as an underwriter for innovative new issues such as the Blue Social Pfandbrief of Deutsche Kreditbank, which is used to finance municipal water supply and waste water disposal facilities in Germany. Since mid-2019, DZ BANK has also been engaged in structuring sustainable bonds and promissory notes.

DZ BANK actively contributed to the further development of the sustainable bond market in 2019 by participating in various projects such as the Climate Bonds Initiative, the Green and Sustainable Finance Cluster Germany, and the German government's Sustainable Finance-Beirat [Sustainable Finance Committee].

In October 2019, DZ BANK published an investor report on its first green bond, which was placed on the market in September 2018 with an issue volume of €250 million. The capital raised with this instrument is used to finance on-shore wind energy projects in Germany.

4 Treatment of employees

Skilled employees are an invaluable resource for the DZ BANK Group. The competition for highly capable professionals and managerial staff is increasing, so it is important for the DZ BANK Group entities to offer established employees attractive prospects and also to recruit well-qualified specialists and young people.

The Group HR Committee initiates and coordinates activities relating to overarching HR issues while at the same time exploiting potential synergies. The board members responsible for HR and the HR directors of the DZ BANK Group entities sit on this committee. A common remuneration strategy was adopted to take account of regulatory requirements. Further information on the Group HR Committee can be found in the Management of the DZ BANK Group section in the 2019 group management report.

The group employees' council is responsible for addressing matters that affect the whole group or several group entities and that cannot be handled by the internal employees' councils of the individual entities. Thus, the group employees' council is involved in initiatives such as the groupwide 'workplace of the future' project to ensure that the interests of employees are also properly represented at group level.

4.1 Employer branding

A key objective of the HR activities within the DZ BANK Group is to increase the group's attractiveness as an employer. A company-wide employer branding campaign was initiated in 2014. The objective of the campaign is to establish the DZ BANK Group as an employer in the marketplace, thereby attract suitable candidates, and retain existing employees over the long term, and thus safeguard the future viability of the DZ BANK Group. Following the success of the internal communications and information-sharing platform set up in 2014, a joint external careers website featuring vacancies across the group was launched two years later. Various public relations activities supported the launch of the employer brand in the external job market. The focus widened to internal communications channels, for example with articles about individual employees in features such as 'A day in the life of...'. In 2018, employer branding responsibilities were transferred from the entities to the relevant line functions, where they have become a firmly established element of HR policy.

The fourth group in the cross-mentoring program for heads of department started in the second half of 2018, with 15 mentor/mentee pairings from eight entities in the DZ BANK Group. The next group is scheduled to start in May 2020. The aim of the program is to use individual mentoring to develop the professional expertise of the participants and help them build their own network within the DZ BANK Group. This helps to strengthen the participants' identification with the entities, which in turn improves employee retention.

The project 'Information days: Experiencing the sense of belonging in the DZ BANK Group' was continued in the reporting year. Since the successful pilot run in 2016, two or three of these events have been held every year at different entities. The project is scheduled to be continued in 2020 with events in several entities.

These events promote an understanding of particular requirements in other entities, encourage a greater depth of professional dialog, and thereby produce employees capable of spreading the message among others. As well as expanding networks within the entities, the events support overarching succession and career planning and secure long-term employee loyalty.

The DZ BANK Group is developing its strategy as the leading financial services provider for the cooperative financial network under its forward-looking 'Verbund First 4.0' initiative. In its role as a central institution and corporate bank, DZ BANK is working on various fields of action as part of this initiative.

In the field of personnel and culture, it is pursuing five core objectives: 1. strengthening the collaboration and management culture, 2. recruiting and retaining staff successfully, 3. supporting employees and their performance, 4. deploying employees and resources effectively, and 5. communicating transparently and constructively. The first few measures in connection with these objectives were launched in 2019, for example the new communication concept 'coffee talk'. This format offers employees regular opportunities to engage in an active dialog across hierarchies with those responsible for the individual fields of action of the 'Verbund First 4.0' initiative. Among the next items on DZ BANK's HR agenda are the expansion of its feedback tools and the development of a structured talent management concept.

The entities of the DZ BANK Group regularly undergo the 'berufundfamilie' audit in order to

promote a good work-life balance. The Hertie Foundation recognizes companies with family-friendly and life-stage-oriented HR policies. The auditberufundfamilie® quality seal has to be renewed every three years and is contingent on the auditing of specific measures. In 2019, the majority of entities were certified by auditberufundfamilie®. Flexible working hours and part-time working models, together with other measures aimed at improving work-life balance, form a permanent part of HR policy in each entity.

The DZ BANK Group entities offer health management services in order to boost their employees' performance. In 2019, staff could choose to participate in a variety of preventive health measures such as company sports groups or special courses focusing on preventive healthcare.

4.2 Professional development

The entities in the DZ BANK Group offer their staff a wide range of internal training and development opportunities. One of the topic areas in which DZ BANK expanded its offering in 2019 was 'innovation, digitalization, and agility'. From the start of 2020, it will also focus on innovative digital learning resources. Plans in this area include the launch of a new video-based learning platform ('Masterplan'). One of the objectives of this platform is to enable employees to improve their digital skills. A rollout of Masterplan to further DZ BANK Group entities is envisaged.

Back in 2011, the entities in the DZ BANK Group issued a letter of intent declaring their commitment to actively supporting the advancement of women in their careers. The initiative is supported by joint events such as the 'Success strategies for women in business' training.

5 Social responsibility

The future viability of the DZ BANK Group rests on its ability to satisfy its customers. That is why the DZ BANK Group entities actively seek dialog with their customers and other stakeholders in order to engage them in the group's business processes to everyone's advantage. This regular and intensive dialog helps the DZ BANK Group's owners and customers to build trust in the quality of the products and services on offer.

The most important customer group is the cooperative banks. As they are also the owners of DZ BANK, DZ BANK feels particular solidarity and a sense of partnership with them. DZ BANK facilitates communication and information sharing with the cooperative banks through various dialog events, including five regional Banking Advisory Councils and the autumn conferences.

The DZ BANK Group's Central Advisory Council is of particular strategic importance. It aims to ensure that the cooperative banks are involved in the DZ BANK Group's significant 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. It facilitates 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 meets twice a year and is able to make recommendations to the various Boards of Managing Directors in the DZ BANK Group.

6 Respect for human rights

As a signatory to the UN Global Compact, the DZ BANK Group is committed to ten globally applicable principles covering the areas of human rights, labor standards, the environment, and anti-corruption. Together with the DZ BANK Group's code of conduct, these principles form a binding frame of reference for the practices of the DZ BANK Group entities. Human rights aspects are also taken into account in the business activities of the group entities, for example in the portfolio management of Union Investment and the procurement processes of the DZ BANK Group.

6.1 Code of conduct of the DZ BANK Group

The code of conduct provides the basis for the ethical, legally compliant, and socially responsible corporate culture within the DZ BANK Group. The DZ BANK Group's code of conduct provides its employees with principles and rules on how to behave properly and responsibly, particularly in their dealings with customers, business partners, and other members of staff. The entities of the DZ BANK Group do not tolerate any discrimination against employees or third

parties on the basis of age, gender, ethnic background, nationality, religion, political views, worldview, race, disability, or sexual identity.

6.2 Sustainability agreement with suppliers

When selecting suppliers and service providers, respect for and protection of human rights are important to the DZ BANK Group. In 2017, the DZ BANK Group developed guidelines entitled 'Sustainability in Procurement'. The procurement processes incorporate social and ecological standards that cover aspects relating to human rights and working practices. DZ BANK, Bausparkasse Schwäbisch Hall, R+V Versicherung, Union Investment, and VR Smart Finanz use a sustainability agreement requiring their suppliers to comply with the DZ BANK Group's minimum standards, the principles of the United Nations Global Compact, and the fundamental conventions of the International Labour Organization. A breach of this agreement may ultimately result in a supplier being suspended.

6.3 Guidelines for responsible investment

The statements on sustainable lending and sustainable asset management in the DZ BANK Group set out in the section on environmental protection are also of importance for the aspect of 'respect for human rights'. Social and ethical factors are taken into account, alongside environmental aspects, in both sustainable lending and sustainable asset management.

Union Investment has systematically integrated the issue of human rights violations into the portfolio management assessment guidelines by implementing the principles of the UN Global Compact. Relevant information is available to all fund managers in Union Investment's proprietary research and portfolio management system SIRIS (short for 'sustainable investment research information system'). Human rights aspects are also proactively raised with companies as part of the engagement process.

R+V Versicherung follows clear ethical guidelines in its investments. It does not invest in companies that manufacture mines and anti-personnel mines, atomic, biological, and chemical weapons (ABC weapons), depleted uranium munitions, or cluster munitions. Financial products for agricultural commodities are also excluded. Since 2018, the insurance company no longer invests in companies that generate 30 percent or more of their revenue from the mining or use of coal. The rejection criteria apply to all asset classes (equities, interest-bearing securities such as bonds and

Pfandbriefe, loans, and real estate) over which R+V's investors have a direct influence.

Bausparkasse Schwäbisch Hall has defined rejection criteria for the investment of its own funds. Bonds from defined sectors (such as certain armaments or pornography) or from companies with ethically dubious business practices (child labor and forced labor, human rights violations, controversial environmental practices) are excluded. Since 2015, BSH has also excluded bonds from companies that earn more than 25 percent of their total consolidated revenue from coal-fired power plants (brown and hard coal) or uranium mining.

7 Anti-corruption and bribery

Ensuring compliance is essential to responsible corporate governance. An effective compliance management system ensures that business practices are legitimate and serves to protect against reputational risks and financial loss. This includes combating corruption and bribery, preventing money laundering, the financing of terrorism, market manipulation, and insider trading, and ensuring compliance with financial sanctions.

7.1 Compliance function

The main tasks of the compliance function are to identify, manage, and mitigate compliance risk in order to protect customers, DZ BANK, the other entities in the DZ BANK Group, and their employees against breaches of legal provisions and requirements. The compliance function is also responsible for monitoring compliance with the legal provisions and requirements, keeping senior management and the departments informed of changes to the legal situation, and advising them on implementing new provisions and requirements. The compliance framework of the DZ BANK Group centers on the compliance policy, which sets out the requirements for the establishment/organization of the compliance functions and details of their duties. The framework is supplemented by compliance standards, which specify how to implement these requirements at an operational level.

The Head of Compliance at DZ BANK reports at least once a year on the activities and key findings of the compliance function in relation to DZ BANK, including its international branches and its subordinated group entities. The tasks of the Compliance division are based on the requirements of the German Banking

Act (MaRisk, money laundering and other criminal offenses), the German Securities Trading Act (MaComp), MAR, MAD, the German Anti-Money Laundering Act (GwG), and the corresponding legislation at European level.

DZ BANK has established a control process to identify, implement, and comply with material new and amended statutory and regulatory provisions based on consistent standards. At the end of 2019, this process was digitalized and rolled out across the entire bank. Digitalization ensures that statutory requirements are implemented with an even higher degree of efficiency and process security.

7.2 Money laundering and fraud prevention

By signing up to the UN Global Compact, the DZ BANK Group has undertaken to respect and comply with the ten principles of corporate responsibility. Principle 10 commits companies to work against corruption in all its forms, including extortion, bribery, and passive corruption. The DZ BANK Group's code of conduct is based on the principles of the UN Global Compact. It also addresses undesirable business practices and makes reference to various fraud prevention tools.

To prevent white-collar crime and protect the group's reputation and assets, procedures have been introduced to allow employees to report potentially illegal or damaging practices. The entities of the DZ BANK Group have set up a whistleblowing system that enables employees to report possible criminal acts internally, without having to disclose their own identity.

All DZ BANK Group entities have policies in place for dealing with gifts. Gifts should generally be given for altruistic motives – for example to express thanks – or to celebrate events such as birthdays or service anniversaries. However, such well-intended gestures could be misinterpreted and could lead to improper influence over the recipient of the gift. The line between a well-intended gesture and an attempt at bribery is blurred. The DZ BANK guidelines for dealing with gifts and invitations contain binding provisions designed to rule out conflicts of interest and crimes, with the aim of protecting employees, customers, and DZ BANK itself.

The entities of the DZ BANK Group provide regular training for their employees on compliance, prevention of money laundering and terrorist financing, fraud

prevention, the General Data Protection Regulation, information security, and prevention of market manipulation. The training is intended to ensure ethical business conduct by informing and educating employees.

At DZ BANK, web-based training tools are mandatory for all employees and also include a test at the end. Employees must complete these programs soon after joining the organization. The modules are tailored to the business activities and the special needs of DZ BANK and are repeated by all employees at all locations in Germany on a two-yearly cycle. Employees who have not completed the training within the specified timeframe receive an automated

reminder from the training tool, giving them 15 days to complete the program in question. The internal reminder system consists of a total of three warning levels, each of which also sends a notification to the employee's immediate line manager. To prevent white-collar crime and to protect the assets and reputation of the organization, a new web-based training tool on financial sanctions and embargoes was developed in 2019 and made mandatory for employees.

The DZ BANK Group entities also provide anti-money laundering and fraud-prevention training to their employees. Depending on the size of the entity, classroom-based training may also be provided in addition to the online training programs.

Independent Auditor's Limited Assurance Report

The assurance engagement performed by Ernst & Young (EY) relates exclusively to the German version of the DZ Bank Non-financial Report 2019. The following text is a translation of the original German Independent Assurance Report.

To DZ Bank AG, Frankfurt am Main

We have performed a limited assurance engagement on the non-financial report of DZ Bank AG according to §§ 340a in conjunction with 289b HGB ("Handelsgesetzbuch": German Commercial Code), which is combined with the non-financial report of the group according to §§ 340i in conjunction with 315b HGB and the section "DZ BANK Group fundamentals" in the Group Management Report being incorporated by reference, for the reporting period from 1 January 2019 to 31 December 2019 (hereafter non-financial report). Our engagement did not include any disclosures for prior years.

A. Management's responsibility

The legal representatives of the Company are responsible for the preparation of the non-financial report in accordance with §§ 340a in conjunction with 289c to 289e HGB and §§ 340i in conjunction with 315c HGB.

This responsibility includes the selection and application of appropriate methods to prepare the non-financial report as well as making assumptions and estimates related to individual disclosures, which are reasonable in the circumstances. Furthermore, the legal representatives are responsible for such internal controls that they have considered necessary to enable the preparation of a non-financial report that is free from material misstatement, whether due to fraud or error.

B. Auditor's declaration relating to independence and quality control

We are independent from the Company in accordance with the provisions under German commercial law and professional requirements, and we have fulfilled our other professional responsibilities in accordance with these requirements.

Our audit firm applies the national statutory regulations and professional pronouncements for quality control, in particular the by-laws regulating the rights and duties of Wirtschaftsprüfer and vereidigte Buchprüfer in the exercise of their profession [Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer] as well as the IDW Standard on Quality Control 1: Requirements for Quality Control in audit firms [IDW Qualitätssicherungsstandard 1: Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis (IDW QS 1)].

C. Auditor's responsibility

Our responsibility is to express a limited assurance conclusion on the non-financial report based on the assurance engagement we have performed.

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB). This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about

whether the non-financial report of the Company has been prepared, in all material respects, in accordance with §§ 340a in conjunction with 289c to 289e HGB and §§ 340i in conjunction with 315c HGB. In a limited assurance engagement the assurance procedures are less in extent than for a reasonable assurance engagement and therefore a substantially lower level of assurance is obtained. The assurance procedures selected depend on the auditor's professional judgment.

Within the scope of our assurance engagement, which has been conducted between December 2019 and February 2020, we performed amongst others the following assurance and other procedures:

- Inquiries of employees and inspection of relevant documentation regarding the selection of topics for the non-financial report, the risk assessment and the concepts of DZ Bank AG and of DZ Bank Group for the topics that have been identified as material,
- Inquiries of employees responsible for data capture and consolidation as well as the preparation of the non-financial report, to evaluate the reporting processes, the data capture and compilation methods as well as internal controls to the extent relevant for the assurance of the non-financial report,
- Identification of likely risks of material misstatement in the non-financial report,
- Inspection of relevant documentation of the systems and processes for compiling, aggregating and validation of data in the relevant areas e.g. compliance and employees in the reporting period and testing such documentation on a sample basis,
- Analytical evaluation of disclosures in the non-financial report,
- Inquiries and inspection of documents on a sample basis relating to the collection and reporting of selected data and
- Evaluation of the presentation of disclosures in the non-financial report.

D. Assurance conclusion

Based on our assurance procedures performed and assurance evidence obtained, nothing has come to our attention that causes us to believe that the non-financial report of DZ Bank AG for the period from 1 January 2019 to 31 December 2019 has not been prepared, in all material respects, in accordance with §§ 340a in conjunction with 289c to 289e HGB and §§ 340i in conjunction with 315c HGB.

E. Intended use of the assurance report

We issue this report on the basis of the engagement agreed with DZ Bank AG. The assurance engagement has been performed for the purposes of the Company and the report is solely intended to inform the Company as to the results of the assurance engagement and must not be used for purposes other than those intended. The report is not intended to provide third parties with support in making (financial) decisions.

F. Engagement terms and liability

The “General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]” dated 1 January 2017 are applicable to this engagement and also govern our relations with third parties in the context of this engagement (www.de.ey.com/general-engagement-terms). In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards

third parties. We assume no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we do not update the assurance report to reflect events or circumstances arising after it was issued unless required to do so by law. It is the sole responsibility of anyone taking note of the result of our assurance engagement summarized in this assurance report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

München, 6 March 2020

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(German Public Auditor)

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